



Australian Government

Australia-European Union Free Trade Agreement

Key Outcomes



A-EUFTA



AUSTRALIA

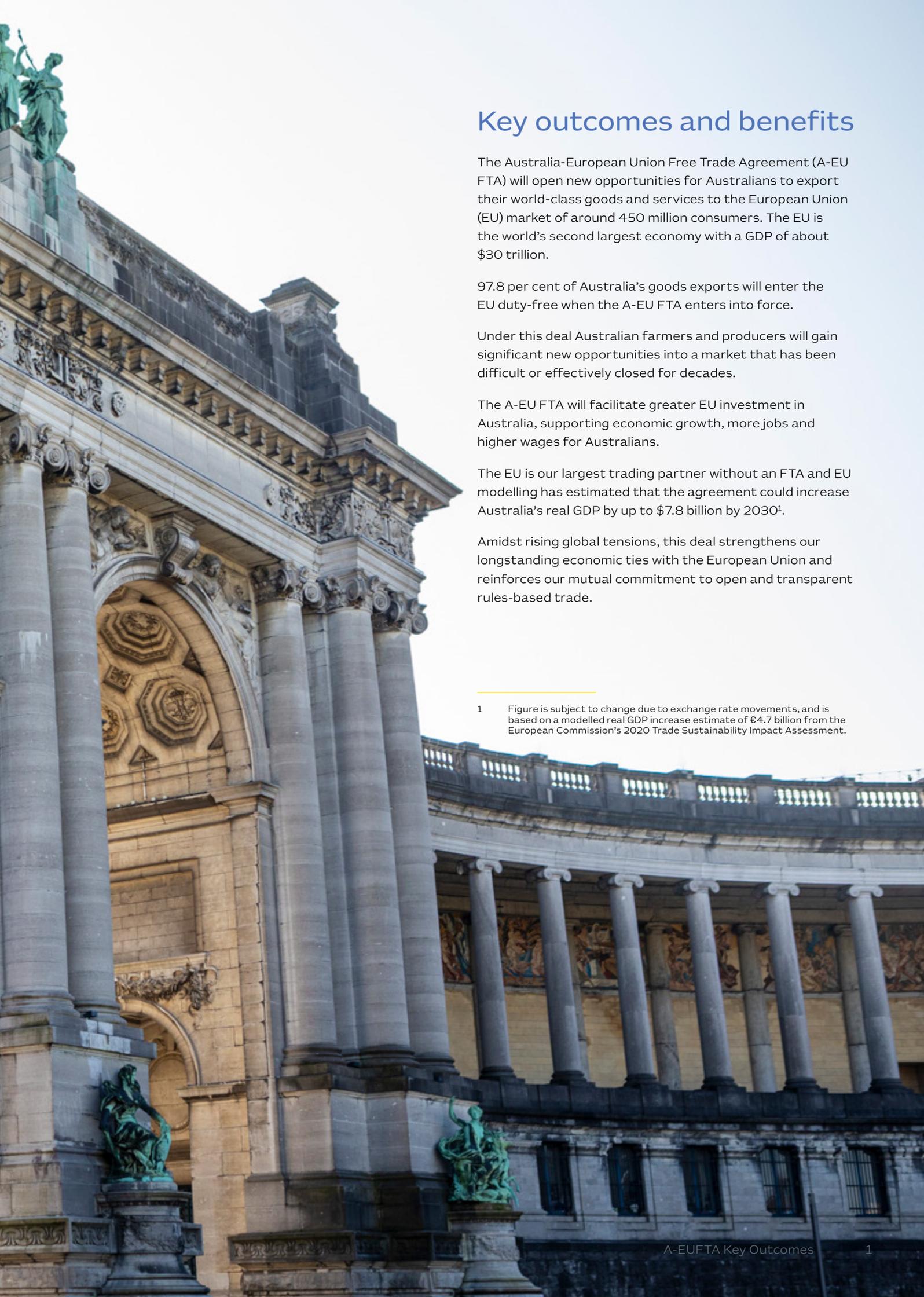


More information on the Australia-European Union Free Trade Agreement is available at dfat.gov.au/aeufta

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March 2026



Key outcomes and benefits

The Australia-European Union Free Trade Agreement (A-EU FTA) will open new opportunities for Australians to export their world-class goods and services to the European Union (EU) market of around 450 million consumers. The EU is the world's second largest economy with a GDP of about \$30 trillion.

