

Department of Foreign Affairs and Trade  
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28 May 2026

**By email:** [CPTPP@dfat.gov.au](mailto:CPTPP@dfat.gov.au)

Dear CPTPP Accession Team,

**Subject: Uruguay's Accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership**

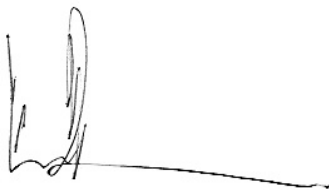
I am writing on behalf of the Business Council for Sustainable Development Australia (BCSDA) in response to the Department of Foreign Affairs and Trade's call for submissions on the commercial, economic, regional and other impacts of Uruguay's potential accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

BCSDA is a business-led organisation supporting sustainable development in Australia and is part of the global network of the World Business Council for Sustainable Development (WBCSD). BCSDA works with business, government and stakeholders to advance practical, commercially literate and evidence-informed approaches to sustainable business, climate resilience, nature, circularity, inclusive growth and responsible investment.

BCSDA supports Australia's continued commitment to open, rules-based and high-standard trade. We support Uruguay's accession to the CPTPP in principle, subject to Uruguay demonstrating full compliance with existing CPTPP obligations, providing commercially meaningful market access offers, and participating in the Agreement in a way that strengthens rather than dilutes its high-standard, inclusive and sustainable character.

We confirm that this submission may be made public. BCSDA would welcome the opportunity to participate in further DFAT stakeholder consultation on Uruguay's accession and the future implementation of the CPTPP.

Yours faithfully,



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## Executive Summary

BCSDA welcomes the opportunity to comment on Uruguay's potential accession to the CPTPP. Uruguay's accession presents a modest but strategically useful opportunity for Australia. Existing bilateral trade is small, but the accession process could support greater engagement between Australia and a stable, rules-oriented South American economy with strong agricultural, renewable energy, digital and sustainability credentials.

BCSDA's central view is that Australia should support Uruguay's accession **only on high-standard terms**. Accession should not be treated as a procedural expansion exercise. It should be used to strengthen the CPTPP as a platform for commercially meaningful market access, resilient supply chains, high labour and environmental standards, inclusive participation and practical implementation.

Uruguay's accession could assist Australian businesses by:

- improving market access and legal predictability for services, education, professional advice, digital trade, sustainable finance, agrifood, renewable energy and climate-related capabilities;
- deepening Australia's economic links with Latin America and Mercosur-connected markets;
- creating new cooperation opportunities in renewable electricity integration, storage, renewable energy integration, storage, energy efficiency and future fuels, livestock emissions reduction, food traceability, circular economy practices and sustainable land use;
- supporting business-to-business partnerships through the WBCSD global network and relevant sustainability-oriented business networks in Uruguay; and
- reinforcing the CPTPP's credibility as an agreement that links trade liberalisation with resilience, sustainability, inclusion and practical business utilisation.

At the same time, Australia should proceed with discipline. BCSDA does not suggest that Uruguay's accession will, by itself, materially transform Australia's trade profile. The stronger case is narrower: accession can create a more predictable platform for commercially specific opportunities in services, sustainable agriculture, clean energy, digital trade and responsible investment. Australia's negotiating position should therefore focus on areas where CPTPP commitments can remove practical barriers, reduce transaction costs, improve regulatory certainty or support business-to-business cooperation. This is a more credible test than treating accession as a general market-opening exercise. Uruguay's public accession process is still at an early stage. There is not yet a public package of negotiated market access offers or agreed means of compliance equivalent to more advanced accession processes. Australia should therefore avoid assuming outcomes before the Accession Working Group has tested Uruguay's legal, regulatory and institutional readiness.

