



16 January 2025

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

Dear Committee Secretary

Re: Support for the Comprehensive Economic Partnership Agreement between Australia and the United Arab Emirates

The Australia UAE Business Council welcomes the finalisation of the Comprehensive Economic Partnership Agreement (the CEPA) between Australia and the United Arab Emirates (UAE). This agreement represents a transformative milestone in bilateral relations, establishing a framework for deeper economic integration and opening substantial opportunities for businesses across both nations. The Council unequivocally supports the CEPA, recognising its role in driving sustainable economic growth and enhancing bilateral cooperation.

As the foremost bilateral business forum, the Australia UAE Business Council comprises leading organisations across various sectors, including agriculture, technology, education, infrastructure, healthcare, manufacturing, and renewable energy. The Council has long advocated for stronger economic ties with the UAE, Australia's largest trade and investment partner in the Middle East. In 2023, two-way trade between the nations reached \$9.94 billion, with investment flows amounting to \$20.6 billion.

By eliminating tariffs on over 99% of Australian goods exports to the UAE – valued at \$678 million annually – the CEPA solidifies Australia's competitive positioning in this rapidly diversifying market. Furthermore, it simplifies customs procedures, enhances transshipment capabilities, and strengthens the UAE's role as a gateway for Australian businesses to access regional and global markets. The Council is particularly encouraged by the CEPA's role in addressing trade diversification objectives, helping Australian exporters gain preferential access to new markets.

The UAE's status as a net importer presents significant opportunities, and through the considerable elimination of tariffs, the CEPA presents major market expansion opportunities for premium Australian goods, including food, beverages, and raw materials. Aligning with the Future Made in

Australia agenda, the CEPA stands to increase the competitiveness of Australian exports in the UAE's manufacturing sector and regional supply chains.

The CEPA's comprehensive provisions also extend to Australian service providers, guaranteeing market access in key sectors, including consulting, education, environmental services, financial industries, and healthcare. These sectors are critical to the UAE's ongoing economic diversification and provide Australian businesses with both greater certainty and market presence. The agreement also strengthens Australia's role in the UAE's digital economy, with provisions to facilitate secure cross-border data flows, intellectual property protection, and regulatory cooperation.

The UAE's sovereign wealth funds, managing over USD 1.4 trillion in assets, have already made significant investments in Australian renewable energy, waste-to-energy, and infrastructure projects. Both the CEPA and the standalone Agreement on Promotion and Protection of Investments, include frameworks to increase such investments. These provisions will accelerate Australia's clean energy transition and infrastructure development while delivering long-term benefits for both nations.

This landmark agreement solidifies a shared vision of economic prosperity and sustainability between Australia and the UAE. The Australia UAE Business Council remains committed to working with its members and stakeholders to realise the full potential of CEPA, fostering deeper collaboration for mutual benefit.

Sincerely



The Hon Christopher Pyne

Australia Co-Chair