



26 March 2025

Ms Frances Lisson PSM
First Assistant Secretary, Free Trade Agreement Division
Department of Foreign Affairs and Trade
RG Casey Building
John McEwen Crescent
Barton ACT 0221

Dear Ms Lisson

Subject: Australia-India Comprehensive Economic Cooperation Agreement

The University of Melbourne welcomes the opportunity to contribute to consultations on the Australia-India Comprehensive Economic Cooperation Agreement (CECA). We recognise the considerable potential the CECA has for both countries and welcome ongoing negotiations. In the current global economic climate, it is essential for Australia to maintain and enhance trade relationships with FTA-committed countries such as India. This approach can help foster mutual growth and economic resilience.

The Australia-India Economic Cooperation and Trade Agreement (ECTA) represented a significant step forward in the bilateral relations between our nations. This agreement has made substantial progress, reducing tariffs on a wide range of goods and facilitating increased trade flows. In the education sector, the ECTA has introduced important improvements, such as enhanced post-study work rights for Australian-educated Indian graduates and the mutual recognition of certain qualifications. These measures not only benefit students but also contribute to the development of skilled workforces in both countries.

Education is an essential pillar of Australia's relationship with India. [A New Roadmap for Australia's Economic Engagement with India](#) identified education and skills as one of four "superhighways of economic growth." India is the second largest source country for international students in Australia,¹ representing an export income of \$8.1 billion in 2023.² It is also a significant partner in transnational education and research, with 452 formal university-to-university agreements in 2020.³ Yet, there is more that can be done to enhance this relationship. For example, the CECA could enhance access for educational institutions in both India and Australia, creating greater opportunities for student recruitment, academic partnerships and research collaborations.

The submission below outlines key areas where CECA negotiations could reap significant benefits, both within the education sector and beyond. This advice draws on the University's experiences engaging with India, including

¹ <https://www.education.gov.au/international-education-data-and-research/international-student-numbers-country-state-and-territory>

² <https://www.education.gov.au/international-education-data-and-research/education-export-income-calendar-year>

³ <https://universitiesaustralia.edu.au/policy-submissions/international/international-links-member-universities/>

through its Melbourne Global Centre in Delhi, the specialised knowledge of affiliated bodies such as Asialink Business and the Australia India Institute, and the expert insights of the University's economists.

Visas

The volatility in Australian visa arrangements over the past year has had a deleterious effect on our reputation among prospective international students, particularly those from India. The inconsistency and unpredictability of visa settings and outcomes have created uncertainty and frustration, potentially dissuading talented individuals from choosing Australia. While recent data shows improvement, with visa grant rates for Indian higher education students rising to 90.7% in December 2024 (compared to 94.4% for all higher education students), this follows a period of significant disparity. In the 2023-24 period, only 69.6% of Indian higher education student visa applications were granted, compared to 84.2% overall.⁴ The Government's series of Ministerial Directions continue to hamper the swift processing of visas and makes Australia a less desirable place to study.

Although the situation is improving, other policies continue to deter international students, including significant increases to student visa fees. While the University recognises the need for a sustainable international education sector, it is important that this is balanced with the need to nurture educational ties with India and diversify our student cohorts. As we move forward, it is essential that our visa policies and practices are simple and consistent. A greater commitment by the Government to information sharing could also create efficiencies and benefit mobility between our countries. As flagged in the University's [submission](#) on the Roadmap, barriers also exist within the Indian visa system, limiting opportunities for Australian students to seek professional experience through paid internships, for example. In negotiating the CECA, both governments need to ensure balanced reciprocity and visa policy settings.

Recommendation: Through the CECA negotiations, explore an arrangement that provides mutual certainty over visas.

Transnational education

Through the CECA negotiations, the Government could do more to support innovative forms of transnational education delivery. For example, in March 2023, the University launched a Bachelor of Science Dual Degree program with three long-standing partners in India, called the Bachelor of Science Advanced (Honours). This enables students from partner institutions to complete their Bachelor of Science and a corresponding masters degree, with the first two years spent at their home institution and then two years on campus in Melbourne for the Bachelor of Science, followed by an option to progress to a fast-tracked masters degree. The CECA should ensure that visa arrangements in both countries, including post-study work rights, continue to support this type of delivery.

The Government could also consider establishing a fund to support new dual/joint degree programs between Australian and Indian institutions, in response to India's National Education Policy recommendations. This could expand on the existing Australia India Strategic Research Fund (AISRF), broadening it to include academic engagement, or it could exist as a standalone fund, established in partnership with the Indian Ministry of Education.

⁴ <https://data.gov.au/data/dataset/student-visas>

Recommendations:

- **Ensure that visa arrangements in both countries align with the ambitions of the CECA, supporting student mobility and innovative forms of transnational education.**
- **Consider establishing a fund to support new dual/joint degree programs.**

Qualifications recognition

The [Mechanism for the Mutual Recognition of Qualifications between Australia and India](#), signed in 2023, was an important step forward in the bilateral relationship with India. While this agreement has improved qualifications recognition, particularly in education, challenges persist on both sides. The agreement excluded recognition of qualifications that lead to occupations with specialised knowledge and skills in Australia and have registration, licensing, professional membership or other industry requirements. Similarly, India has its own set of restrictions on recognising certain Australian professional qualifications.

These gaps in recognition presents a significant obstacle for professionals seeking to work in either country. . Currently, measuring professional services exports between Australia and India presents challenges, but this opportunity shows considerable growth potential. Enhancing qualification recognition processes on both sides, including for in-demand health professions and other specialised fields, through CECA negotiations will be key to facilitating greater professional mobility between our nations. Addressing these issues will require a collaborative approach, with both countries working to streamline and harmonise their qualification recognition systems.

