

OPPORTUNITIES FOR EXPORTERS

The Australia-Chile Free Trade Agreement will offer Australian exporters opportunities across the board.

They will be particularly valuable in areas such as:

- ▶ Mining: technology and services
- ▶ Energy: coal, LNG, renewable energy
- ▶ Engineering and consulting services
- ▶ Education and training
- ▶ Information Technology, Tourism and Infrastructure
- ▶ Food and beverages
- ▶ Government Procurement
- ▶ Agriculture: dairy, meat, genetics.

SUPPORTING OUR EXPORTS

"Ludowici has everything to look forward to once the FTA enters into force.

"The Australia-Chile FTA will support our exports from Australia and help with our growth in the broader Latin American market.

"The FTA will also enhance our operations in Chile, where we maintain a close working relationship with many global companies, including Codelco, BHP and Rio Tinto."

Jim Cronin

Business Development Manager
Ludowici Limited

Ludowici Limited is based in Brisbane. It designs and manufactures mineral processing equipment, such as vibrating screens, coal centrifuges and wear resistant products for the global mining market.

AUSTRALIA'S FREE TRADE AGREEMENTS

The Australian Government believes FTAs can enhance trading relationships if they are comprehensive; truly liberalising across all sectors, consistent with World Trade Organization rules and complement the multilateral trading system.

Australia has concluded FTAs with:

- ▶ The Association of South East Asian Nations and New Zealand (2009)
- ▶ Chile (2008)
- ▶ The United States (2005)
- ▶ Thailand (2005)
- ▶ Singapore (2003)
- ▶ New Zealand (1983)

Australia is negotiating FTAs with:

- ▶ China
- ▶ Japan
- ▶ Malaysia
- ▶ The Gulf Cooperation Council
- ▶ The Trans Pacific Partnership
- ▶ The Republic of Korea

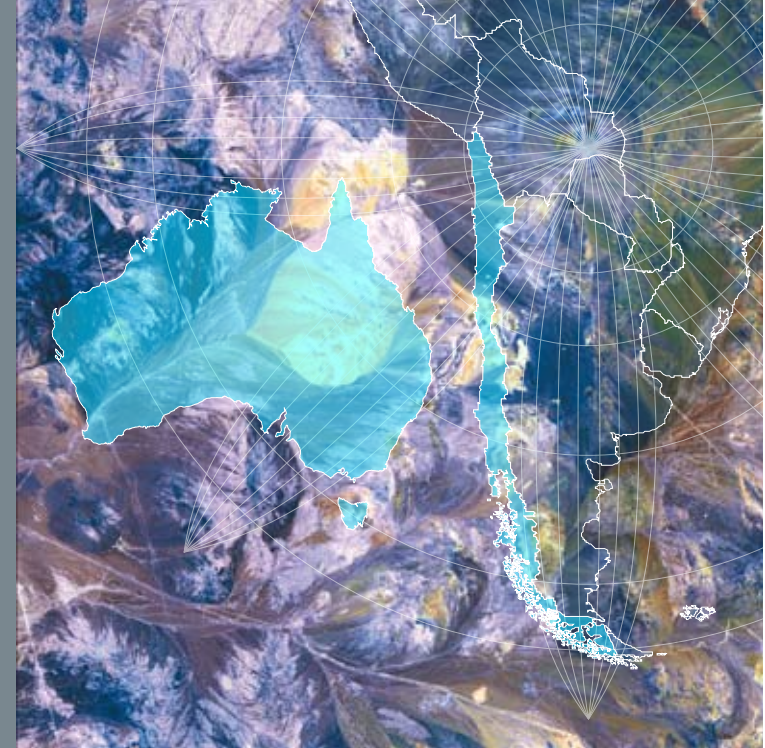
Australia is considering FTAs with:

- ▶ Indonesia
- ▶ India

FOR FURTHER INFORMATION:

www.dfat.gov.au/trade

www.austrade.gov.au or 13 28 78



AUSTRALIA – CHILE

FREE TRADE AGREEMENT

An important milestone in Australia's growing engagement with the Latin American market.



Australian Government

Department of Foreign Affairs and Trade

Austrade



THE AUSTRALIA-CHILE FTA

The Governments of Australia and Chile signed a comprehensive Free Trade Agreement (FTA) at Parliament House in Canberra on 30 July 2008.



Australian Minister for Foreign Affairs Stephen Smith and Chilean Minister for Foreign Affairs Alejandro Foxley sign the Australia-Chile FTA.

The FTA covers trade in goods and services as well as investment and a range of trade related issues such as intellectual property and government procurement.

The agreement entered into force on 6 March 2009.

This is Australia's first FTA with a Latin American country.

The agreement is expected to deliver new trade and investment opportunities to Australia.

It is an important milestone in our growing links with the Latin American market.



THE AUSTRALIA-CHILE FTA – KEY POINTS

- ▶ Tariffs on all existing merchandise trade will be eliminated by 2015.
- ▶ Around 97 per cent of goods exported in both directions will enter duty free under the FTA.
- ▶ The FTA will secure both sides' liberal services regime.
- ▶ The FTA will lock in both sides' liberal investment regime.
- ▶ The FTA will guarantee both sides' high standards of intellectual property protection for patents, trademarks, geographical indications and copyright.
- ▶ Government Procurement: The FTA secures national treatment for Australian goods, services and suppliers in the Chilean market for procurements above agreed value thresholds.

OUR TRADING RELATIONSHIP

Trade between Australia and Chile is growing fast.

Two-way trade was \$1.1 billion in 2007-08, up from \$682 million in 2006-07.

Australian exports to Chile include coal, civil engineering equipment, measuring and analysing instruments, rubber tyres, treads and tubes.

Australia's merchandise exports to Chile in 2007-08 were valued at \$210 million.

Australian services exports to Chile in 2007-08 reached A\$140 million.



ABOUT CHILE

Chile has Latin America's most stable and transparent commercial environment. It has a population of 16.6 million and a GDP of US\$164 billion.

It is an investment base for over 70 Australian or Australian-affiliated companies, mainly providing mining technology and services, gas distribution, power generation, engineering and consulting services and information and communications technology.

Australia is the fourth largest foreign investor in Chile with around US\$3 billion of direct investment.

Chile is Australia's third most significant merchandise trading partner in Latin America.