97.8 per cent of Australia's goods exports will enter the EU duty-free when the A-EU FTA enters into force.

Under this deal Australian farmers and producers will gain significant new opportunities into a market that has been difficult or effectively closed for decades.

The A-EU FTA will facilitate greater EU investment in Australia, supporting economic growth, more jobs and higher wages for Australians.

The EU is our largest trading partner without an FTA and EU modelling has estimated that the agreement could increase Australia's real GDP by up to \$7.8 billion by 2030¹.

Amidst rising global tensions, this deal strengthens our longstanding economic ties with the European Union and reinforces our mutual commitment to open and transparent rules-based trade.

¹ Figure is subject to change due to exchange rate movements, and is based on a modelled real GDP increase estimate of €4.7 billion from the European Commission's 2020 Trade Sustainability Impact Assessment.



Benefits for exporters

The agreement will open doors into the EU for premium, sustainable Australian agricultural products and processed foods – including for key commodities such as beef, sheep meat, sugar, grains, nuts, horticulture, dairy, seafood and wine.

Please refer to the [benefits for agriculture and fisheries](#) for more information.

Beef

The A-EU FTA guarantees preferential access of **35,000 tonnes carcass weight equivalent (cwe)** per year into the EU on full implementation - including **30,600 tonnes (cwe) of new market access**.

This represents nearly an eight-fold increase on Australia's previously guaranteed access.

Sheep meat

The A-EU FTA guarantees preferential access of **30,851 tonnes (cwe)** per year into the EU on full implementation – including **new market access of 25,000 tonnes (cwe)**.

This represents over a five-fold increase on Australia's previously guaranteed access.

Horticulture

EU tariffs on key vegetables and fruits, including potatoes², onions, apples and pears will be eliminated.

EU tariffs on Australian tree nuts, including almonds, walnuts, and macadamias will be eliminated.

Dairy

The EU will eliminate tariffs on 87.3 per cent of dairy products.

Australian producers will have duty-free access into the EU for cheese, whole milk powder, dairy spreads and fats and oils, ice cream, yoghurt, milk and cream.

For a small number of products, the agreement delivers access per year for:

- ▶ **5,000 tonnes** of natural butter
- ▶ **8,000 tonnes** of skimmed milk powder
- ▶ **2,000 tonnes** of high protein whey.

Manufactured goods

The EU will eliminate tariffs on all manufactured goods, except steel, including machinery, electrical goods, textiles and auto parts. Imported goods from the EU will also be more affordable.

For more information, please refer to [benefits for manufacturers and other industrial goods producers](#).

² Subject to future technical market access.



Supporting Australia's transition to a renewable energy superpower

The A-EU FTA boosts trade and cooperation on critical minerals. The Agreement will eliminate EU tariffs on critical minerals, making Australian exports more competitive in the EU.

For more information, please see [benefits for energy and resources](#).

Australia and the EU will eliminate tariffs on environmental goods including energy efficient, renewable energy and battery products.

The A-EU FTA does not include any commitments on carbon border adjustments or deforestation.

Please see [benefits for trade, environment and climate](#) for more information.

The A-EU FTA introduces a new Luxury Car Tax category with a threshold of \$120,000 for zero emissions vehicles. Elimination of tariffs means traders and buyers of European vehicles will benefit from cheaper European cars.

