



19 August 2022

Committee Secretary
Joint Standing Committee on Treaties
PO Box 6021
Parliament House
Canberra ACT 2600



**Australian
Chamber of Commerce
and Industry**

ABN 85 008 391 795
T: +61 2 6270 8000
info@australianchamber.com.au
www.australianchamber.com.au

Dear Secretary,

The Australian Chamber of Commerce and Industry (ACCI) welcomes the opportunity to provide a submission to the Joint Standing Committee on Treaties Inquiry on the Australia-India Economic Cooperation and Trade Agreement (AI-ECTA).

ACCI strongly supports closer trade and economic relationships with India. India is an important economic partner for Australia and AI-ECTA will be the first free trade agreement (FTA) between our countries. India is Australia's seventh largest trading partner and sixth largest export market. AI-ECTA will deliver greater market access for Australian exporters and importers necessary to deepen our relationship with a key strategic partner.

Australia's focus sectors in AI-ECTA include higher education, business services, communication and IT, construction and engineering, insurance, banking and finance, health, tourism, and research and development. Further, AI-ECTA will achieve immediate tariff elimination on several key goods such as metallic ores, coal, and certain critical minerals and non-ferrous metals. Petroleum oils, pharmaceuticals products, infant formula and wine are among goods which will see a gradual tariff reduction and elimination. These products and sectors are among the top goods and services exchanged between Australia and India.

ACCI has supported Australia's negotiators for the AI-ECTA negotiations and held consultations with our Indian counterparts to provide the perspective of Australian business (see attached media releases). This has assisted in the achievement of a commercially sound agreement.

Accordingly, ACCI supports the ratification of AI-ECTA.

Yours sincerely,

Chris Barnes

Director, Trade Policy and International Relations
Australian Chamber of Commerce and Industry

Canberra

Commerce House
Level 2
24 Brisbane Avenue
Barton ACT 2600
PO Box 6005
Kingston ACT 2604

Melbourne

Level 2
150 Collins Street
Melbourne VIC 3000

Sydney

Level 15
140 Arthur Street
North Sydney NSW 2060
Locked Bag 938
North Sydney NSW 2059



Australian
Chamber of Commerce
and Industry

MEDIA RELEASE

Australia-India Trade Agreement a boon for business

2 April 2022

Australian businesses are set to reap the rewards of strengthened ties with India following the Phase One Agreement of the Australia-India Economic Commercial and Trade Agreement (AI-ECTA) announced today.

“This Agreement is the start of an important new phase in Australia’s relationship with one of our most significant economic partners and will see Australia business benefit from diversified global supply chains,” ACCI chief executive Andrew McKellar said.

“India is one of the world’s fastest growing economies and is a key economic and trading partner with two-way trade between our countries worth \$24.3 billion in 2020. The AI-ECTA gives Australian exporters preferential access to a market of nearly one and a half billion customers.

“Business has played an important role in the development of the AI-ECTA and welcomes the opportunities this partnership provides for the comprehensive and substantial exchange of goods and services, including tourism and education.

“This Agreement is an important and timely development which is consistent with the World Trade Organisation and reinforces the global rules-based trading system.

“ACCI supports the signing of the interim agreement and will continue to work with both the Australian and Indian Governments to complete the full AI-ECTA by the end of 2022.

For more information:

Jack Quail | Media Adviser



E | media@australianchamber.com.au



Australian
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MEDIA RELEASE

ACCI welcomes closer economic ties with India

14 February 2022

The Australian Chamber of Commerce and Industry (ACCI) welcomes the Morrison Government's continuing focus on strengthening economic ties with India, the world's largest democracy.

As members of the International Chamber of Commerce (ICC) and Business at the OECD, ACCI plays an active role in advocating on behalf of Australian business for open markets and private sector-led growth.

"Given local businesses have been hard hit by COVID, now is the perfect time to continue to bolster economic relations with India and work towards finalising a comprehensive Free Trade Agreement (FTA) as soon as possible" ACCI CEO Andrew McKellar said.

"What we know is that our high quality, Australian made products are in demand overseas and a free trade agreement with India would make it easier and more accessible for local enterprises to sell their products to one of the world's largest and fastest growing economies."

"We welcome the Government's efforts in launching the three *Maitri* initiatives allowing high achieving Indian talent to study in Australia, supporting professionals to collaborate on research and boosting the role of creative industries. These initiatives continue to build the groundwork for an FTA."

"The renewal of the Australia-India Memorandum of Understanding on Tourism Cooperation is also a step in the right direction."

"Even though our international border is opening on 21 February, what was previously our biggest source of tourists, China, remains largely closed due to outbound travel restrictions so it is important that we look to

Australia-India Economic Cooperation and Trade Agreement
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diversity our tourism sector so that it can open and
continue to operate.”

“Over 300,000 Australian tourism businesses and their
700,000-strong workforce are set to benefit in growing our
tourism relationship with India.”

“The immediate removal of the import tariff on Australian
lentils is also a welcome and important move. Many
farmers will reap significant benefits from this new trade
condition given they saw a record grain harvest this year.”

“Two-way trade with India was worth over \$24 billion in
2020 and in the five years before the pandemic this two-
way trade and investment doubled. A free trade
partnership between our two countries would work to
further cement our strong and growing trade relationship.”

“As we have seen with other free trade deals, this would
not only benefit Australian businesses but individuals as
well through increased job opportunities.”

Media contact:

James Radford

Director of Media and Communications

P: 02 6270 8020

The Australian Chamber of Commerce and Industry (ACCI) is
Australia's largest and most representative business network,
with a history that dates back nearly 200 years. Our
membership includes all state and territory chambers of
commerce as well as major industry associations and business
leaders. Together we represent more than half a million
Australian businesses, ranging from small and medium
enterprises to the largest companies.





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MEDIA RELEASE

Fast-tracked India free trade negotiations a step in the right direction

24 December 2021

The Australian Chamber of Commerce and Industry (ACCI) welcomes the Australian Government's move to 'fast-track' negotiations on a free trade deal with India.

"Given businesses have been hard hit by COVID, now is the perfect time to progress talks with the world's largest democracy on a free trade deal to boost Australian exports" ACCI chief executive Andrew McKellar said.

"Increasing access to Indian markets will help Australian businesses diversity and bring immense benefits to industries such as wine, grain and minerals which have encountered issues exporting to other overseas markets."

"Our high quality, Australian made products are in demand overseas and a free trade agreement with India would make it easier and more accessible for local enterprises to sell their products to one of the world's largest and fastest growing economies."

"As we have seen with other free trade deals, this would not only benefit Australian businesses but individuals as well through increased job opportunities."

"Two-way trade with India was worth over \$24 billion in 2020 and in the five years before the pandemic this two-way trade and investment doubled. A free trade partnership between our two countries would work to further cement our strong and growing trade relationship."

For more information:

ACCI Media Team | 02 6270 8020