

TRANS-PACIFIC PARTNERSHIP AGREEMENT

OUTCOMES: SUPPORTING AN INNOVATIVE 21ST CENTURY AUSTRALIAN ECONOMY

The comprehensive scope and level of ambition of the Trans-Pacific Partnership Agreement (TPP) will promote economic growth in the Asia Pacific, further integrate Australia into the region, and create a common platform for expanding trade into the 21st century. For Australia, this initiative also delivers a fresh look for trade policy – providing responses to traditional trade challenges, and at the same time offering a framework to address contemporary commercial issues, and providing a springboard for our innovative economy.

Encouraging Investment

The TPP's rules to protect and promote foreign investment are contemporary and robust. In embracing these, Australia demonstrates that it understands and values the role of investment for our economy – in driving competition, productivity and innovation. The removal of red tape on the entry of private foreign investment in non-sensitive sectors will further encourage investment into Australia from the TPP region, particularly from financial hubs such as Singapore.

Incentivising R&D

The TPP establishes a common set of rules on intellectual property (IP) protection and enforcement for the TPP region. Knowing that IP rights can be protected and enforced in TPP markets provides an important incentive for Australia's businesses and investors to expand their activities in the region. The TPP also provides a catalyst for the expansion of our creative and innovative industries.

Infrastructure and Facilitation

TPP rules freeing up movement of finance, data flows and skilled professionals provide critical infrastructure outcomes required by modern business for their success. Twinned with the removal of regulatory barriers impeding the delivery of goods and services, and simple, efficient and common standards for delivering goods and services across borders, the TPP provides Australian businesses with opportunity, certainty, timeliness and transparency.

Growing Our Services Sector

The TPP will contribute to the growth and diversification of Australian exports of services by liberalising barriers and providing more transparent and predictable operating conditions in TPP countries. Australian services exports to TPP countries were worth over \$23 billion in 2015-16. Australians involved in education, finance, ICT, health, transport and logistics, tourism, mining and professional services sectors all stand to benefit from this deal.



A Competitive Environment

The Australian business community will be able to benefit from TPP rules ensuring state-owned enterprises and government-designated monopolies engaged in commercial activities make purchasing and sales decisions on the basis of commercial decisions and do not unjustifiably discriminate against suppliers of goods and services from other TPP Parties. The TPP will help to ensure Australian exporters are able to compete on a more level playing field.

Environmental stewardship through trade rules

In the 21st century, trade and environment policy can be mutually supportive. The TPP will promote high levels of environmental protection, including by liberalising trade in environmental goods and services, and ensuring TPP Parties effectively enforce their domestic environmental laws. TPP Parties must also take measures in relation to a number of important environmental challenges, including protection of the ozone layer, protection of the marine environment from ship pollution and combatting illegal wildlife trade. In relation to marine fisheries, TPP Parties are required to seek to operate science-based fisheries management systems and to implement port-state measures to combat illegal fishing and deter illegal trade in fish products. In a breakthrough in the fight against subsidies that contribute to overfishing, the TPP requires Parties to prohibit subsidies for fishing that negatively affect overfished stocks and subsidies for vessels engaged in illegal fishing.

Labour rights

The TPP will require TPP Parties to comply with internationally-recognised labour rights, such as elimination of forced labour, abolition of child labour, freedom of association and the right to collective bargaining. The TPP will also enhance cooperation and consultation on labour issues, and effective enforcement of labour laws in TPP Parties.

Anti-corruption

In a first for a trade agreement, the TPP contains provisions combatting corruption and bribery of public officials, and other acts of corruption adversely affecting international trade and investment. These provisions will provide greater transparency and certainty to Australian individuals and businesses seeking to trade with, and invest in, TPP Parties.