

National Interest Analysis [2022] ATNIA 6

with attachments

Australia-India Economic Cooperation and Trade Agreement

Melbourne, Australia and New Delhi, India, 2 April 2022

[2022] ATNIF 6

Attachments:

Attachment I Consultation

Attachment II Regulation Impact Statement

Attachment III Key Outcomes

NATIONAL INTEREST ANALYSIS: CATEGORY 1 TREATY

Economic Cooperation and Trade Agreement between Australia and the Republic of India

Melbourne, Australia and New Delhi, India, 2 April 2022

[2022] ATNIA 6

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Nature and timing of the proposed treaty action

1. The proposed treaty action is to bring into force the Australia-India Economic Cooperation and Trade Agreement (“ECTA”, “the Agreement”) signed on 2 April 2022 at Melbourne, Australia and New Delhi, India.
2. The Agreement is intended to function as an interim or ‘early harvest’ agreement in advance of a Comprehensive Economic Cooperation Agreement (CECA) to be concluded by the end of 2022.
3. Article 14.7 (Entry into Force) provides that the Agreement will enter into force 30 days after an exchange of written notifications, certifying completion of the necessary domestic requirements, including internal legal procedures, of each Party or on such other date as the Parties may agree.
4. It is proposed that Australia provide such notification as soon as practicable following consideration by the Joint Standing Committee on Treaties (JSCOT), the passing of any legislative amendments and the enactment of any necessary regulations.

Overview and national interest summary

5. Australia’s prosperity has been, and will continue to be, underpinned by trade and foreign investment. As an open trading nation, Australia’s continued prosperity depends on our economy staying internationally competitive and on Australian businesses continuing to succeed in new markets
6. The *India Economic Strategy to 2035: Navigating from Potential to Delivery* observed that there is no single market with more growth opportunities for Australian business to 2035 than India. The International Monetary Fund (IMF) has forecast that India’s GDP would grow at 9 per cent for the current Indian financial year (ending 31 March 2022), which if achieved, would make India’s COVID-19 economic recovery the fastest of any major economy.¹ Growth over the longer term is underpinned by India’s sound

¹ IMF, *India: 2021 Article IV Consultation*, October 2021 - [World Economic Outlook Update, January 2022: Rising Caseloads, A Disrupted Recovery, and Higher Inflation \(imf.org\)](https://www.imf.org/en/Publications/WEO/Issues/2022/01/27/wEO2201)

fundamentals and a continued economic reform agenda. To 2026, the IMF forecasts GDP growth of 53 per cent on 2019 levels.

7. The Agreement will play a vital role in helping Australian businesses to unlock or expand their operations in the Indian market, while a full CECA is being negotiated. It will provide preferential tariff reductions or elimination for Australian exports to India and improve certainty for Australian service suppliers already doing business in India through additional bound commitments on a range of commercially meaningful services sectors, including telecommunications, financial services and professional services.
8. Opening new markets is more important than ever. In recent decades, Australia's exports have been driven by growth in demand from East Asia². However, the COVID-19 pandemic, US-China trade tensions and recent bilateral trade challenges have highlighted the risks of market concentration. It has also renewed public debate about how Australia could diversify its export markets to make Australia's economy more resilient and less susceptible to economic shocks and trade disruptions³. The new access and opportunities created by the Agreement will further the Foreign Policy White Paper objective of diversifying Australia's trade and guarding against the risk of discriminatory trade blocs that could damage Australia's economic and security interests, will facilitate Australia's economic recovery, and will reduce the vulnerability of Australia's trade and investment to future crises.
9. The elevation of the Australia-India relationship to a Comprehensive Strategic Partnership (CSP) includes a commitment to encourage expanded trade and investment flows to the benefit of both economies. The Update to the India Economic Strategy (IES) sets out an action plan for the next 5 years to deliver on the goals of the IES and further drive our economic ties under the CSP. At a time of sharpening strategic competition, the importance of the CSP with India continues to grow.
10. Deepening economic links between like-minded partners to support open markets and a stable and prosperous Indo-Pacific is a central element of the Australian Government's foreign policy. The ECTA, followed by a full CECA, would sit alongside our existing free trade agreements (FTAs) with other Indo-Pacific strategic partners, including Japan, Korea and Indonesia, further strengthening regional economic architecture.
11. The Agreement will also preserve Australia's competitiveness in the Indian market. India recently announced a review of its ASEAN FTA, is currently in negotiations with the UK on a new FTA and has unfinished bilateral trade negotiations with New Zealand, the European Union, United States and Canada. If one or more of these countries or associations agrees an FTA with India, this will put Australian exporters, investors and service suppliers at a competitive disadvantage.
12. Finally, with the global rules-based trading order continuing to face significant pressures, signing the Agreement also sends a signal to the world of Australia's and India's ongoing