BCSDA recommends that Australia's negotiating position be guided by eight priorities:

- **Recommendation 1:** Support Uruguay's accession in principle, but only based on full compliance with existing CPTPP obligations and no dilution of CPTPP standards.
- **Recommendation 2:** Define "commercially meaningful" market access by reference to practical business use. Australia should seek outcomes that improve the ability of Australian businesses to supply services, participate in clean economy and agrifood value chains, invest responsibly and move skilled personnel where necessary. In assessing Uruguay's offer, Australia should test whether commitments reduce real barriers for Australian firms, including licensing opacity, restrictions on services delivery, burdensome customs procedures, unclear digital trade rules, limits on professional mobility and non-transparent regulatory processes.
- **Recommendation 3:** Address agriculture, sanitary and phytosanitary measures, food standards and biosecurity upfront, preserving Australia's right to maintain science-based protections.
- **Recommendation 4:** Use accession to advance practical sustainable trade cooperation, including renewable energy, sustainable agriculture, livestock methane reduction, traceability, circularity, nature and climate resilience.
- **Recommendation 5:** Maintain high labour, inclusion, gender equality, human rights and responsible business conduct expectations, including practical SME participation and respect for First Nations trade interests.
- **Recommendation 6:** Preserve strong investment safeguards and the right of governments to regulate in the public interest, including for climate, nature, health, labour and community outcomes.

- **Recommendation 7:** Build implementation, evaluation and business utilisation into the accession outcome from the start.
- **Recommendation 8:** Adopt a whole-of-government and stakeholder-informed approach to accession, involving DFAT, Austrade, DAFF, Treasury, DCCEEW, DEWR, First Nations trade representatives, state and territory governments and business stakeholders.

BCSDA's overall assessment is that Uruguay's accession can be positive for Australia if it is negotiated as a high-standard, implementation-focused and sustainability-aligned accession. Australia should support expansion of the CPTPP where it strengthens commercial opportunity, regional engagement and sustainable development outcomes, not where it creates compliance gaps or weakens confidence in the Agreement.

## BCSDA's interest in the consultation

BCSDA's interest in Uruguay's accession is not limited to tariff outcomes. We are concerned with whether CPTPP expansion strengthens the conditions under which Australian businesses can compete, invest, innovate and contribute to sustainable development.

For BCSDA members and the broader sustainable business community, the practical tests are:

- whether accession improves commercial opportunity and delivery certainty;
- whether businesses can use the Agreement in practice, particularly SMEs and mid-sized firms;
- whether accession supports resilient, low-emissions and nature-conscious value chains;
- whether labour, inclusion, gender and community expectations are reflected in implementation;
- whether investment protections preserve legitimate public-interest regulation; and
- whether Australia has a clear process to monitor utilisation, impacts and implementation risks after accession.

This approach is consistent with BCSDA's prior CPTPP accession engagement, including its submission on Costa Rica's accession. The same broad disciplines are relevant to Uruguay, but the country-specific analysis must be different. Uruguay is not Costa Rica. Australia's position should therefore be based on Uruguay's own market structure, regulatory readiness, sustainability profile, sectoral opportunities and implementation capacity.

## Context: Uruguay's accession process and Australia's negotiating task

On 21 November 2025, CPTPP Ministers agreed to commence an accession process for Uruguay. The Accession Working Group is to examine Uruguay's request, assess documentation provided by Uruguay on its ability to comply with CPTPP terms, conduct accession negotiations, and report to the CPTPP Commission on the terms and conditions for Uruguay's accession.

For Australia, the task is to ensure Uruguay's accession strengthens the CPTPP. This requires a disciplined approach to:

- full compliance with existing CPTPP rules;
- high-quality and commercially meaningful market access offers;
- effective implementation capacity;
- preservation of Australia's biosecurity, environmental, labour, health and public policy settings;
- practical support for business utilisation; and
- credible follow-through after accession.

Uruguay has relevant strengths. It is a stable democracy with a record of prudent macroeconomic management, strong institutional quality and a recognised renewable energy transition. It is also a member of Mercosur and participates with Australia in multilateral settings including the WTO and the Cairns Group of agricultural fair-trading countries. This creates useful alignment in some areas, especially agricultural trade reform and rules-based trade.

