

AGREEMENT WILL PROVIDE DUTY-FREE ACCESS TO OVER 6,000 SECTORS OF INDIA

Australian Govt Advised to Ratify India Trade Deal

Australia to offer zero-duty access to India for 96.4% of exports by value

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New Delhi: Taking a step towards implementation of the India-Australia free trade pact, Canberra's Joint Standing Committee on Treaties Friday recommended ratification of the Economic Cooperation and Trade Agreement (ECTA) with New Delhi to its government.

The committee, which has been appointed by the Commonwealth Parliament and reviews Australian government's treaty actions, said that "there is no single market with more growth opportunities for Australian businesses than India". The ECTA will enter into force 30 days after both countries confirmed with each other in writing that they have completed their respective domestic requirements.

As per the committee's report, opening new markets is important for market diversification for Australia, and deepening economic links with "like-minded part-



RATIFICATION

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ners would support open markets and a stable and prosperous Indo-Pacific". "Other countries are negotiating agreements with India, and Australia risks being left be-

hind...demonstrating the commitment of Australia and India to trade liberalisation and countering protectionist sentiment during a period of geopolitical uncertainty and trade tensions," it said while raising concerns at the lack of consultation on the deal, transparency of the negotiations and independent modelling. The agreement, once implemented, will provide duty-free access to Australian market for over 6,000 broad sectors of India, including textiles, leather, furniture, jewellery and machinery.

Under the pact, Australia is offering zero-duty access to India for about 96.4% of exports (by value) from day one. This covers many products that currently attract 4-5% customs duty in Australia.

"India's high tariffs on agriculture, such as sheep meat, wool, cotton, seafood, macadamia nuts and avocados will be removed, with the vast majority, or 85%, eliminated from the day ECTA enters into force. India will reduce its 150% tariff on bottled wine above \$5," said Don Farrell, Australia's minister for trade and tourism. The ECTA was signed on April 2 and was awaiting ratification following regime change in Australia.