

Department of Trade, Business and Asian Relations submission on upgrading and modernising Free Trade Agreements with Southeast Asia

Introduction

The following recommendations outline priority reforms to modernise Australia's Free Trade Agreements (FTAs) with Southeast Asia in ways that deliver tangible, on-the-ground outcomes for Northern Australia, and particularly the Northern Territory. They focus on converting high-level trade and services commitments into practical economic enablers that support project delivery, workforce mobilisation, regional development and deeper integration with ASEAN economies.

Consistent with the Northern Territory's role as a gateway for trade, investment and skills exchange with Southeast Asia, these recommendations emphasise skills mobility, qualification recognition and ASEAN language capability as critical infrastructure underpinning trade utilisation, investment attraction and long-term economic resilience. Embedding these elements within upgraded FTAs will ensure agreements are not only future-ready in design, but commercially meaningful and operationally effective for regional employers, educators and industry.

Recommendations (Summary)

1. Lift FTA literacy and usage through a Northern Australia-focused package with sector specific regular outreach in Darwin/Katherine/Alice Springs, anonymised utilisation dashboards from trade data exchange pilots, and annual exporter alerts on tariff and documentation changes.
2. Modernise digital trade to enable cross-border data flows, legally recognise electronic transferable records (including electronic Bills of Lading), embed paperless trade, and mutually recognise Authorised Economic Operator schemes, while designating Darwin as a pilot hub for digital trade and regional trade data-exchange initiatives.
3. Simplify utilisation for Micro Small Medium Enterprises (MSME) via Rules of Origin (ROO) harmonisation, origin self-certification, and standardised digital documentation (certificates of origin, Sanitary and Phytosanitary/phyto and customs data).
4. Recognise critical minerals as a strategic sector in FTAs:
 - a. Include critical minerals cooperation annexes or side letters that commit parties to regular government-to-government and industry dialogues on project pipelines, downstream demand, and investment opportunities.
 - b. Facilitate information sharing on exploration, development, and processing opportunities at the subnational level.
 - c. Create a Minerals Mobility Annex under the Indonesia Australia Comprehensive Economic Partnership Agreement, enable short-term placements for Indonesian engineers, metallurgists, and geologists in Northern Territory mines, and reciprocal placements for Australian specialists in Indonesian processing parks. Map exchanges to ASEAN Qualifications Reference Framework (AQRF) and micro-credentials, leveraging IA-CEPA Skills Exchange Pilot mechanisms.
 - d. Establish an IA-CEPA Finance Corridor Co-hosted by Export Finance Australia (EFA), Northern Australia Infrastructure Facility (NAIF), Indonesia Investment Authority, and Danantara Sovereign Wealth Fund, with a remit to facilitate co-lending and co-investment in Northern Territory projects and Indonesian downstream joint ventures, using the Arafura Nolans multi-sovereign financing model as a template.
5. Harmonise Sanitary and Phytosanitary Measures (SPS) and biosecurity disciplines across bilateral FTAs to a common high baseline, with explicit provisions on equivalence, science-based risk assessment, risk-based inspection for perishable and livestock consignments, emergency measures, and digital pre arrival documentation.

6. Re-establish funding and expand the Northern Territory Cattlemen's Indonesia–Australia Pastoral Program (NIAPP) to include Malaysia and Vietnam to diversify the live cattle trade, strengthen regional food security, and embed micro credentials in Exporter Supply Chain Assurance System (ESCAS) compliance and animal health.
7. Embed practical skills mobility and qualification recognition provisions:
 - a. Incorporate mobility annexes in FTAs to guide skilled workers from ASEAN economies into Australian visa and nomination pathways, supported by agreed documentation standards and pre-assessment processes.
 - b. Enable dynamic occupation lists and periodic updates to reflect Northern Territory project pipelines.
 - c. Support short-term, project-linked mobility (placements, apprenticeships, traineeships) mapped to Australian VET and professional frameworks.
 - d. Expand education and training cooperation, including practicum placements and recognition of supervised hours and micro-credentials.
8. Strengthen ASEAN language capability as trade and workforce infrastructure:
 - a. Include education cooperation provisions in FTAs to support ASEAN language education (e.g. Bahasa Indonesia) as a trade-enabling capability.
 - b. Facilitate teacher mobility, exchange programs, and curriculum enhancements through strategic partnerships.
 - c. Provide scholarship schemes and incentives for language teachers to relocate to the Northern Territory.
 - d. Align language capability initiatives with FTA implementation to improve workforce integration and trade readiness.
9. Include within Aboriginal and Torres Strait Islander trade and investment chapters, recognition of Aboriginal-led agribusiness and Indigenous botanicals and protect cultural intellectual property through Geographic Indicators (GI) and certification models.
10. Create a national GI framework with regional flexibility and targeted protections for Indigenous botanicals (e.g. Kakadu Plum) and for Australian Barramundi (distinct from "Asian Seabass"), to strengthen provenance branding and premium market positioning in Southeast Asian markets.
11. Establish clear mutual recognition of qualifications pathways in construction, aged care, early childhood care, engineering, and geology, including recognition of Australian training delivered in transnational settings (e.g. Northern Territory Training providers operating in Timor-Leste and Indonesia), and adopt stackable micro-credentials aligned to ASEAN standards.
12. Remove Investor State Dispute Settlement provisions from upgraded FTAs to safeguard domestic regulatory autonomy and avoid regulatory chill, relying on transparent domestic courts and state-to-state dispute settlement for investment disputes.

