



## Peru-Australia FTA builds momentum towards broader agreements

**Friday 10 November 2017**

‘We welcome the news that Australia has concluded its FTA negotiations with Peru,’ said Lisa McAuley, CEO of the Export Council of Australia (ECA).

‘The ECA supports the principle of expanding Australia’s FTA network by entering into high quality agreements,’ Ms McAuley said. ‘While multilateral agreements are best, and multi-country agreements such as the TPP are second-best, there can also be value in bilateral deals with countries like Peru.’

For all the opportunities Asia presents to Australian businesses, it’s important to remember there are also opportunities on the other side of the Pacific.

As Australian businesses deal with political shifts in North America and Europe, and geopolitical risks in North Asia, there is significant opportunity for Australia across Latin America. Countries there are looking to diversify their trade and investment relations, and see Australia as a country that is still embracing open global trade and investment. We need to seize this opportunity.

This year as part of the NSW, QLD and WA Export Awards (which the ECA runs) we celebrated the opportunities across Latin America. It is a dynamic and growing region with opportunities for goods and services exporters in all sectors.

‘Along with the market access openings, part of the value of FTAs is they put a country on the map for exporters. For some sectors, Peru—and Latin America more broadly—can offer far better business opportunities than Asia,’ Ms McAuley highlighted.

The value of the Australia-Peru FTA will be determined by the level of market access it opens, how easy it is for businesses to access the benefits of the agreement, and how well Australian businesses are educated about both the FTA and the opportunities in Peru.

PAFTA is also an important step towards an FTA with the Pacific Alliance, which is a regional trading bloc comprising Chile, Colombia, Mexico and Peru. This will open a wealth of new opportunities for Australian companies across Latin America.

‘But the greatest value of the FTA with Peru is adding momentum towards completing the Trans Pacific Partnership,’ said Ms McAuley. ‘If implemented, the TPP will deliver major benefits for Australia across a wide range of sectors. It will simplify exporting by setting uniform rules for trading across TPP members. Plus, by consolidating several FTAs into one big one, it’ll make it easier for businesses to be eligible for tariff reductions and simplify the process for claiming those reductions.’

‘The ECA congratulates Trade Minister Steven Ciobo and the DFAT negotiators on concluding the Peru-Australia FTA.’

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