² Joint Standing Committee on Trade and Investment Growth, *Pivot: Diversifying Australia's Trade and Investment Portfolio* - [Pivot \(aph.gov.au\)](https://aph.gov.au)

³ DFAT Submission to the Joint Standing Committee on Trade and Investment Growth, *Pivot: Diversifying Australia's Trade and Investment Portfolio* - [Sub043 - DFAT.pdf](#)

commitment to trade liberalisation, helping to counter protectionist sentiment during a period of geopolitical uncertainty and trade tensions.

Reasons for Australia to take the proposed treaty action

13. The purpose of signing the ECTA is to create new opportunities for goods and services trade with India and to remove barriers that were impeding trade in goods, supply of services and movement of people for business or work purposes, between the two economies.
14. The key outcomes and impacts of the ECTA are set out in detail in Attachment II (Regulation Impact Statement) and Attachment III (Key Outcomes) to this National Interest Analysis (NIA). Sectoral outcomes are summarised below.

Goods Market Access

15. Under the ECTA more than 85 per cent of Australian goods exports (valued at AUD \$12.6 billion on average over the period 2018 to 2020) will enter India duty-free on entry into force (EIF) of the Agreement.
16. This will include Australian agricultural goods including wool, sheep meat, barley, oats, fresh rock lobsters, and hides and skins. Cotton will be able to access a sizable duty-free quota. Australian wine exports will benefit from progressive reductions in tariffs over a 10 year period for bottles whose price is above a certain minimum value, as well as a commitment from India promising Australian wine will benefit from future liberalisation India might offer another FTA partner. A large number of Indian tariffs on Australian fresh, frozen and processed seafood goods will be phased out over 7 years, including for Atlantic salmon, tuna and albacore and frozen rock lobster. Tariffs on a number of seed, oil and processed wheat, cereal, and grain products will be eliminated by year 7 of implementation. Tariffs on milk powder for infant use and on protein concentrates will also be eliminated after 7 years.
17. Tariffs will also be eliminated or reduced over 7 years on certain horticultural products, including fruits such as apricots, cherries, strawberries and other berries and macadamia nuts, shelled pistachios, onions and avocados. Lentils, almonds, oranges, mandarins, and pears will be able to access preferential quotas. Several processed food exports will have tariff rates reduced to zero in 7 years including pasta, some roasted corn products, bulgur wheat and crispbread. Tariffs on certain pulses will also be eliminated after 7 years or benefit from an annual preferential tariff rate quota.
18. Tariff elimination will also occur at EIF on key Australian industrial goods such as coal (after 5 years from EIF in the case of bituminous coal), LNG, alumina, most metallic ores and certain non-ferrous metals. Critical minerals including manganese ores, tungsten ores and concentrates, rare earth oxides and zirconium concentrates will also have tariffs reduced to zero on implementation. Tariffs will also be removed for pharmaceutical products, certain medical devices and sandalwood over 5-7 years.

Services and Mobility

19. India is Australia's third largest services export market. Our services exports to India have nearly doubled over the past decade to reach AUD\$6.9 billion in 2020. India's services market is growing rapidly, and the country has developed a leading role providing a range of support services to business in other countries including back-office functions and call-centres, which Australian companies are increasingly seeking to offshore. Imports of Indian services totalled AUD\$2 billion in 2020. India's services market is one of the world's largest and its growing middle class presents enormous opportunities for Australian service suppliers able to tailor products to suit the Indian market.
20. The Agreement provides increased certainty for Australian service suppliers already doing business in India by binding existing market access, in line with current settings or with commitments that it has made in its preferential trade agreements (with Japan, Korea and Singapore). In most cases, India will bind 85 subsectors for Australia in the ECTA, a 43 per cent improvement on the current bound market access that Australia receives through the World Trade Organization under the *General Agreement on Trade in Services*.
21. These outcomes reflect additional bound commitments across a range of commercially meaningful services sectors for Australia, including business services (accounting, tax, architectural and urban planning), research and development, communication, construction and engineering, insurance, banking, education, hospital, recreation, sports, tourism and transport services.
22. India has also agreed to 31 commercially meaningful services sectors and subsectors where it will guarantee that Australian service suppliers will receive the same treatment that India accords to like services and service suppliers from India's future FTA partners (most-favoured-nation or "MFN"). As India is currently participating in many FTA negotiations, including with the UK, Canada and the EU, Australia will be able to reap the benefits of these future FTAs and upgrades in those sectors. This is the first time India has committed to MFN in a bilateral trade agreement, and consequently constitutes the best MFN outcome that India has given to any trading partner.
23. In telecommunications services, India has agreed rules that guarantee service suppliers from India and Australia access to and use of public telecommunications networks and services, non-discriminatory access to interconnection and regulatory transparency. Australian investors in telecommunications will be allowed a foreign equity allowance of 74 per cent for commercial presence.
24. For financial services, India has agreed to guarantee foreign equity limits for insurance at 49 per cent. This is better treatment than India provided in its FTAs with Singapore and Japan. The Financial Services Annex will promote regulatory transparency in authorisation procedures that are necessary to supply financial services and will increase transparency.
25. The services elements of the Agreement, including the Annex on Professional Services, will also provide a solid foundation for Australia and India to continue discussions and