Submission

The Department of Trade, Business and Asian Relations welcomes the opportunity to contribute to the upgrade and modernisation of Australia's Free Trade Agreements (FTAs) with Southeast Asia. The Northern Territory is Australia's natural gateway to the region, closest by sea for practical outcomes.

1. Modern digital trade is foundational for competitiveness

Modernisation of FTAs with Southeast Asia in relation to digital trade involves updating existing trade rules so they reflect how trade is conducted in a data-driven, digitally enabled economy. Modernised agreements place greater emphasis on enabling paperless trade, supporting digital services, and reducing regulatory friction that can constrain participation, particularly for small and medium-sized enterprises.

A central feature of digital trade modernisation is the inclusion of dedicated e-commerce or digital trade chapters. These provide for the legal recognition of electronic documents and electronic signatures, prohibit customs duties on electronic transmissions, and support cross-border data flows while allowing narrowly defined public policy exceptions. Alignment with international frameworks such as the UNCITRAL Model Law on Electronic Transferable Records is increasingly important as it enables the use of electronic bills of lading and other transferable trade documents, reducing transaction costs, speeding up clearance and improving access to trade finance across Southeast Asian markets.

For Australia and the Northern Territory, modern digital trade provisions are relevant given Southeast Asia's rapid digitalisation and the region's efforts to establish interoperable digital economy frameworks. Modernised FTAs can help Northern Territory exporters overcome distance and scale constraints by enabling digital delivery of services, improving supply chain transparency for goods such as agriculture, seafood and resources, and lowering barriers to entry for SMEs through simplified, technology-enabled processes.

Strong cooperation provisions on cybersecurity, privacy and digital standards are also critical to building trust and ensuring that increased data flows are secure and consistent with domestic regulatory settings.

By modernising FTAs in this way, Australia and Southeast Asian partners can ensure their trade agreements remain fit for purpose, support inclusive economic growth, and capture the full benefits of the region's expanding digital economy.

2. Improving investment pathways to unlock Southeast Asian investment into Northern Territory critical minerals

The Northern Territory has economically demonstrated resources of 17 of the world's critical minerals and geological potential for a further 12 emerging critical minerals. These resources are essential to the energy transition, advanced manufacturing and regional supply chain resilience. These include lithium, manganese, rare earth elements, vanadium, copper, graphite and associated battery and renewable energy inputs. While geological potential is strong, the binding constraint is not resource availability but the mobilisation of patient, long-term capital aligned with project development timelines, infrastructure constraints and regional risk profiles.

Modernising Australia's FTAs with Southeast Asia provides a timely opportunity to strengthen investment pathways that convert strategic interest from Southeast Asian partners into bankable, on-the-ground investment in Northern Territory projects. This is particularly relevant given Southeast Asia's growing role as both a source of capital and a downstream processing and manufacturing hub for critical minerals-intensive industries.

The Northern Territory Government has already established credible foundations for deeper Southeast Asian engagement in critical minerals. Notably, the Memorandum of Understanding between the Northern Territory Government and the Ministry of Energy and Mineral Resources of the Republic of Indonesia on critical mineral and strategic material supply chains provides a platform for cooperation across exploration, mining, processing, skills development, sustainability and investment facilitation. Similar strategic interest is emerging from other Southeast Asian partners seeking secure, diversified and ESG-aligned sources of critical mineral supply.

Upgraded FTAs should explicitly complement and operationalise these sub-national and sector-specific arrangements by reducing investment friction, improving capital matching and supporting project de-risking for early- and mid-stage Northern Territory mines. Despite strong strategic alignment, several structural barriers continue to limit Southeast Asian investment flows into Northern Territory critical mineral projects.

There is limited visibility of the Northern Territory's mineral potential and investment opportunities among Southeast Asian investors, particularly at the pre-FEED and early development stages. Furthermore, there exists a mismatch between Southeast Asian investment preferences (often state-linked, long-term and downstream-oriented) and Australian project financing structures. This is then compounded by perceived regulatory and approvals risk at the sub-national level, despite Australia's strong legal frameworks.

Modernised FTAs can help address these constraints by embedding targeted, sector-specific investment cooperation. This can be achieved by including sector-specific cooperation annexes or side letters on critical minerals that:

- Recognise critical minerals as a strategic sector of mutual interest.
- Commit parties to regular government-to-government and industry-to-industry dialogues focused on project pipelines, downstream demand and investment opportunities.
- Support information sharing on exploration, development and processing opportunities at the sub-national level.

