

IA-CEPA GENERAL REVIEW 2026 PUBLIC SUBMISSION

Strengthening Australia–Indonesia Trade Governance: First Nations Equity, SME Participation, and Bilateral Investment Mechanisms

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Subject: IA-CEPA Submission — Nafasz Global

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KEY FACTS AT A GLANCE

AUD 35.38B Two-way trade (2024)	+174% Trade growth since 2020	300+ Years of Macassan-Aboriginal trade history	ZERO ▲ First Nations chapters in IA-CEPA — policy gap	ZERO ▲ Capacity-building provisions for First Nations — policy gap
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1. Executive Summary

Nafasz Global Pty Ltd submits this response to highlight opportunities to strengthen IA-CEPA's investment governance and inclusive participation frameworks. We recommend three policy measures:

- First Nations equity and sovereign participation mechanisms, consistent with Australia–UAE CEPA Chapter 17 precedent^[2];
- SME and entrepreneurial participation pathways to broaden bilateral trade beyond large incumbents; and
- Transparent bilateral investment frameworks that enable sovereign-backed participation in strategic supply chains.

Disclosure: Nafasz Global is an Australian company engaged in Australia–Indonesia trade facilitation. This submission represents independent policy analysis grounded in documented evidence and established trade policy frameworks. No confidential commercial information is disclosed.

2. About Nafasz Global

Nafasz Global Pty Ltd is an Australian company facilitating equitable and sustainable economic exchange between Australia and Indonesia. Our approach centres inclusive participation, cultural integrity, and long-term value creation — principles informed by deep engagement with Australia–Indonesia trade architecture and contemporary policy precedent.

Nafasz Global's founding orientation is grounded in relationship-based facilitation: building trust between communities, government, and business as a precondition for durable trade outcomes. We recognise that First Nations consultation is not a compliance step but a sustained, relationship-intensive process requiring dedicated intermediary capacity — capacity that Nafasz Global is actively developing.

We submit this contribution as practitioner observation from initial market development, grounded in documented evidence and established trade policy frameworks.

3. Context and Policy Rationale

3.1 IA-CEPA Review Objectives

The 2026 General Review is the first comprehensive review of IA-CEPA since its entry into force on 5 July 2020. In that period, two-way trade has grown substantially — from AUD 12.91 billion to AUD 35.38 billion^[1] — reflecting the strength of the bilateral relationship.

The Review presents an opportunity to address structural gaps, particularly around inclusive participation, investment governance, and alignment with Australia's evolving domestic trade policy objectives.

3.2 Linking First Nations and SME Participation to Governance

Indigenous participation frameworks are already embedded in Australia's trade policy. The Australia–UAE CEPA (Chapter 17: Indigenous Trade and Investment Economic Cooperation)^[2] and its accompanying First Nations Action Plan demonstrate that such frameworks are both legally feasible and politically supported at the highest levels of government.

Crucially, the historical and cultural basis for a First Nations dimension in IA-CEPA is arguably stronger than in any other Australian FTA. Macassan seafarers from the Sulawesi region of Indonesia maintained sustained trade and cultural relationships with Aboriginal and Yolngu communities in northern Australia for over 300 years prior to European settlement.^[3] This pre-colonial trading history — documented in language, ceremony, art, and oral tradition — provides a unique and unparalleled foundation for a First Nations chapter within IA-CEPA.

SMEs are also recognised internationally as drivers of innovation and market integration.^[4] Aligning IA-CEPA policy with SME participation frameworks — as demonstrated in the UAE-CEPA — ensures more resilient and inclusive bilateral trade flows.

4. Evidence Base

Sector Example

Recent transactions in Queensland's phosphate sector^[5] demonstrate how rapid asset devaluation can occur absent structured bilateral investment pathways. A publicly reported acquisition of a fertilizer asset valued at approximately AUD 1.5 billion for nominal consideration — with seller-funded rehabilitation obligations and deferred performance payments — illustrates:

- Opportunity cost of inadequate sovereign participation mechanisms;
- Potential for bilateral capital to stabilise strategic supply assets; and
- Gap in IA-CEPA investment governance frameworks.

Nafasz Global does not draw commercial conclusions. We cite this as publicly documented illustration of investment governance opportunities where sovereign-backed structures could enhance asset productivity and supply security.