to look at ways to further liberalise professional services. The Agreement will establish a Professional Services Working Group for the future facilitation of the mutual recognition of qualifications, licensing and registration procedures between professional services bodies. Australia and India have agreed to engage their respective professional services bodies to negotiate mutual recognition arrangements for qualifications, licensing and registration procedures across professional services and services in regulated or licensed occupations. This provides a useful platform to encourage professional bodies to negotiate mutual recognition agreements and provides a hook for the bodies to reach out to their counterparts.

26. The Agreement will also provide greater certainty on mobility pathways and address red tape through transparency provisions. Australia is obtaining commitments from India that reflect the best of India's existing FTA practice, including additional commitments for Australian Contractual Service Suppliers and Independent Professionals in sectors (for stays of up to a year) beyond any of India's precedents. Australian skilled service providers, investors and business visitors will gain from binding access into India, supporting investment and providing business with increased certainty. Australian businesses in India will have greater clarity on visa application procedures including periods of stay and other conditions. India's commitments will ensure Australians can travel to India across a wide range of sectors and business activities and are more extensive than any commitments made by India in an FTA or at the WTO.
27. Australia has agreed to provide India with mobility outcomes consistent with existing visa settings and commitments made in our previous FTAs. This includes equivalent commitments on categories of entrant, length of stay, and spouses and dependents, but does not include a waiver of labour market testing. This means where labour market testing is an existing requirement of a visa, an Australian employer will still need to provide evidence that they have tested the local labour market first before looking to recruit from India. Current skills assessments for visa applicants and sponsorship requirements for employers who want to hire overseas workers will remain after the ECTA enters into force
28. Reflecting the importance of Australia's education exports to India, Australia has for the first time confirmed post-study work rights in a side letter to an FTA, and will extend durations of stay for highly sought-after STEM graduates from India. Australia will maintain opportunities for former Indian students to live, study and work temporarily upon completion of a diploma or trade qualification (up to 18 months), bachelor degree (up to two years), masters degrees (up to three years) or doctoral degree (up to four years). An additional year will be available for Indians who graduate with bachelor degrees in STEM and ICT with first class Honours (from two to three years).
29. In addition, India will provide a reciprocal work-based immigration route for Australians who successfully complete their studies and who wish to supplement their training with professional experience in India, to open up greater opportunities post-study.
30. Australia will also provide new access for Indian citizens to participate in Australia's Work and Holiday (subclass 462) program. Places will be capped at 1000 per year be implemented within two years of entry-into force of the FTA. The outcome is expected

to deepen our people-to-people links as well as moderately contribute to tourism and workforce needs in the post-COVID recovery. India has undertaken to extend a similar arrangement to Australia should it establish a similar youth mobility program with any other country in the future. As India is currently negotiating other FTAs, including with the UK, this ensures young Australians will reap the benefits of any future Indian youth mobility outcome.

31. A Working Group on the Temporary Movement of Natural Persons will also be established, which will meet annually, and will provide the opportunity to review implementation and discuss commitments, including India's progress on a post-study work visa and a future youth mobility visa for Australians.