However, current Australia–Uruguay commercial ties are modest. DFAT's trade and economic fact sheet indicates that Australia's goods and services exports to Uruguay were A\$28.6 million in 2024–25, while imports

from Uruguay were A\$41.9 million. Australian investment in Uruguay was A\$641 million in 2024, while investment from Uruguay in Australia was A\$6 million. This means accession should be approached as a strategic platform for future engagement rather than as a large immediate commercial uplift.

## BCSDA's global network partner insights and relevance to CPTPP accession

BCSDA is part of the WBCSD global network. WBCSD's work is relevant because it translates sustainability priorities into business execution, governance, risk management, value-chain cooperation and accountability. For Uruguay's CPTPP accession, the most relevant WBCSD-aligned insights are:

- 1. Sustainability as competitiveness:** Sustainability is increasingly a driver of business performance. It can reduce operating risk, improve access to capital, support customer confidence, enable market entry, improve workforce attraction and strengthen long-term competitiveness. CPTPP accession should therefore be assessed not only by whether it lowers barriers, but by whether it helps businesses compete in markets where climate, nature, traceability, human rights, circularity and resilience expectations are becoming more important.
- 2. Corporate performance and accountability:** WBCSD's Corporate Performance and Accountability work supports integration of sustainability into governance, strategy, risk, reporting and financial decision-making. This is relevant to CPTPP accession because trade liberalisation increasingly intersects with sustainability-related disclosure, responsible investment, carbon accounting, supply-chain risk and market access requirements. Australia should encourage accession implementation that helps businesses understand and meet emerging expectations, rather than leaving SMEs and exporters to navigate fragmented standards alone.
- 3. Emissions reduction and value chains:** WBCSD's value-chain work, including emissions reduction, agriculture and food, energy, built environment, transport and circular products, demonstrates that many sustainability challenges cannot be solved firm by firm. They require value-chain collaboration, practical metrics, interoperable data, procurement signals, finance and policy settings. This is directly relevant to Uruguay, particularly in agriculture, renewable energy, food traceability, logistics and low-emissions production. CPTPP accession could provide a platform for practical cooperation on value-chain decarbonisation and resilience.
- 4. Circular economy and resource productivity:** Circularity is increasingly a competitiveness issue. Businesses need clearer metrics, better data exchange, more consistent reporting and enabling policy settings to reduce waste and improve resource productivity. Uruguay's accession could support cooperation on circular products, materials, packaging, traceability and sustainable procurement, particularly where Australian and Uruguayan firms participate in shared value chains or service markets.
- 5. Nature, agriculture and land-use resilience:** Uruguay and Australia both have significant agricultural systems exposed to climate variability, water stress, land-use pressures and biodiversity expectations. Trade should support productivity and resilience while respecting environmental limits and local community interests. Australia should use accession dialogue to encourage practical cooperation on sustainable livestock, methane reduction, soil health, water stewardship, land restoration, biodiversity-related risk assessment and credible nature-related business disclosure.
- 6. Inclusive business and people-centred implementation:** WBCSD's people and inclusion work is relevant to CPTPP implementation because trade agreements can underperform if benefits are concentrated among larger firms and better-resourced exporters. SMEs, women-led businesses, regional businesses, First Nations businesses and workers need practical pathways to participate. Australia should therefore seek implementation arrangements that make the CPTPP usable for smaller and diverse businesses, including through guidance, outreach, translation of rules into practical business tools, and targeted trade facilitation support.