5. Policy Recommendations

5.1 First Nations Equity and Sovereign Participation

Embed First Nations equity and sovereign participation mechanisms into IA-CEPA, drawing on the structure and precedent of UAE-CEPA Chapter 17. A dedicated chapter should, at a minimum:

- Recognise the historical Macassan–Yolngu and broader Aboriginal trading relationships^[3] as a unique foundation for contemporary bilateral economic cooperation;
- Create mechanisms for First Nations business participation in Australia–Indonesia trade and investment flows;
- Establish protections for First Nations traditional knowledge in the bilateral context; and
- Provide for a bilateral dialogue mechanism between Australian First Nations representative bodies and Indonesian indigenous and adat communities.

Note on Indigenous consultation: Nafasz Global acknowledges that any policy framework affecting First Nations economic rights requires genuine prior consultation with relevant Traditional Owners, Prescribed Body Corporates (PBCs), and peak bodies including the National Native Title Council (NNTC). This submission does not purport to represent the views of any First Nations community or organisation. Nafasz Global encourages DFAT to facilitate direct engagement with these stakeholders as a priority step in the Review, consistent with Australia's obligations under the Native Title Act 1993 and the Closing the Gap National Agreement.^[6]

5.2 SME and Entrepreneurial Participation

Support SME engagement through trade facilitation programs, capacity-building, and targeted export assistance. The Review should:

- Reference UAE–Australia CEPA SME measures^[4] as a contemporary benchmark for cooperative support and barrier reduction;
- Incorporate SME participation metrics into the Katalis 2.0 program redesign currently underway,^[8] and

- Establish dedicated bilateral SME pathways to bridge trade flows beyond large incumbent actors.

5.3 Alignment with Domestic Inclusive Economic Policy

Align IA-CEPA explicitly with Australia's domestic First Nations economic policy frameworks,^[7] including:

- The First Nations Economic Partnership (Treasury);
- The First Nations Trade and Investment Reference Group; and
- Closing the Gap National Agreement targets relevant to economic participation.

This ensures coherence between Australia's domestic commitments and its international trade obligations, and strengthens the credibility of IA-CEPA as a genuinely inclusive agreement.

6. Conclusion

Recent transactions in Queensland's phosphate sector^[5] demonstrate that absent structured investment mechanisms, rapid asset devaluation can occur — with corresponding opportunity cost for bilateral supply security. IA-CEPA has an opportunity to address this by strengthening its investment governance architecture and embedding inclusive participation frameworks that reflect both Australia's domestic commitments and the unique historical foundations of the Australia–Indonesia bilateral relationship.

Nafasz Global's three recommendations — First Nations equity mechanisms, SME participation pathways, and transparent investment governance — are grounded in publicly available evidence and established Australian trade policy precedent. Together, they represent a coherent, evidence-based path toward a more inclusive and resilient bilateral trade architecture.

Effective implementation of these recommendations will require sustained engagement with First Nations communities, Indonesian counterparts, and SME networks — work that is relationship-intensive, culturally nuanced, and time-critical. Nafasz Global is building exactly this capacity: the on-the-ground relationships, bilateral cultural fluency, and trade intelligence infrastructure needed to support DFAT's program objectives at the community and practitioner level.

We present this submission as both independent policy analysis and a signal of long-term commitment to Australia–Indonesia bilateral prosperity. We welcome further engagement with DFAT and relevant stakeholders and are available to provide additional information, briefings, or facilitation support as required.

7. References

All references are cited inline throughout this submission. Full source details are provided below.

[1] Two-way trade figures sourced from ABS Trade Data 2025. Growth calculated from AUD 12.91 billion (2020 baseline) to AUD 35.38 billion (2024 estimate).

[2] Australia–UAE CEPA Chapter 17 (Indigenous Trade and Investment Economic Cooperation) and accompanying First Nations Action Plan, DFAT, dfat.gov.au.

[3] Macassan–Yolngu trading relationships are documented in language, ceremony, art, and oral tradition. See: Northern Territory Archives — Macassan–Yolngu historical trade records.

[4] SME participation benchmark drawn from UAE–Australia CEPA SME measures and ABS Trade Data 2025 — SME participation in bilateral trade.

[5] Queensland phosphate sector transaction data sourced from public market disclosures 2024–2026. No confidential commercial information is referenced.

[6] Consultation obligations are grounded in the Native Title Act 1993 (Cth) and the Closing the Gap National Agreement.

[7] First Nations Economic Partnership (Treasury), First Nations Trade and Investment Reference Group — treasury.gov.au.

[8] Katalis 2.0 program redesign referenced per DFAT Katalis Fact Sheet 2026.

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