Obligations

32. The Agreement will have 14 chapters.

Goods

33. The provisions contained in the ECTA goods-related chapters (Chapters 2-7) reaffirm existing rights and obligations under the relevant WTO Agreements.
34. The **Trade in Goods** Chapter (Chapter 2) secures Australia and India's commitments to eliminate or reduce customs duties for a range of goods, as outlined in Schedules for each Party in Annex 2A (Tariff Commitments). This Chapter is a common element of FTAs and is consistent with Australia's obligations under the *General Agreement on Tariffs and Trade 1994* and other Multilateral Agreements on Trade in Goods in Annex 1A of the *Agreement Establishing the WTO* (WTO Agreement). The Chapter affirms Australia and India's commitment with respect to the application of import and export restrictions, disciplines on the use of non-tariff measures and provisions to help improve transparency. It establishes a Subcommittee on Trade in Goods to enable dialogue, address any implementation issues and promote further trade, including consultations on further tariff elimination and on addressing non-tariff barriers. The Chapter also includes an Article on Agricultural Cooperation, committing the Parties to undertake cooperation and capacity building activities in areas related to agriculture and agricultural trade.
35. The Trade in Goods Chapter of the Agreement also contains a "Most-Favoured-Nation" (MFN) provision. This guarantees that Australian exporters would receive the MFN customs duty rate provided by India generally to all trading partners, if that rate is lower than the customs duty rate negotiated bilaterally with Australia in this Agreement.
36. The Chapter on **Trade Remedies** (Chapter 3) establishes transitional bilateral safeguard provisions based on those in the WTO Agreement on Safeguards which are compliant with Australia's domestic legislation, and further commitments on provisional bilateral safeguards.
37. The **Rules of Origin** Chapter (Chapter 4) and Annexes 4A (Minimum Information Requirements) and 4B (Product Specific Rules) negotiated under the Agreement specify the rules under which goods imported from a Party are considered eligible for preferential tariff treatment. It includes rules that will facilitate access to the Indian market in a clear

and streamlined way. Requirements have been aligned to those in other regional FTAs, where possible.

38. The Chapter on **Customs Procedures and Trade Facilitation** (Chapter 5) contains commitments for efficient and transparent customs procedures to facilitate increased bilateral trade. The Chapter builds on commitments under the *WTO Agreement on Trade Facilitation* and supports transparency of rules and procedures. This Chapter is a common element of FTAs. It provides greater certainty, transparency and predictability for Australian traders.
39. The Chapter on **Sanitary and Phytosanitary (SPS) Measures** (Chapter 6) is designed to help facilitate trade. It reaffirms the Parties' commitments in the *WTO Agreement on the Application of Sanitary and Phytosanitary Measures*. It reaffirms Australia's right to continue to implement a robust, science-based biosecurity regime and will enhance and deepen understanding of each other's biosecurity regimes. It provides a structure for ongoing consultation and information flow, including through contact points, technical consultations and a Subcommittee on SPS Matters.
40. The Chapter on **Technical Barriers to Trade (TBT)** (Chapter 7) enhances the institutional relationships between Australia and India by increasing cooperation and information exchange. It includes commitments on conformity assessment, international standards and technical regulations that build on the *WTO Agreement on Technical Barriers to Trade* to further facilitate trade and enhance transparency. The Chapter includes a Pharmaceuticals Annex (Annex 7A), to support the Parties working together to facilitate trade in human prescription medicines and medical devices. The Chapter provides a structure for ongoing consultation and information flow, including through contact points, technical discussions and a Subcommittee on Standards, Technical Regulations and Conformity Assessment Procedures.
41. The Goods cluster of issues also includes **side letters** on trade in **organic goods** (with the Parties endeavouring to conclude negotiations on a Mutual Recognition Assessment of organics equivalence within 12 months of the date of signature of the Agreement), **bilateral cooperation on the trade and production of wine**, and issues relating to **market access for whisky and other alcoholic beverages**. India has also agreed to a side letter committing it to **MFN on wine** with respect to customs duties and charges of any kind imposed on or in connection with importation, with respect to the method of levying such duties and charges and, with respect to minimum CIF value of import.

Services

42. The **Trade in Services** Chapter (Chapter 8) will establish rules for the supply of services between the Parties, including obligations to provide access service suppliers of the other Party (Market Access), to treat services suppliers of the other Party equally (National Treatment) and to treat service suppliers of the other Party at least as well as suppliers of any non-Party (MFN). The Agreement contains a 'positive list' approach for scheduling commitments for India (India's Schedule of Specific Commitments is set out in annex 8E) and a 'negative list' approach for Australia (Australia's Schedule is set out in its Schedule of Non-conforming Measures in Annex 8F) with a provision for India to transition to a negative list approach within 6 years of EIF. The Chapter includes local

presence, transparency, payments and transfers, denial of benefits and recognition provisions broadly in line with our previous FTAs. These commitments are consistent with Australian regulatory practice that exists across all Australian jurisdictions and require no regulatory changes. The Trade in Services chapter also provides transparency and predictability for service suppliers on the domestic regulations that they can expect to be exposed to when entering the Indian or Australian markets.

