



PERU-AUSTRALIA

FREE TRADE AGREEMENT

OUTCOMES: TRADE IN THE DIGITAL AGE

The Peru-Australia Free Trade Agreement (PAFTA) has state of the art commitments for trade in the digital age. The internet is an essential tool for Australian companies doing business in the global economy and a dynamic marketplace for Australian consumers. PAFTA includes rules about the movement and storage of data as well as enhanced commitments to protect privacy and consumer rights and efforts to combat 'spam' messages.

KEY OUTCOMES

Keeping information moving

Australia and Peru will guarantee the free flow of data across borders for service suppliers and investors as part of their business activity. This 'movement of information' or 'data flow' is relevant to all kinds of businesses, such as Australian hotels that rely on international online reservation systems. Australia and Peru have retained the ability to maintain and amend regulations related to data flows, but have undertaken to do so in a way that does not create barriers to trade.

Australia's open and robust regulatory framework, including the *Privacy Act* and e-health record system (*Personally Controlled Electronic Health Record Act 2012*), will not be affected by these PAFTA commitments.

Addressing localisation barriers

Australia and Peru cannot force businesses to build data storage centres or use local computing facilities. Australia and Peru have committed not to impose these kinds of 'localisation' requirements on computing facilities – providing certainty to businesses as they look to optimise investment decisions.

Software: new opportunities and greater certainty for exporters

Australian software and games will enjoy fair and equal treatment in Peru, providing new opportunities for Australian exporters of all sizes. In addition, Australian software suppliers will not be required to hand over valuable source code when seeking to import or distribute software in Peru.

Preventing forced transfers of technology

Under PAFTA, Australian investors will not be required to transfer technology, production processes, or other proprietary information in order to carry on business in Peru.

No customs duties on electronic content or transmissions

Australia and Peru have agreed not to impose customs duties on electronically transmitted content.



Recognising the importance of cyber security

In order to make the most of the commercial opportunities in the online environment, consumers and business require a secure and well-functioning Internet. Australia and Peru recognise the importance of cooperation on cyber security through the work of national computer emergency response teams, such as CERT Australia.

Access and use of telecommunication services

Reflecting the importance of telecommunications to all enterprises, Australia and Peru affirm that enterprises from the other Party will have access to and use of public telecommunication services on a reasonable and non-discriminatory basis.

Fair and transparent telecommunications regulation

PAFTA seeks to ensure that Australian telecommunications companies are treated equally in Peru. It contains a comprehensive suite of rules to ensure incumbent telecommunication companies with a dominant market position provide foreign telecommunications suppliers with access to services and key infrastructure on reasonable terms and conditions. Australia and Peru have agreed to ensure transparency in telecommunications regulation.

Addressing the high costs of international mobile roaming

Recognising the negative impact of high international mobile roaming charges on businesses and consumers, Australia and Peru have agreed to work cooperatively to promote reasonable international mobile roaming rates. Australia and Peru will promote transparent and reasonable rates for international mobile roaming services, including by:

- ensuring that information regarding roaming rates is accessible to consumers; and
- minimising impediments to the use of technological alternatives to roaming.

Enhancing consumer choice and consumer protection, protecting privacy and tackling 'spam'

Consumers must have confidence their personal information will be protected in online services and transactions. Consumers in Australia and Peru will benefit from commitments to protect privacy, enforceable consumer protection, and efforts to combat 'spam' messages.

Improving access to products and services

The internet has an impact on the choice, availability and cost of items for Australian consumers. Australia and Peru, have agreed to encourage the development of competitive markets in electronic commerce to enhance consumer choice and support the growth of small and medium-sized enterprises (SMEs). **Staying ahead of future challenges**

Given the ongoing rapid evolution of the e-commerce and telecommunications sectors, Australia and Peru have agreed on the need for future cooperation. This includes: assisting SMEs to overcome obstacles in the use of e-commerce; sharing information and experiences on e-commerce regulations and policies; and encouraging the private sector to develop self-regulation that fosters e-commerce.