Consumers and businesses

Imports from the EU will be more affordable. European champagne, wine, spirits, biscuits, chocolates and pasta will be cheaper at the checkout.

Farmers and businesses will benefit from cheaper auto-parts, machinery, and equipment.

For more information, please refer to [benefits for consumers](#).

Australian businesses will have better access to bid for EU government contract opportunities, worth over \$845 billion annually.

For more information, please see [benefits for small and medium sized enterprises](#).

Digital trade rules will give greater certainty for Australian businesses operating across EU Member States.

Please refer to [benefits for digital trade](#) for more information.

Investment

Australian investors will benefit from preferential treatment in sectors such as mining, manufacturing, tourism and education.

It will be easier for private European investors to invest in Australian energy and resources projects.

Please see [benefits for investors](#) for more information.

Service suppliers and professionals

It will be easier for Australian professionals to travel to and move within the EU, including streamlined professional qualification recognition across the EU.

For more information, please refer to [benefits for professionals](#).

There will be new opportunities in the EU for Australian service providers in sectors such as financial services, education, tourism, communications and environmental services.

Please refer to [benefits for service suppliers](#) for more information.

A new labour pathway provides greater mobility for Australian researchers, engineers and technicians in the EU.

For more information, please see [benefits for innovators and creative professionals](#).

First Nations people

Australia has secured practical trade and investment outcomes for First Nations Australians, including in art and intellectual property, energy and resources, and sustainable agriculture.

Please see [benefits for First Nations people](#) for more information.

Australia's most progressive trade deal ever

The A-EU FTA makes commitments on the environment, climate change, gender equality and women's economic empowerment, and workers' rights and standards.

For more information, please see [benefits for labour and gender equality](#).

The A-EU FTA reinforces Australia's high safety and quality standards.

Please refer to [defending our interests](#) for more information.

Geographical indications

Australia has succeeded in safeguarding key terms and securing flexibilities that allow Australian businesses and producers to continue using terms such as prosecco, kransky and parmesan.

For more information, please see [geographical indications](#).