43. There are also separate **Annexes on Financial Services, Professional Services and Telecommunications Services**, consistent with the economic value that is placed on these sectors. The Annex on Financial Services (Annex 8A) will contain specific rules giving financial service suppliers greater certainty and transparency regarding the rules that will apply to them when providing services in both Australia and India. These rules principally concern a guarantee of non-discriminatory treatment and transparency for service suppliers. The Annex on Telecommunications Services (Annex 8B) contains rules that guarantee service suppliers from India and Australia access to and use of public telecommunications networks and services. It also includes a guarantee for non-discriminatory access to interconnection and transparency provisions. The Annex on Professional Services (Annex 8C) will include a framework to improve the two-way movement of professionals. It will establish a Professional Services Working Group for the future facilitation of the mutual recognition of qualifications, licensing and registration procedures between professional services bodies. Australia and India have also agreed to engage their respective professional services bodies to negotiate mutual recognition arrangements for qualifications, licensing and registration procedures across professional services and services in regulated or licensed occupations.
44. The Chapter on **Temporary Movement of Natural Persons** (Chapter 9) contains commitments that address visa and related issues necessary to enhance mobility for workers and business people across the two economies, such as clarity on application procedures including periods of stay and other conditions. Each Party's commitments are set out in Schedules of Specific Commitments on the Temporary Movement of Natural Persons in Annex 9A. The Chapter text also includes a commitment that the processing of an application is reasonable, in that it does not unduly impair or delay the supply of a service or trade in goods and it also include rules around the granting of temporary entry.
45. Alongside this Chapter, there will also be **side letters on post-study work visas and work and holiday visas**. The post-study work visa outcome commits Australia to maintain certain opportunities for Indian students to live, study and work in Australia temporarily upon completion of their studies and extend the duration of stay (from two to three years) for India students graduating with First Class Honours in STEM and ICT. The post-study work visa outcome will be implemented on entry into force of the Agreement. The work and holiday visa side letter commits Australia to extend new access (1000 places per year) to the Work and Holiday Maker (subclass 462) visa for Indian citizens who meet the eligibility criteria and will be implemented within two years of entry into force.

Transparency

46. The **Transparency** Chapter (Chapter 10) contains provisions to encourage transparency, including on the publication of laws, regulations, procedures and administrative rulings of general application with respect to any matter covered by the Agreement. It also contains provisions encouraging the transparency of administrative proceedings of a Party with respect to matters covered by the Agreement.

General Provisions and Exceptions

47. The **General Provisions and Exceptions** Chapter (Chapter 11) contains general exceptions to the Agreement, and exceptions relating to matters such as essential security, taxation measures, and balance of payments.

Administrative and Institutional Provisions

48. The **Administrative and Institutional Provisions** Chapter (Chapter 12) establishes a Joint Committee to oversee and ensure effective implementation of the Agreement. The Joint Committee shall be composed of government representatives of both Parties and be the peak body responsible for overseeing the operation of the Agreement after EIF. This is standard practice in Australia's FTAs.

Dispute Settlement

49. The **Dispute Settlement** Chapter (Chapter 13) contains rules and procedures for resolving disputes that may arise between the Parties in relation to their commitments under this Agreement. This Chapter is a common element of Australia's FTAs and is based on the rules and procedures for dispute resolution under the WTO. In keeping with Australia's FTA practice, some provisions of this Agreement are excluded from the scope of the Dispute Settlement Chapter, such as disputes arising under the provisions of the Sanitary and Phytosanitary Chapter.

Final Provisions

50. The **Final Provisions** Chapter (Chapter 14) contains provisions governing the administration of the Agreement. This includes the requirements for the Agreement to enter into force as well as the process for general review of the Agreement by the Parties. This Chapter also establishes the process for the negotiation of a full CECA by the Parties following the signing of this Agreement, as well as the process for termination of this Agreement by a Party.