## Commercial and economic impacts for Australian business

- 1. Current trade is modest but underdeveloped:** Australia's current goods and services trade with Uruguay is modest. This should temper expectations about immediate commercial gains, but it does not make accession unimportant. Smaller markets can still matter where they provide regulatory certainty, regional entry points, sector-specific opportunities and strategic diversification. DFAT data indicates that Australia's leading exports to Uruguay include education-related travel, recreational

travel, business-related travel, animal oils and fats, wool and other animal hair, and crude vegetable matter. Imports from Uruguay include recreational travel, simply worked wood, miscellaneous manufactured articles, electric power machinery and parts, footwear and business-related travel. This suggests that near-term opportunities are likely to be services-led, relationship-led and niche rather than large-volume merchandise trade. That makes business utilisation, professional networks and regulatory predictability especially important.

Given the small current trade base, Australia should avoid spreading negotiating effort too thinly. BCSDA suggests DFAT prioritise three categories of opportunity.

1. Services where Australia has established capability and where barriers can be reduced through CPTPP disciplines, including education, professional services, digital delivery and sustainability-related advisory services.
2. Value-chain opportunities where Australia and Uruguay have shared exposure to climate, agriculture, food integrity and resilience challenges.
3. Investment and project-based opportunities in clean energy, infrastructure, sustainable finance and climate adaptation. Other opportunities may emerge, but these three categories provide a more credible basis for assessing commercial materiality.

**2. Services, education and professional capabilities:** Australia should prioritise outcomes that improve access for Australian service providers, including:

- education and vocational training;
- sustainability advisory and climate-risk services;
- engineering, infrastructure, energy and water services;
- legal, accounting, financial and professional services;
- digital services and data-enabled business services;
- agritech, food systems and traceability services; and
- tourism, events and people-to-people links.

Australia should seek clear commitments on temporary entry, recognition of qualifications where appropriate, transparency of licensing requirements, regulatory predictability and digital delivery of services.

**3. Sustainable agriculture and food systems:** Uruguay is a significant agricultural exporter, particularly in livestock and food products. This creates both opportunity and competitive sensitivity for Australia.

BCSDA recognises that Uruguay's accession may raise concerns for some Australian agricultural producers because Uruguay is also a competitive exporter of livestock and food products. Australia should not dismiss those concerns. The negotiating task should be to ensure that competition occurs on transparent, rules-based and science-based terms, and that Australian producers are not disadvantaged by opaque non-tariff barriers, uneven application of standards or weak enforcement of agreed commitments. The positive case for accession in agriculture is strongest where it supports productivity, traceability, animal health, methane reduction, food integrity and access to high-value markets, rather than simply increasing trade volumes.

Australia should seek outcomes that:

- improve market access for Australian agrifood exporters where commercially meaningful;
- prevent unfair or opaque non-tariff barriers;
- support science-based sanitary and phytosanitary decision-making;
- protect Australia's biosecurity settings;
- encourage interoperability in traceability and product integrity systems;
- support sustainable livestock and methane-reduction cooperation; and
- avoid weakening confidence in the CPTPP's standards for food safety and agricultural trade.

The goal should not be defensive protectionism. It should be fair, science-based and transparent trade that supports high-quality producers in both countries and maintains trust in food systems.

**4. Renewable energy, storage, hydrogen and grid capability:** Uruguay's renewable electricity performance is internationally recognised. Uruguay has generated very high shares of electricity from

renewable sources. In 2024, renewable sources accounted for around 99% of electricity generation, principally from hydropower, wind and biomass. This creates opportunities for Australian businesses and institutions in areas such as:

- renewable energy integration;
- grid management and storage;
- green renewable energy integration, storage, energy efficiency and future fuels;
- energy efficiency;
- electric transport;
- climate finance;
- project governance; and
- risk management for energy infrastructure.

These opportunities should be treated as prospective rather than assumed. DFAT should test whether Australian firms, investors, universities or technical bodies identify specific Uruguay-linked opportunities that CPTPP accession would make easier to pursue. Priority should be given to barriers or cooperation areas that a trade agreement can realistically influence, such as investment certainty, services access, standards cooperation, professional mobility, procurement transparency, project finance conditions and regulatory predictability.

