

MAFTA Factsheet: Economic and Technical Cooperation

The Malaysia-Australia Free Trade Agreement (MAFTA) provides a strong basis for increased bilateral trade and investment with Malaysia, an important regional trading partner and neighbour. It builds on the commitments Australia and Malaysia have already made in the ASEAN-Australia-New Zealand FTA (AANZFTA) to liberalise and expand the bilateral trade relationship. It provides significant market access gains for Australian exporters and service suppliers. And, it provides for improvements to doing business in Malaysia, making it both easier to enter and operate in the Malaysian market. Economic and technical cooperation is a key part of MAFTA.

Objectives

The economic and technical cooperation component of MAFTA provides a strategic framework for existing and future economic cooperation. It covers areas of mutual interest and of benefit to both Australia and Malaysia and the costs of the cooperation projects will be shared. The activities will focus on strengthening existing relationships and building new ones, advancing human resource development, creating new opportunities for trade and investment and contributing to the role of the private sector. The activities will also build on existing cooperation and relationships and enhance bilateral trade.

Key Activities

MAFTA identifies the following five areas of cooperation for particular attention (specific projects are outlined in the Implementing Arrangement for Economic and Technical Cooperation Activities in Agreed Areas): automotive; agriculture; tourism; clean coal technology and electronic commerce.

Automotive

The cooperation between the Australian and Malaysian automotive sectors to date has shown the commercial value both governments and industries see in further collaboration. This cooperation will take advantage of MAFTA's increasingly open bilateral trade and investment relationship. A major focus of the cooperation will be between Australia's Cooperative Research Centre for Advanced Automotive Technology Ltd (AutoCRC) and the Malaysia Automotive Institute.

Indicative areas of cooperation have been identified by matching Malaysian needs with Australian interests and expertise in the areas of research and the development of new technologies.

Malaysia and Australia have also agreed to establish an Automotive Industry Dialogue to provide a forum to enhance engagement and cooperation between the Malaysian and Australian automotive industries and to facilitate joint government and industry consultations on future cooperation. The inaugural dialogue was convened by the Malaysian and Australian Governments in November 2012 and includes representatives from industry, research bodies and government.

Agriculture

Building on the strong cooperation in agriculture between Australia and Malaysia, Australia's Department of Agriculture, Fisheries and Forestry (DAFF) will work with officials of the Malaysian Quarantine and Inspection Service (MAQIS) to develop a Phytosanitary e-Certification arrangement between the two countries. This project will promote Malaysia's trade with Australia and build stronger institutional links between DAFF and Malaysia's Department of Agriculture.

Tourism

Australia will work with Malaysia to develop the latter's Tourism Industry accreditation scheme with the aim of improving the quality of Malaysia's tourism, particularly in the niche area of ecotourism. This activity encourages engagement between Australia and Malaysia on best practice ecotourism development.

Clean Coal Technology

Australia's Global Carbon Capture and Storage Institute (GCCSI) will share with Malaysia expertise of carbon capture and storage technology for the purpose of reducing carbon dioxide emissions from thermal power plants.

E-Commerce

The Office of the Australian Information Commissioner will assist Malaysia in the development of its new Office of the Commissioner for Personal Data Protection and in the initial stage of the implementation of its Personal Data Protection Act. Assisting Malaysia to establish its personal information protection law and the associated Commissioner's office will contribute to Australian and Malaysian industries utilising business opportunities.