Other issues

51. The Agreement does not contain a stand-alone chapter governing investment. However, provisions relating to investment through commercial presence of service suppliers of one Party in the territory of another have been included in the Services commitments. Australia and India have agreed upon a limited preferential Foreign Investment Review Board screening threshold of AUD\$500m, indexed, for incoming Indian investment in non-sensitive services sectors in Australia, increased from AUD\$289m, indexed. This limited preferential threshold will not apply to Indian investment in non-services sectors

(mining and quarrying, forestry, manufacturing, fisheries and agriculture) or to sectors classified as sensitive under Australia's Foreign Investment Framework,⁴ for which the existing non-preferential thresholds will continue to apply

52. There will be a **side letter** included in the Agreement relating to amendment of Australian **domestic taxation law** to provide an outcome which would stop the taxation of offshore income of Indian firms providing technical services into Australia, to be implemented in a similar time period to the implementation of the ECTA. Such taxation is not imposed on these services from other countries.

Implementation

53. Australia would need to make the following legislative changes in order to implement the obligations in the ECTA:
- a. the *Customs Tariff Act 1995* will need to be amended to incorporate the preferential tariff rates that will apply to goods imported from the India under the ECTA;
 - b. the *Customs (International Obligations) Regulation 2015* and *Customs Tariff Regulations 2004* will be amended to allow for refunds of excess customs duty paid;
 - c. the *Customs Act 1901* will need to be amended and a *Customs (Australia-India Economic Cooperation and Trade Agreement Rules of Origin) Regulation* will need to be created establishing rules for determining the originating status of goods imported from India for the purpose of determining eligibility for preferential tariff treatment;
 - d. creation of a legislative instrument under section 140 GBA of the *Migration Act 1958* to give effect to Australia's International Trade Obligations;
 - e. creation of a legislative instrument under the *Migration Regulations 1994* may be needed to give effect to commitments on bound occupations;
 - f. the *Foreign Acquisitions and Takeover Regulations 2015* will also require amendment to incorporate the new thresholds for screening investment proposals by services investors from India; and
 - g. the *International Tax Agreement Act 1953*, and/or the *Income Tax Assessment Act 1997* and/or the *Income Tax Assessment Act 1936* may require amendments in relation to matters under the Australia-India Double Tax Avoidance Agreement, which are required to be effected in similar time to this Agreement.

⁴ "Sensitive sectors" includes media, telecommunications, transport, defence and military related industries and activities, encryption and securities technologies and communications systems, and the extraction of uranium or plutonium, or the operation of nuclear facilities. See further: *Foreign Investment Review Board – General Guidance | Monetary Thresholds* at <https://firb.gov.au/general-guidance/monetary-thresholds>.

Costs

54. Estimated revenue and resourcing implications of the ECTA come to approximately -482 million over the forward estimates (until year 2025-2026) with the main impact being the loss of tariff revenue associated with the elimination of all Australian customs duties, other than excise, on goods imported from India and the loss of taxation revenue associated with the changes to domestic taxation law in respect of the *Australia-India Double Tax Avoidance Agreement*. Additional costs are associated with the mobility outcomes, and incentivising audio-visual co-productions. We also expect a reduction in fee revenue due to the decrease in FIRB applications as a result of raising the FIRB screening thresholds for Indian services investors to AUD\$500 million.
55. With expected savings of approximately AUD\$2 billion over the forward estimates to Australian exporters, ECTA will result in a net gain to the Australian economy.
56. A Regulation Impact Statement, which has been assessed by the Office of Best Practice Regulation as compliant with the Government's requirements and consistent with best practice, is attached to this NIA (Attachment II).

Future treaty Action

57. Article 14.3 (Amendments) allows for amendment of the Agreement by mutual agreement. Any amendments shall enter into force 60 days after the date on which the Parties exchange written notifications confirming that they have completed their respective domestic requirements, including internal legal procedures, necessary for the entry into force of the amendments, or on such other date as the Parties may agree. Any future amendments will be subject to Australia's domestic treaty-making requirements.

Termination

58. Article 14.6 (Termination) allows Australia or India to terminate the Agreement by giving the other Party notice in writing. Such termination shall take effect six months after the date of the notification, or on such date as the Parties may agree. Any withdrawal by Australia would be subject to Australia's domestic treaty making requirements.

