



European Union - Australia Free Trade Agreement

MEDIA RELEASE

Sydney, 22 May 2018

European Australian Business Council (EABC)

With the EU Member States approving the European Commission's mandate today, negotiations can now get underway towards a comprehensive Free Trade Agreement with Australia.

In November 2015 the launch of a Free Trade Agreement (FTA) process between the European Union (EU) and Australia was jointly announced by Prime Minister Malcolm Turnbull, President of the European Commission Jean-Claude Juncker, and President of the European Council Donald Tusk. Since 2015, the Australian Government and the European Commission have been undertaking a series of public and stakeholders consultations, while starting to jointly address a range of sensitivities and identify what a comprehensive economic partnership between the two blocs could look like. Following the conclusion of this preliminary 'scoping exercise' in April 2017, both parties have now agreed their own negotiating mandates paving the way to the launch of formal negotiations.

Jason Collins, CEO of the European Australian Business Council (EABC), one of Australia's peak business organisations and an advocate for an FTA with the EU, welcomed this major step:

"Both parties now have their negotiating mandates in hand, and negotiations will be able to commence shortly. We very much welcome Commissioner Malmström's visit to Australia in June to officially launch negotiations, and look forward to meeting her and her team in Sydney to engage on the opportunities that this FTA will open up for both sides. The EU and Australia are two like-minded partners: this is of particular importance at a time of looming trade wars and increasing protectionist speeches around the world. A comprehensive FTA is an obviously missing part of the bilateral architecture, and will not only help to further the business relationship, but also be an emphatic expression of support for open markets and global standards in the way we do business.

Regulations and standards in use in the EU and Australia very often aim at similar outcomes, with only the means to reach these outcomes differing. The FTA will create a framework for better regulatory alignment and mutual recognition, which will cut red tape for large and small companies and enormously facilitate two-way flows of goods, services and investment, and benefit both economies and societies. With a two-way investment relationship of A\$1.7 trillion two-way trade of almost \$100 billion, the EU is already Australia's largest economic partner. Yet, there is an enormous amount still to be gained from such an agreement. Trade and investment flows indicate that Australian and European companies are actively seeking more business opportunities in both directions across a range of sectors. Beyond trade and investment, this FTA should be a truly modern and far-reaching economic partnership which will provide a platform for enhanced co-operation on issues such as innovation, security, people-movement, healthcare, energy and climate change, and many others. Such linkages will result in stronger, wealthier, more sustainable and more secure societies."

The European Australian Business Council (EABC) is a peak business organisation made up of major Australian and European companies, European Chambers of Commerce and trade and investment agencies.

The EABC regularly hosts visits by European political and business leaders to Australia and sends an annual ministerial-led Australian Business Mission to Europe. In July, the EABC will bring a high-level business delegation to Europe led by Finance Minister Mathias Cormann and supported by Governor General Sir Peter Cosgrove, visiting Paris, Strasbourg (European Parliament), Madrid, Lisbon and London. The delegation will particularly aim at engaging with European Governments and peak business organisations on the many opportunities that an Australia-EU FTA will open up and enhance.

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