The commercial opportunity is not simply selling equipment. It is knowledge exchange, project design, financing, risk allocation, standards, services, training and value-chain collaboration.

**5. Digital trade and business facilitation:** Digital trade is important for SMEs, services exporters and sustainability-related value chains. Australia should encourage Uruguay's accession to support:

- paperless trade;
- electronic authentication and signatures;
- transparent customs processes;
- digital trade facilitation for SMEs;
- secure and trusted data flows;
- privacy and cyber-resilience; and
- digital tools for traceability, emissions data and sustainability reporting.

Digital provisions should support business efficiency while preserving the ability of governments to regulate for privacy, consumer protection, cyber security, competition and public-interest outcomes.

**6. Sustainable finance and investment:** Australia and Uruguay have a modernised bilateral investment treaty, signed in 2019 and in force from 23 January 2022. Uruguay has also attracted international attention for innovative climate-linked finance. Accession could strengthen investment confidence if it provides predictable rules while protecting the right to regulate. Australia should encourage investment settings that support:

- renewable energy and grid infrastructure;
- sustainable agriculture;
- circular economy projects;
- climate adaptation and resilience;
- sustainable transport;
- digital infrastructure; and
- responsible investment governance.

Investment should be assessed not only by capital flows, but by project quality, resilience, community legitimacy, environmental performance and long-term value.

These opportunities are prospective and should be tested through DFAT, Austrade and industry engagement. BCSDA does not suggest that all listed sectors will generate near-term commercial activity; rather, they identify areas where CPTPP commitments may reduce barriers, improve regulatory certainty or support future business-to-business cooperation.

## Regional and strategic impacts

Uruguay's accession would extend the CPTPP's South American presence and potentially strengthen Australia's engagement with Latin America. Uruguay's Mercosur membership means accession may also have wider signalling value, even though CPTPP benefits would apply only according to the terms of accession and the Agreement itself. For Australia, the regional benefits could include:

- deeper engagement with a stable South American economy;
- improved business networks across Latin America;
- greater visibility for Australian education, professional services, agrifood, energy and sustainability capabilities;
- strengthened cooperation in rules-based trade and agricultural market reform;
- diversification of trade relationships in a more uncertain global environment; and
- reinforcement of the CPTPP as an open, high-standard agreement capable of responsible expansion.

Australia should not overstate the regional effect. Uruguay's market is small, and Mercosur rules may create complexities. But accession could still be strategically useful if it is used to build practical links, not just to expand membership numbers.

## Sustainability and environmental trade aspects

- 1. Climate and clean energy:** Uruguay's renewable energy transition makes it a credible partner for clean-energy cooperation. Australia should use accession dialogue to identify practical areas where trade and investment can support energy transition and resilience, including storage, grid integration, hydrogen, e-fuels, electric mobility, energy efficiency, project finance and skills. This should be framed as commercial cooperation, not symbolic climate diplomacy. The key question is how Australian and Uruguayan firms can deliver projects, services and capabilities that reduce risk, improve efficiency, mobilise capital and build long-term competitiveness.
- 2. Agriculture, methane and food-system resilience:** Agriculture is central to Uruguay's economy and emissions profile. Australia has comparable interests in livestock productivity, methane reduction, food traceability, drought resilience and sustainable land management. Australia should seek cooperation that supports:
  - livestock methane-reduction technologies and practices;
  - measurement and verification systems for agricultural emissions;
  - animal health and productivity improvements;
  - soil carbon and landscape resilience;
  - water stewardship;
  - food traceability and product integrity;
  - biodiversity-sensitive land management; and
  - export market confidence in high-standard food production.These measures can create commercial value while supporting climate and nature outcomes.
- 3. Nature, biodiversity and land use:** Trade can create pressure on land, water and biodiversity if not managed well. It can also support better practice through standards, traceability, finance and market incentives. Australia should encourage accession-related cooperation on nature-related risk assessment, land restoration, deforestation-free and conversion-free supply-chain expectations where relevant, sustainable forestry, water stewardship and biodiversity disclosure. This should complement local relationships, domestic law and negotiated arrangements rather than impose one-size-fits-all standards.
- 4. Circular economy and resource productivity:** Uruguay's accession should support practical circular economy cooperation, particularly in packaging, materials, waste reduction, product stewardship, sustainable procurement and circular data systems. Australia should encourage business-led pilots and standard-aligned reporting where these reduce transaction costs and support market access.