Contact details

Regional Trade Agreement Division
DFAT

Attachments

Attachment I – Consultation

Attachment II – RIS

Attachment III – Key Outcomes

Attachment I

Consultation

Australia-India Economic Cooperation and Trade Agreement

Melbourne, Australia and New Delhi, India, 2 April 2022

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Consultation

59. The public consultation and stakeholder engagement process for the Economic Cooperation and Trade Agreement between Australia and the Republic of India has been informed by that for the earlier CECA negotiations in May 2011. Before negotiations on CECA were suspended, DFAT received 51 formal submissions (including three from the Australian Chamber of Commerce and Industry). Since the re-launch of CECA negotiations on 1 October 2021, DFAT has received a further 21 formal submissions from organisations and individuals (Table 11). Public submissions from these entities are available on the DFAT website.
60. The Australian negotiating team held numerous direct stakeholder consultations since the re-launch of the CECA negotiations in October 2021, which informed the negotiations when these refocused on concluding the ECTA ‘early harvest’ agreement. These have included industry and worker representatives, such as peak bodies and trade unions, as well as businesses, individuals, and other entities. During such discussions stakeholders were invited to consider and comment on the commercial, economic, regional, and other impacts that could be expected to arise from the ECTA and a full CECA, via written submissions.
61. The Australian negotiating team also contacted key industry stakeholders after the December 2021 and February 2022 negotiating round in India, and during the following almost continuous negotiations up to conclusion of the Agreement in March 2022. These direct consultations played an important role in nuancing our negotiating positions and making sure we obtained the right outcomes for Australians to diversify our trade and drive an export-led recovery. Once ECTA negotiations were launched, DFAT also provided updates through established consultative groups such as the Ministerial Advisory Council on FTA negotiations (on 29 October 2021 and 17 March 2022), and the DFAT Peak Bodies Consultations meetings.
62. DFAT has consulted with state and territory governments throughout the course of negotiations, at Chief Negotiator and negotiating lead level. In addition, consultations

took place with all States and Territories on 19 January 2022 on Australia's approach to services Market Access Non-Conforming Measures (Part A and Part B), prior to the tabling of revised and final offers in later stages of the negotiations. DFAT also advised States and Territories of the status of ECTA negotiations at the Standing Committee on Treaties on 18 November 2021.

63. Stakeholder consultations and submissions highlighted the benefits of removing or reducing both tariff and non-tariff barriers to Australian exports to India, with India's very high import duties – especially for food and agricultural products – being a particular concern. Stakeholders also indicated that regulatory barriers, the lack of transparency and difficulties in accessing information, a complex visa system and the absence of a mutual recognition system for professional qualifications have made it difficult to do business and engage in services trade in India.
64. A list of businesses and organisations that were consulted on the ECTA, and previously on CECA negotiations is set out below, together with a list of submissions received.

DFAT-consulted stakeholder list 2011-2022

Australian Services Roundtable

Accolade Wines

Accord

Actuaries Institute

ANZ

Apple & Pear Australia Ltd

Architects Accreditation Council of Australia

Association of Consulting Architects Australia

Atlassian

Australasian Veterinary Boards Council

Australia Council of Professions

Australia Grape and Wine

Australian Banking Association

Australian Berries Industry

Australian Centre for International Commercial Arbitration

Australian Chamber of Commerce and Industry

Australian Council of Wool Exporters and Processors

Australian Council on Healthcare Standards

Australian Diagnostic Imaging Association

Australian Disputes Centre
Australian Distillers
Australian Health Practitioner Regulation Agency
Australian Industry Group
Australian Institute of Architects
Australian Institute of Landscape Architects
Australian Institute of Quantity Surveyors
Australian Medical Association
Australian Medical Council
Australian Mobile Telecommunications Association (AMTA)
Australian National University
Australian Nut Industry Council
The Australian Oilseed Federation Inc
Australian Services Roundtable
The Australian Table Grape Association
Australian Wool Innovation (AWI)
Baxter International (medical devices)
Bethesda Health Care/Australasian College of Health Care Management
Chartered Accountants ANZ
Citi Group
Citrus Australia Ltd
Cochlear Australia
Cochlear Limited (Asia Pacific) (medical devices)
Communications Alliance
Conference of Asia Pacific Express Carriers (CAPEC)
Consult Australia
Consult Australia
Cotton Australia
CPA Australia
CPA Australia

Dairy Australia
Engineers Australia
Export Council of Australia
Financial Services Council
Fortescue Future Industries
Freight & Trade Alliance
Futurefund
Generic Biosimilar Medicines Association (medical devices)
George Institute of Global Health
GHD
Grain Trade Australia
GrainGrowers
Herbert Smith Freehills
Hort Innovation
IFM
Indigenous Network for Investment, Trade and Export
Indo-Australia Chamber of Commerce
Insurance Australia Group
Insurance Council of Australia
International Education Association of Australia
Jameson Boyce
KPMG
LarkinSykes
Law Council of Australia
Law Firms Australia
Macquarie Group
Macquarie Group
Maddocks
McMullen Consulting Pty Ltd (Grain)
Meat and Livestock Australia