A-EU FTA outcomes on key products

Key products	A-EU FTA outcome (volume of access per annum)
Beef	<p>Total guaranteed preferential access of 35,000 tonnes (figures in cwe) at full implementation.</p> <p>New access of 30,600 tonnes after 10 years, with a third of the volume at entry into force (EIF) with a five-year grace period, which includes:</p> <ul style="list-style-type: none"> ▶ 16,830 tonnes of duty-free access for grass fed/grain finished (up to 70 days) beef ▶ 13,770 tonnes of any beef (no conditionalities) with a 7.5% in-quota rate. <p>Elimination of the 20% in-quota tariff on EIF on Australia's existing WTO 'Hilton' country-specific quota (CSQ) of 4,400 tonnes [3,389 tonnes shipped weight].</p>
Sheep meat	<p>Total guaranteed access of 30,851 tonnes (figures in cwe) at full implementation (including the existing WTO CSQ of 5,851 tonnes).</p> <p>New duty-free access of 25,000 tonnes after 7 years, with a third of the volume at EIF, including:</p> <ul style="list-style-type: none"> ▶ 18,125 tonnes of any sheep meat ▶ 6,875 tonnes for frozen sheep meat.
Sugar	<p>Total guaranteed, duty-free access of 44,925 tonnes for Australian raw cane sugar for refining, including:</p> <ul style="list-style-type: none"> ▶ new access of 35,000 tonnes after three years, starting at 17,500 tonnes at EIF ▶ immediate elimination at EIF of the EU's in-quota rate of \$172/t (€98/t) on Australia's WTO CSQ of 9,925 tonnes. <p>New duty-free access of 4,000 tonnes for processed sugar products at EIF.</p>
Dairy	<ul style="list-style-type: none"> ▶ EU tariffs on cheese of up to \$3,872/t (€2,212/t) eliminated over 3 years. ▶ EU tariffs on dairy spreads, and fats and oils of up to \$4,049/t (€2,313/t) eliminated over 3 years. ▶ EU tariffs on yoghurt of up to 8.3% plus \$2,955/t (€1,688/t) eliminated over 3 years. ▶ EU tariffs on ice cream of up to 8% plus \$674/t (€385/t) eliminated immediately on EIF ▶ EU tariffs on buttermilk and curdled milk or cream of up to 8.3% plus \$2,955/t (€1,688/t) eliminated over 3 years. ▶ EU tariffs on whole milk powder of up to \$2,927/t (€1,672/t) eliminated over 3 years. <p>For natural butter, immediate access at EIF to an annual duty-free TRQ of 5,000 tonnes.</p> <p>For high protein whey (including a small number of processed agricultural products), immediate access at EIF to an annual duty-free TRQ of 2,000 tonnes.</p> <p>For skimmed milk powder, immediate access to a duty-free quota of 8,000 tonnes.</p> <ul style="list-style-type: none"> ▶ Immediate elimination at EIF of the in-quota rates of \$299/t (€170.6/t) on Australia's two WTO CSQs on cheese into the EU. <p>Australia will eliminate the existing tariff on EU cheese imports of \$1.22 per kilogram over 3 years. Australia's existing WTO global cheese TRQ of 11,500 tonnes remains unchanged.</p>
Rice	<ul style="list-style-type: none"> ▶ EU tariffs on husked (brown) rice of up to \$74/t (€42.50/t) will be eliminated over 3 years. ▶ EU tariffs on broken rice of up to \$114/t (€65/t) will be eliminated over 3 years. ▶ EU tariffs on processed rice products of up to \$410/t (€234/t) will be eliminated over 3 years. <p>For milled/semi-milled rice, immediate access to a duty-free TRQ of 5,000 tonnes at EIF, rising to 8,500 tonnes over 5 years.</p>

Key products	A-EU FTA outcome (volume of access per annum)
Wine	EU tariffs of up to \$56/100 litres (€32/100 litres) on wine will be eliminated immediately on EIF.
Tree Nuts	EU tariffs on tree nuts will be eliminated immediately on EIF, including tariffs of up to: 5.6% on almonds 5.1% on walnuts 2% on macadamia nuts .
Seafood	EU tariffs on seafood will be eliminated immediately on EIF, including tariffs of up to: 15% on kingfish 12% on prawns 11% on abalone .
Fruit	The 'ad valorem' component of tariffs in the EU's Entry Price System on fruit will be eliminated once the agreement is fully implemented. While the EU's Entry Price System will be maintained, the relatively high value of Australian produce means this will effectively result in duty-free treatment. Key outcomes include: EU seasonal tariffs on apples of up to 9% eliminated over 7 years EU seasonal tariffs on pears of up to 10.4% eliminated over 3 years.
Vegetables	EU tariffs on vegetables will be eliminated immediately on EIF, including tariffs of up to: 9.6% tariff on onions 13.6% tariff on carrots 11.5% on potatoes . For other vegetables, the 'ad valorem' component of tariffs in the EU's Entry Price System on vegetables (excluding sweetcorn) will be eliminated once the agreement is fully implemented. While the EU's Entry Price System will be maintained, the relatively high value of Australian produce means this will effectively amount to duty-free treatment.
Honey	EU tariff of 17.3% will be eliminated over 3 years.
Olive Oil	EU tariff of up to \$2,356/t (€1,346/t) will be eliminated over 3 years.
Non-agricultural goods	All EU tariffs eliminated, except on certain steel products, largely at EIF.
Silicon	5.5% EU tariff eliminated at EIF.
Auto parts	EU tariffs of up to 4.5% eliminated at EIF.
Machinery and electrical goods	EU tariffs of up to 14% eliminated at EIF.
Textiles and textile articles	EU tariffs of up to 12% eliminated at EIF.







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