## Labour, inclusion, SMEs and First Nations trade interests

High-standard trade must be usable and legitimate. Accession should therefore support labour standards, inclusion and practical participation by smaller businesses and underrepresented groups. Australia should seek:

- full implementation of CPTPP labour obligations;

- cooperation on skills, decent work and just transition challenges;
- practical pathways for women-led businesses and SMEs to use CPTPP preferences and services commitments;
- transparent information for smaller exporters;
- outreach through chambers, industry bodies and sustainability networks;
- support for digital trade tools that reduce compliance burdens; and
- respect for First Nations trade interests in Australia's own implementation and stakeholder engagement.

First Nations participation should not be treated as a generic inclusion clause. BCSDA recommends that DFAT engage First Nations businesses and representative bodies on whether Uruguay's accession creates relevant opportunities in education, tourism, culture, food, design, professional services, sustainable land management or other sectors. Any such engagement should respect First Nations rights, knowledge, cultural authority and commercial priorities.

In practical terms, DFAT should not assume that Uruguay's accession automatically creates First Nations trade opportunities. The better approach is targeted engagement before and after accession to identify whether there are specific opportunities in sectors such as education, cultural and creative industries, sustainable land and water management, tourism, premium food, professional services or climate and biodiversity advisory work. Any such engagement should be led by First Nations priorities and should avoid treating First Nations knowledge, culture or business participation as an add-on to an otherwise conventional trade agenda.

## Regulatory, SPS, biosecurity and implementation issues

1. **Maintain Australia's right to regulate:** Australia should ensure Uruguay's accession preserves the ability of governments to regulate in the public interest, including for health, environment, labour, climate, biodiversity, consumer protection, privacy, competition, financial stability and biosecurity. This is not anti-business. Clear public-interest regulation creates trust, reduces project risk and supports durable investment. Poorly designed investment protections or unclear regulatory expectations can create uncertainty and increase the risk of disputes.
2. **SPS and biosecurity:** Australia's biosecurity system is a core national asset. It protects agriculture, biodiversity, communities and trade reputation. Uruguay's accession should not weaken Australia's ability to apply science-based SPS measures or quarantine protections. Australia should seek clear commitments to:
  - transparent SPS processes;
  - timely information exchange;
  - science-based risk assessment;
  - cooperation between competent authorities;
  - recognition of equivalence only where justified by evidence;
  - practical mechanisms to resolve technical barriers without compromising standards; and
  - maintenance of Australia's capacity to respond to emerging pests, diseases and food-safety risks.
3. **Regulatory coherence and standards:** Accession should support regulatory coherence where it improves business certainty, but not at the expense of legitimate domestic protections. Australia should encourage Uruguay to demonstrate readiness in:
  - transparency of regulatory processes;
  - consultation with affected stakeholders;
  - publication and accessibility of trade-related rules;
  - administrative review and due process;
  - competition policy;
  - state-owned enterprise disciplines;
  - anti-corruption and integrity settings;
  - digital trade and privacy; and
  - implementation capacity across relevant agencies.
4. **Implementation capacity:** A high-standard agreement only works if it is implemented. Australia should seek a clear accession implementation plan covering Uruguay's legal changes, administrative

arrangements, responsible agencies, timeframes, transition periods if any, and mechanisms for business guidance. Implementation should include practical business-facing materials in accessible formats, including for SMEs.

