



AUSTRALIA - INDIA

ECONOMIC COOPERATION AND TRADE AGREEMENT



Benefits for Australian Goods Exporters

The Australia-India Economic Cooperation and Trade Agreement (ECTA) places Australian goods exporters in prime position to capitalise on India's enormous and growing market.

ECTA offers access to the large Indian market of nearly one and a half billion people.

Australia exported \$19.3 billion worth of goods to India in 2021, representing 4.2 per cent of Australia's total exports. ECTA will support goods exporters by eliminating and reducing tariffs and removing red tape that slows trade down.



Australian Government

December 2022. More information on the Australia-India Economic Cooperation and Trade Agreement is available at
dfat.gov.au/ceca



Key Outcomes

- ECTA will eliminate tariffs on over 90 per cent of Australia's goods exports to India by value, with tariffs on over 85 per cent of our exports eliminated on 29 December 2022, worth almost \$12.6 billion of Australia's dutiable exports to India over the period 2018-2019, and phased elimination of tariffs over 2, 4 or 6 years for an additional 5 per cent of our exports.
- In addition, high Indian tariffs will be substantially reduced for some key agricultural products such as wine, almonds, lentils and strawberries.

Enhanced trade facilitation under ECTA

New rules to facilitate trade will give Australian traders greater certainty. Advance rulings on tariff treatment under ECTA, as well as streamlined documentation requirements will allow for faster processing of goods.

There will be:

- Immediate elimination of tariffs on goods such as sheep meat, wool, hides and skins, barley, oats, fresh rock lobster, LNG, coal, critical minerals, alumina, manganese, copper, zirconium, titanium dioxide, certain critical minerals, certain non-ferrous metals, cosmetics and railway equipment.
- Immediate access to duty free quota for cotton and immediate 50% tariff reduction to quotas on lentils, almonds, oranges, mandarins and pears.
- Phased elimination of tariffs over 2, 4 or 6 years on goods such as infant formula, certain peas and beans, macadamia nuts, avocados, onions, cherries, blueberries, raspberries and blackberries, certain oil seeds and oils, food preparations such as malt extract, pasta and breakfast cereals, petroleum oils, certain non-ferrous metals, pharmaceutical products, vitamins, cochlear implants, pumps, furniture and bedding, water filters and excavating machines.
- Reduction in high tariffs on wine, apricots and strawberries.

Sheep meat

Australia exported \$4.3 billion of sheep meat globally in 2021. Duties on Australian exports to India are 30 per cent. Key ECTA market access outcomes include:

- immediate elimination of tariffs on 29 December 2022.

Seafood

Duties on Australian exports to India are 30 per cent. Key ECTA market access outcomes include:

- elimination of tariffs on fresh rock lobster on 29 December 2022 into force.
- phased elimination tariffs on most other seafood, including Atlantic salmon, tuna and frozen rock lobster over 6 years.

Horticulture

Horticulture contributed \$4.2 billion to Australia's total agricultural export income in 2021.

High and fluctuating tariffs on key commodities hamper Australia's market access to India:

- phased elimination of tariffs over 6 years on avocados, certain peas and beans, onions, leeks, asparagus, cherries, berries, macadamias, cashews in shell, shelled pistachios and hazelnuts.
- reduction of tariffs over 6 years for apricots, garlic and strawberries.
- immediate 50% tariff reduction within an annual quota of 150,000 tonnes for lentils, of 34,000 tonnes for almonds, of 13,700 tonnes for oranges and mandarins, and of 3,700 tonnes for pears.



Wool

Australia exported \$3.1 billion of wool globally in 2021. Key ECTA market access outcomes include:

- immediate elimination of tariffs on 29 December 2022.

Barley and oats

Australia exported \$2.7 billion of barley and \$156 million of oats globally in 2021. Key ECTA market access outcomes include:

- tariffs locked at 0 per cent on 29 December 2022.

Wine

Total Australian wine exports to the world were valued at \$2.1 billion in 2021. Duties on Australian exports to India are 150 per cent. Key ECTA market access outcomes include:

- 150 per cent tariff cut to 100 per cent on 29 December 2022 and phased to 50 per cent over 9 years for bottles valued over US\$5
- 150 per cent tariff cut to 75 per cent on 29 December and phased to 25 per cent over 9 years for bottles valued over US\$15.
- minimum import price will be indexed every 10 years based on Indian wholesale price index for wine.
- India will extend any market access improvements to future FTA partners to Australia.

Hides and skins

Australia exported \$648 million of hides and skins globally in 2021. Key ECTA market access outcomes include:

- tariffs locked at 0 per cent on 29 December 2022 for raw and processed hides and skins.

Cotton

Australia exported \$1.9 billion of cotton globally in 2021. Key ECTA market access outcomes include:

- immediate duty free access within a quota of 300,000 bales per year.

Infant formula

Australia exported \$415 million of infant formula globally in 2021. Duties on Australian exports to India are 50 per cent. Key ECTA market access outcomes include:

- phased elimination of tariffs over 6 years.

Metallic ores

Australia exported \$170 billion of metallic ores globally in 2021. Key ECTA market access outcomes include:

- immediate elimination of tariffs on 29 December 2022 for manganese, copper, nickel, cobalt, aluminium and tin ores.

Coal

Australia exported \$63 billion of coal globally in 2021. Around 21.5 per cent (valued at \$13.6 billion) of these exports went to India. Key outcomes include:

- immediate elimination of tariffs on 29 December 2022.
- phased elimination of tariffs on bituminous coal over 4 years.



Crude petroleum

Australia exported \$10 billion of crude petroleum globally in 2021. Key ECTA market access outcomes include:

- elimination of tariffs over 4 years.

Liquefied natural gas

Australia exported \$50 billion of LNG globally in 2021. Key ECTA market access outcomes include:

- tariffs locked at 0 per cent on 29 December 2022.

Alumina

Australia exported \$7.6 billion of alumina globally in 2021. Half of Indian imports of alumina comes from Australia. Key ECTA market access outcomes include:

- immediate elimination of tariffs on 29 December 2022.

Titanium dioxide

Australia exported \$784 million of titanium dioxide globally in 2021. India is Australia's first destination of titanium dioxide making 18 per cent (valued at \$138 million) of Australia's exports. Key ECTA market access outcomes include:

- immediate elimination of tariffs on 29 December 2022.

Non-ferrous metals

Australia exported \$11.5 billion of non-ferrous metals globally in 2021. Main outcome includes:

- elimination of tariffs on 29 December 2022 for copper alloys and most nickel products.

Pharmaceutical products

Australia exported \$2.6 billion of pharmaceutical products in 2021. Key ECTA market access outcomes include:

- phased elimination of tariffs over 4 years.

Cosmetics

Key ECTA market access outcomes include:

- elimination of 20 per cent tariff on 29 December 2022.

Wood and paper products

Australia exported \$2.8 billion of wood and paper products globally in 2021. Key ECTA market access outcomes include:

- phased elimination of tariffs of up to 20 per cent on wood and wood products, including sandalwood chips, over 6 years.