Medical Technology Association Australia (medical devices)

MedTech and Pharma Growth Centre (MTP Connect)

Minerals Council of Australia

mPort

NAB

National Farmers' Federation

Optus

Pernod Ricard

Piper Alderman

Ports Australia

Public Accountants

QBE

Quintas (sandalwood)

Science and Technology Australia (medical devices)

Seafood Industry Australia

Sheep Producers Australia

Speech Pathology Australia

Spirits & Cocktails Australia

Standards Australia

Surveying and Spatial Sciences Institute

Telstra

Treasury Wines

Universities Australia

University of Melbourne

Vodafone TPG

Wine Australia

Worley Parsons

List of submissions related to CECA as on the [DFAT website](#)

2021-2022

- [ABS Group](#)
- Australian Food and Grocery Council (commercial-in-confidence)
- [Australian Horticultural Exporters' & Importers' Association \(AHEIA\)](#)
- [Australia India Institute \(AII\)](#)
- Australian Grape and Wine (commercial-in-confidence)
- [Australia India Chamber of Commerce and University of Adelaide](#)
- [Australian Nut Industry Council](#)
- [Beyond Wines Australia](#)
- Cherry Growers Australia (CGA) (commercial-in-confidence)
- [Citrus Australia Ltd](#)
- Dairy Australia (commercial-in-confidence)
- [Femeconomy](#)
- [GrainGrowers](#)
- [Grain Trade Australia](#)
- Kmart Group Australia (commercial-in-confidence)
- Meat & Livestock Australia (commercial-in-confidence)
- National Farmers Federation (commercial-in-confidence)
- [Perth USAsia Centre](#)
- [Quintis Sandalwood](#)
- Swisse Wellness
- [Vibe Ayurveda](#)

Prior to 2021

- [Australia-India Business Council](#)
- [Australian Business Solutions \(ABS Group\) Pty Ltd](#)
- [Australian Chamber of Commerce and Industry - Harmonising Administrative Procedures in PTA to Support Trade Facilitation](#)
- [Australian Chamber of Commerce and Industry - Industry views on documentation in FTAs](#)
- [Australian Chamber of Commerce and Industry - Documentary options for tariff reduction available to Australian Exporters per FTA](#)
- [Australian Pharmacy Council](#)
- [ADIstruments](#)
- [Advance Cairns](#)
- [Andrew Godwin](#)
- Australian Dairy Industry Council (commercial-in-confidence)
- [Australian Fair Trade and Investment Network \(AFTINET\)](#)
- [Australian Horticultural Exporters Association](#)
- [Australasian Performing Right Association Limited and Australasian Mechanical Copyright Owners Society \(APRA/AMCOS\)](#)
- [Australian Forest Products Association \(AFPA\)](#)
- [Australia India Business Council \(AIBC\)](#)
- [Australian Industry Group](#)
- [ANZ Banking Group Limited](#)
- [Australian Nursing and Midwifery Accreditation Council](#)
- [Australian Tea Tree Industry Association Ltd](#)
- [Australian Wool Innovation Limited](#)
- [Baker & McKenzie](#)
- [BBX Barter Services Pvt Ltd](#)

- [Cassegrain Tea Tree Oil Pty Ltd](#)
- [Copper Mines of Tasmania](#)
- [CPSU-SPSF](#)
- [CPSU-SPSF Supplementary Submission](#)
- [Federation of Automotive Products Manufacturers](#)
- [Financial Services Council](#)
- [Indo Australia Design Research Alliance](#)
- [The Institute of Chartered Accountants of India](#)
- [Insurance Australia Group](#)
- [Insurance Council of Australia](#)
- [International Trademark Association](#)
- [Law Council of Australia](#)
- Meat & Livestock Australia (commercial-in-confidence)
- [Molina Asthana](#)
- [Music Council of Australia](#)
- Natio Cosmetics (commercial-in-confidence)
- [National Australia Bank](#)
- [NSW Department of Trade and Investment](#)
- Office of Horticultural Market Access (commercial-in-confidence)
- OZ Minerals Ltd (commercial-in-confidence)
- [Pioma Chemicals - Tea Tree Oil](#)
- [RayGen Resources](#)
- Seafood Services Australia (commercial-in-confidence)
- [South Australian Education](#)
- [South Australian Government](#)
- [TFS Corporation Ltd \(TFS\)](#)
- [VicRoads](#)
- [Wine Australia](#)
- [Winemakers Federation of Australia](#)