## Monitoring, evaluation and business utilisation

BCSDA recommends that Australia build a utilisation and implementation lens into the accession outcome from the start. This should include:

- a public or stakeholder-facing implementation summary after accession terms are agreed;
- business utilisation guidance for Australian exporters and investors;
- sector-specific briefings for services, education, agrifood, clean energy, digital and sustainability-related businesses;
- data on use of preferences and services commitments where available;
- identification of non-tariff barriers or implementation difficulties;
- case studies of successful Australian and Uruguayan business use of the Agreement;
- a two-year post-entry review of practical utilisation and implementation issues; and
- structured engagement with business, unions, civil society, First Nations representatives and relevant experts.

BCSDA recognises that implementation resources are finite. The proposed utilisation agenda should therefore be proportionate. DFAT and Austrade should prioritise low-cost, high-value actions first: clear online guidance, sector-specific explainers, targeted business briefings, use of existing industry channels and a defined contact point for implementation issues. More resource-intensive activities, such as detailed case studies or formal reviews, should be pursued where early business use or stakeholder feedback shows that they would materially improve uptake or resolve implementation problems.

This approach is consistent with evidence-informed policymaking and good regulatory stewardship. The purpose is not to create unnecessary process. It is to ensure the Agreement is used, implementation problems are identified early, and benefits are measured against commercial, economic, regional and sustainability objectives.

## Recommended negotiating position for Australia

- **Recommendation 1: Support accession in principle, subject to full compliance and no dilution of standards**
- Australia should support Uruguay's accession only if Uruguay demonstrates full capacity to comply with existing CPTPP obligations and provides commercially meaningful market access offers. Australia should oppose any accession outcome that weakens CPTPP standards or creates broad exemptions that undermine the Agreement's credibility.
- **Recommendation 2: Secure commercially meaningful outcomes for Australian businesses**
- Australia should prioritise market access and regulatory certainty for Australian education, professional services, digital services, sustainability advisory, agrifood, renewable energy, sustainable finance, tourism and SME exporters. Outcomes should be tested against practical business use, not only legal commitments.
- **Recommendation 3: Address SPS, food standards and biosecurity upfront**
- Australia should ensure Uruguay's accession preserves Australia's science-based SPS and biosecurity settings. Technical cooperation should improve transparency and reduce unnecessary barriers without compromising quarantine, food safety, animal health, plant health or environmental protection.
- **Recommendation 4: Advance practical sustainable trade cooperation**
- Australia should seek cooperation in renewable energy, storage, hydrogen, e-fuels, sustainable agriculture, livestock methane reduction, traceability, circular economy, nature-related risk, water stewardship and climate resilience. Cooperation should be business-relevant and implementation-focused.
- **Recommendation 5: Maintain labour, inclusion and responsible business conduct expectations**

- Australia should require strong implementation of CPTPP labour obligations and use accession to support women’s economic empowerment, SME participation, decent work, skills and responsible business conduct. Australia should also engage First Nations stakeholders on relevant trade opportunities and risks.
- **Recommendation 6: Preserve investment safeguards and the right to regulate**
- Australia should ensure investment outcomes preserve the right of governments to regulate for public-interest outcomes and do not chill climate, nature, labour, health, biosecurity or social policy. This is essential for investor confidence and community legitimacy.
- **Recommendation 7: Require an implementation and utilisation plan**
- Australia should seek an accession implementation plan that identifies responsible agencies, legal changes, transition arrangements, business guidance, reporting arrangements and mechanisms for addressing implementation problems. DFAT should also prepare Australian business utilisation materials before accession enters into force.
- **Recommendation 8: Use whole-of-government and stakeholder engagement**
- Australia’s accession position should be informed by DFAT, Austrade, DAFF, Treasury, DCCEEW, DEWR, Home Affairs, First Nations trade representatives, state and territory governments, business groups, unions, civil society and relevant experts. Engagement should be targeted, confidential where necessary, and focused on material issues rather than broad consultation for its own sake.