Recommendation: Build on the existing qualifications recognition mechanism to facilitate greater professional mobility between Australia and India.

Student mobility

In terms of student mobility, Australian students are keen on short-term supported programs in India, such as faculty-led study tours, but express limited interest in semester-based exchanges despite existing agreements. To address this, the Government could explore a model like the non-profit consortium [Acicis](#), which has successfully increased student engagement with Indonesia. The Acicis approach offers comprehensive support, including pre-departure and in-country assistance, which could boost student confidence in undertaking longer-term studies in India. This model could foster deeper cultural immersion and strengthen educational ties with India.

Recommendation: Explore a student mobility model like Acicis to build interest in longer-term in-country education exchange programs.

Research and innovation

India is a significant research partner for Australia, representing Australia's 9th largest collaborator in terms of co-authored publications.⁵ The University of Melbourne is committed to growing investment in research partnerships and initiatives in India. For example, the Nossal Institute is delivering projects in excess of AUD\$2.5 million in India,

⁵ <https://www.scival.com/collaboration/currentCollabTable?uri=Country/36>

including VirtuCare Telehealth, a leading program for increasing access to healthcare for people with a disability. Yet, many research partnerships between Australia and India are driven by scholars from the Indian diaspora based at Australian universities, rather than formal programs. There is also a dearth of engagement by Indian and Australian industry in existing research programs which limits the broader impact. To address this, the Government should consider establishing initiatives to support industry-led collaborations with researchers, building on the successful Cooperative Research Centre (CRC) model in Australia.

Exploring opportunities for patent harmonisation could potentially enhance research and innovation collaboration between Australia and India. The CECA negotiations could offer a chance to discuss international IP and patent standards with our Indian counterparts. Such conversations could help build trust and facilitate more foreign direct investment and university-to-university and industry-to-industry partnerships.

In terms of people-to-people engagement, this year the Indian Government is launching a new visa category for international researchers, scientists and scholars - the G20 Talent Visa. This is similar to Australia's National Innovation Visa, which is aimed at internationally recognised individuals with outstanding achievements in certain areas, including research. The Australian and Indian Governments could back these programs with funding to encourage use of the visas on a two-way basis.

Recommendations:

- ***Establish programs to support industry-led collaborations with researchers.***
- ***Consider using CECA negotiations to discuss international IP and patent standards.***
- ***Provide funding to incentivise the use of India's G20 Talent Visa and Australia's National Innovation Visa on a two-way basis.***

India capability

To fully capitalise on the opportunities presented by the CECA, it is crucial for Australian businesses to develop deeper India capability. The large and diverse Indian business environment requires a nuanced understanding that goes beyond basic market knowledge. The CECA should incorporate initiatives that enhance India literacy, provide targeted business advisory services, and foster industry partnerships. These measures would equip Australian businesses with cultural understanding, market insights, and local networks necessary for successful engagement in India. Building on the successful model of Asialink Business, which already supports businesses in accessible, practical ways, CECA could expand access to such programs specifically for the Indian context.

Recommendation: Support initiatives that enhance India literacy, provide targeted business advisory services and foster industry partnerships.

Other barriers to trade

There are a range of non-tariff barriers that should be targeted through the CECA negotiations. For example, regulatory complexity, licensing requirements and sectoral restrictions remain a challenge for Australian businesses. These factors create uncertainty, barring many businesses from engaging with India. Much of the CECA's value will be in codifying those requirements, including import requirements and timeframes for approval processes.

Additionally, the CECA should include a chapter on small and medium-sized enterprises (SMEs), noting that these make up 97% of all Australian businesses.⁶ Free trade agreements tend to benefit existing exporters, particularly large companies. They are generally less successful in bringing in new businesses to participate. Many Australian SMEs still find India's market difficult to navigate. Dedicated mechanisms for SME facilitation, including targeted support services, would encourage greater participation.

A CECA could establish clear guidelines for digital trade and data regulation. As India's data protection landscape evolves, with increasing emphasis on data localisation policies, it is crucial to address the cross-border flow of information. The CECA should provide clarity on local data storage requirements and cross-border data protection rules, balancing India's protective stance on its fintech, IT, and e-commerce sectors with the need for greater market access for Australian digital service providers. By negotiating a comprehensive digital trade chapter, a CECA can create a more predictable environment for e-commerce and digital services.

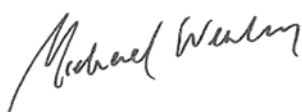
Finally, the CECA could include a side-letter addressing mutual recognition of our not-for-profit (NFP) sectors. Australia boasts a well-regulated NFP sector, while India has a vibrant Corporate Social Responsibility (CSR) sector, in part due to the *Indian Companies Act 2013* which mandates CSR spending for companies of a certain size. However, as an NFP organisation, the University faces numerous taxation and foreign direct investment hurdles when engaging in mutually beneficial, not-for-profit activities with Indian partners. The negotiation of a side-letter could help address these barriers and encourage greater collaboration.

Recommendations:

- ***Use CECA to codify Indian import requirements for Australian businesses and reduce uncertainty.***
- ***Include a dedicated chapter on small and medium-sized enterprises to grow the number of exporters.***
- ***Establish clear guidelines for digital trade and data regulation through the CECA.***
- ***Consider including a side-letter addressing mutual recognition of our not-for-profit sectors.***

For further information, I can be contacted at michael.wesley@unimelb.edu.au.

Yours sincerely



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⁶ <https://www.asbfeo.gov.au/small-business-data-portal/number-small-businesses-australia>