



Report of the 15th round of negotiations for a trade agreement between the European Union and Australia

24 - 28 April 2023 (in Brussels)

The 15th round of negotiations for a trade agreement between the European Union and Australia took place in Brussels between 24 and 28 April 2023. The EU team was led by Mr Christophe Kiener, Chief Negotiator and Head of Unit at the Directorate-General for Trade of the European Commission, while the Australian team was led by Ms Alison Burrows, Chief Negotiator and First Assistant Secretary at the Department of Foreign Affairs and Trade.

Discussions were constructive and both sides shared a commitment to work towards a rapid conclusion of the talks. A total of 29 working groups and sub-groups met during the week, covering all areas of the future agreement that had not been provisionally closed yet.

Negotiators continued discussing text proposals that had been submitted for the different chapters with the aim of finding mutually beneficial solutions during this round. They clarified the underlying concepts and practices underpinning their respective positions, the linkage with international agreements where relevant, and the involvement of different levels of government. Wherever that was possible, negotiators agreed in principle on chapter texts or text parts that were acceptable to both sides.

The following 11 chapters and sub-chapters and 5 annexes were provisionally concluded during the round: Technical Barriers to Trade (including four annexes on conformity assessment, motor vehicles, cosmetics and complementary medicine), Intellectual Property Rights (except Geographical Indications), Rules of Origin, Digital Trade, Sanitary and Phytosanitary Measures, Sustainable Food Systems, Financial Services, Cross Border Trade in Services, Trade Remedies, Anti-Fraud, Rules of Procedures of the Trade Committee, and the Preamble.

This adds to the following 13 chapters, sub-chapters and annexes that had already been provisionally concluded in earlier rounds: Small and Medium-sized Enterprises, Customs and Trade Facilitation, Capital Movement, Delivery Services, Professional Services, Telecommunication Services, Maritime Services, Domestic Regulation, Good Regulatory Practice, Transparency, Mutual Administrative Assistance in Customs Matters, Government Procurement, and Competition.

Discussions also focused on Trade and Sustainable Development, Energy and Resources, Geographical Indications, Subsidies, State-owned Enterprises, Investment, Legal and Institutional Provisions, General Exceptions, and Dispute Settlement. The revised market access offers on Services and Investment, as well as on Goods (tariffs) and Government Procurement, which had been exchanged in the course of 2022, were further discussed.

Both sides agreed on numerous follow-up actions on the remaining outstanding issues, with a view to prepare for high level discussions on the most important political elements that still need to be agreed.

Details per negotiating area:

1) Trade in Goods

The two sides discussed and agreed on text regarding national treatment, export monopolies, and non-tariff measures. Discussions took place also for outstanding issues related to taxation, customs fees and charges, and origin marking. The two sides discussed the market access offers for goods, as well as provisions for tariff rate quota administration.

2) Rules of Origin

Negotiators discussed and agreed on all product specific rules and procedural provisions allowing traders to claim preferential tariff treatment for originating products of the Parties, as well as on the verification of the originating status of the products of the Parties. The EU is confident that the agreed text will allow EU traders to widely benefit from this agreement. The chapter was provisionally concluded.

3) Customs Anti-fraud

Negotiators came to a mutually agreeable solution and could provisionally conclude the anti-fraud provisions.

4) Trade Remedies

Negotiators discussed the remaining outstanding issues related to bilateral safeguards. Further to a joint Trade Remedies and Trade in Goods meeting, the chapter could be provisionally concluded.

5) Technical Barriers to Trade

Negotiators finalised all outstanding articles and annexes in the TBT chapter and provisionally concluded it. Agreement was found on the application of Dispute Settlement to the whole TBT chapter and its annexes, along with its application to Australian States and Territories. Conformity assessment will be facilitated for European manufacturers with Australia agreeing to allow compliance

certification by EU Conformity Assessment Bodies for certain sectors. The acceptance of EU type-approval certificates for a broad category of vehicles has also been agreed, which means that approvals in the EU will not need further certification before entering the Australian market, where the technical requirements comply. An annex on Cosmetics, which is a novel feature in EU agreements, was agreed along with an annex on cooperation in complementary medicines and food supplements.

6) Sanitary and Phytosanitary Measures, Sustainable Food System, and Animal Welfare

Negotiators clarified the role and functions of the Sanitary and Phytosanitary Committee and agreed on the areas of cooperation in the Sustainable Food Systems Chapter. Both texts were provisionally concluded.

7) Services and Investment

Negotiators discussed texts related to the General Provisions, Investment Liberalisation, Cross-Border Trade in Services (CBTS), the Movement of Natural Persons (MNP) and Financial Services, which were the remaining outstanding issues relating to services and investment. The sub-chapters on financial services and CBTS were provisionally closed. The current market access package was reviewed and assessed in line with the respective priorities of both sides. The complete Australian market access offer has not yet been formally presented.

8) Digital Trade

Negotiators discussed the provisions that were still open on data flows, privacy, scope and source code. This allowed them to provisionally conclude the chapter.

9) Government Procurement

An agreement in principle was reached on mutual market access commitments. Australia will get full access to the EU's central entities' procurement. For the sub-central entities and bodies governed by public law already covered under the Government Procurement Agreement, the value thresholds will be lowered. Some services procurement that has already been opened to other partner countries will also be opened to Australia. The EU will get access to a range of additional central and sub-central entities in Australia. Australia will lift its reciprocity clause on services. Both sides will mutually grant access to procurements taking the form of works concessions.

10) Intellectual Property Rights

The chapter was provisionally concluded following constructive discussions on the remaining issues. These included the general provisions, such as the affirmation of the parties' commitments under international treaties in the area of intellectual property, the recognition of the interests of Australian First Nations peoples, as well as the general principles related to public health. Both sides also concluded discussions on the remaining substantive provisions,

including on the sub-sections on patents and protection of undisclosed information.

11) Geographical Indications

Text discussions advanced on the remaining gaps in positions concerning amendments to the GI lists, cut-off date for prior trademarks and level of protection. Difficult discussions continued regarding conflicts with prior uses for a limited number of names.

12) Subsidies and State-owned Enterprises

On subsidies, the chapter is very advanced and is subject to the confirmation of certain technical matters. Progress in the State-Owned Enterprises (SOE) chapter was very important with only limited technical matters awaiting confirmation to finalise the text and an exception-related issue that is linked to other outstanding Chapters.

13) Trade and Sustainable Development

Negotiators discussed the calibration of the scope and ambition of the TSD provisions, with a view to achieve the high level of ambition for the TSD chapter that both sides aim at.

14) Energy and Resources

Solid progress was achieved on outstanding issues, including on Australian First Nations peoples and organisations, third party access, renewable energy, and raw materials cooperation. Discussions will continue in the coming weeks on pricing issues.

15) Dispute Settlement and Mediation

Both sides advanced on the Dispute Settlement chapter and its two Annexes (Rules of Procedure and Code of Conduct). Most issues relating to the operation of the dispute settlement mechanism were agreed with only a small number of outstanding issues.

16) Legal and Institutional Provisions

Negotiators finalised and provisionally concluded the text of the Preamble and the Rules of Procedure of the Trade Committee. Initial and Institutional provisions are expected to be closed soon. The texts of the Exceptions and Final Provisions chapters are close to finalisation, but a small number of important issues still need to be solved.