For BCSDA, a successful accession outcome would have five features: Uruguay accepts the existing CPTPP rules without weakening the Agreement; Australia secures market access and regulatory certainty in areas where Australian businesses can realistically participate; Australia’s SPS, biosecurity and public-interest regulation settings are preserved; implementation arrangements are clear enough for SMEs and service exporters to use; and accession supports practical cooperation on resilience, emissions reduction, traceability, responsible investment and sustainable value chains.

## Issues DFAT should test during accession negotiations

BCSDA recommends that DFAT test the following questions during negotiations:

- What legal, regulatory or administrative changes would Uruguay need to make to comply fully with CPTPP obligations?
- What market access offers will Uruguay provide for Australian services, education, digital trade, professional services, agrifood and clean economy sectors?
- Are Uruguay’s SPS, technical barriers to trade and food safety systems sufficiently transparent, science-based and capable of timely cooperation with Australian agencies?
- How will Uruguay implement CPTPP labour, environment, anti-corruption, state-owned enterprise and regulatory transparency obligations?
- How will SMEs and smaller service exporters in both countries be supported to use the Agreement?
- What arrangements will preserve the right of governments to regulate in relation to climate, health, environment, labour, biosecurity and social policy?
- How can accession support practical cooperation on renewable energy, agriculture emissions, traceability, circularity and nature-related risk?
- What data will be available to evaluate utilisation and impacts after accession?
- What stakeholder channels will be available if implementation problems emerge?
- How will Australia ensure accession outcomes are consistent with broader CPTPP upgrade negotiations and Australia’s sustainable trade agenda?

## Risk management and stakeholder considerations

BCSDA identifies four risks Australia should manage.

- **Risk 1: Treating accession as symbolic expansion rather than high-standard negotiation:** The CPTPP’s value lies in its standards and credibility. Australia should avoid supporting accession merely to expand membership. Uruguay should accede on terms that strengthen the Agreement.

- **Risk 2: Overstating immediate commercial gains:** Australia–Uruguay trade is currently modest. The realistic opportunity is strategic, sector-specific and long-term. DFAT should communicate expected benefits carefully and focus on practical utilisation.
- **Risk 3: Underestimating agriculture and SPS sensitivities:** Agriculture creates both cooperation opportunities and competitive sensitivities. Australia should be clear that SPS cooperation must be science-based and must not compromise biosecurity.
- **Risk 4: Failing to support SMEs and diverse businesses to use the Agreement:** Trade agreements often underperform when businesses do not understand or cannot access their benefits. Implementation should include practical guidance, outreach and utilisation monitoring. This does not require a new bureaucracy. It requires clear guidance, targeted communication, use of existing business networks and early identification of implementation problems.

## Overall assessment

BCSDA supports Uruguay’s accession to the CPTPP in principle, provided it is negotiated and implemented on high-standard terms.

Uruguay’s accession could help Australia deepen engagement with Latin America, strengthen rules-based trade, support sustainable business opportunities and encourage cooperation in areas such as renewable energy, sustainable agriculture, digital trade, sustainable finance and climate resilience.

However, the commercial benefits will not occur automatically. Nor should Australia assume that every theoretically available opportunity will attract business demand. DFAT should use accession consultations, Austrade networks and industry engagement to distinguish between sectors with genuine commercial interest and sectors where cooperation is desirable but unlikely to generate near-term business activity.

They will depend on the quality of Uruguay’s market access offers, the credibility of its implementation commitments, the preservation of Australia’s regulatory safeguards, and the practical support provided to businesses after accession.

Australia should therefore adopt a negotiating position that is supportive but disciplined: open to Uruguay’s accession where it strengthens the CPTPP, firm on standards, realistic about commercial scale, attentive to agricultural and biosecurity sensitivities, and focused on implementation that Australian businesses can actually use.

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