In updating the Indonesia Australia-Comprehensive Economic Partnership Agreement (IA-CEPA), it is recommended that a Minerals Mobility Annex under IA-CEPA's cooperation mechanisms is included: establishing a mechanism for short-term placements for Indonesian engineers/metallurgists/ geologists into Northern Territory mines and reciprocal mechanisms for Australian specialists into Sulawesi/Maluku processing parks – mapped to AQRF and micro-credentials, leveraging the underutilised Skills Exchange Pilot mechanisms under the IA-CEPA.

It is further recommended that Australia seeks to stand up an IA-CEPA finance corridor: co-hosted by EFA/NAIF with the Indonesia Investment Authority and Danantara Sovereign Wealth Fund to co-lend/ co-invest in Northern Territory projects and Indonesian downstream Joint Ventures, using the model on Arafura Nolans's multi-sovereign financing and binding offtakes (Hyundai/Kia, Siemens Gamesa). This could be expanded to include other Southeast Asian markets, such as Singapore, given its finance hub status.

There are opportunities to further strategically use IA-CEPA's side mechanisms (Katalis) to fund market studies and pilot mineral offtakes (NdPr magnets, vanadium electrolyte, graphite anodes, phosphate/LFP), and to socialise technical standards and traceability protocols across both markets.

It is further recommended that modernised FTAs embed project-level investment facilitation mechanisms, move beyond high-level investment promotion by committing to practical facilitation tools, including joint critical minerals investment roundtables linked to FTA implementation.

The Northern Territory is uniquely positioned to act as Australia's gateway for Southeast Asian critical minerals investment; its geographic proximity, established government-to-government relationships, and growing portfolio of critical minerals projects make it an ideal test-bed for more integrated investment pathways.

Modernised FTAs that recognise and leverage the role of states and territories, particularly Northern Australia, will be more effective in translating strategic intent into commercially viable projects. Embedding critical minerals-specific investment cooperation within Southeast Asian FTAs will help unlock capital, accelerate project development and strengthen Australia's position as a reliable partner in regional critical minerals supply chains.

3. Agribusiness and food security must be strengthened through market diversification and SPS alignment

The live cattle trade with Indonesia is strategically important to Northern Territory producers, yet competition from South American exporters is increasing. The Northern Territory Cattlemen's Indonesia, Australia Pastoral Program (NIAPP), launched in 2012, delivered immersive pastoral training for Indonesian students on Northern Territory cattle stations, building skills in animal husbandry, welfare, and biosecurity, strengthening the ESCAS compliance and animal health/biosecurity practices utilised in Indonesia. The program strengthened bilateral ties and created a pipeline of skilled professionals who support live cattle trade and food security. NIAPP was paused during COVID-19 and has not resumed due to the Australian Government withdrawing funding. The Department of Trade, Business and Asian Relations recommends the immediate restart and expansion of NIAPP with Australian Government funding. Expanding the Northern Territory Cattlemen's Indonesia, Australia Pastoral Program NIAPP to include Malaysia and Vietnam will diversify markets and build capability, including micro-credentials for ESCAS compliance and animal health/biosecurity practices.

In parallel, SPS and biosecurity chapters should be harmonised across bilateral FTAs to a high common baseline: adopting international standards and science-based risk assessment; recognising equivalence where outcomes align; clarifying emergency measures; and implementing risk-based, expedited procedures for livestock and perishable shipments with digital pre-arrival documentation. The Department of Trade, Business and Asian Relations notes that sanitary and phytosanitary commitments differ between existing bilateral agreements, e.g. Malaysia–Australia includes a dedicated SPS chapter, whereas Thailand–Australia treats lower standard SPS measures within broader non-tariff provisions, supporting the case for harmonisation to a common higher standard.

Cotton offers high profitability and has potential to become a cornerstone crop in the Northern Territory, where growth of the industry would build capacity and strengthen the whole agricultural sector. Unlike irrigated cotton in southern states, the Northern Territory's rain-fed cotton relies on wet season rainfall. Cotton is emerging as a strategic crop for the Northern Territory, offering strong synergy with Vietnam's textile industry and other ASEAN markets. Northern Territory cotton provides high-quality fibre suited to regional manufacturing needs, and its production aligns with sustainability goals.

To maximise benefits, FTAs should:

- Eliminate tariffs on cotton and cottonseed products.
- Harmonise import bale size standards across ASEAN to reduce inefficiencies and costs for Northern Territory exporters.
- Include cooperation on sustainability certification and traceability to meet ASEAN consumer and regulatory expectations.

4. Skills, qualifications and workforce mobility are central to the Territory's project pipeline

Skills, qualifications and workforce mobility are decisive constraints on the Northern Territory's ability to realise its major project pipeline and to translate trade and investment opportunities with Southeast Asia into on-the-ground outcomes. The Northern Territory's economy is characterised by large-scale, capital-intensive projects in energy, critical minerals, defence, maritime, agribusiness and enabling infrastructure, delivered in a labour-constrained, highly regionalised environment. Modernising Australia's ASEAN FTAs must therefore treat skills mobility and qualification recognition as core economic enablers, not ancillary services issues.

The Northern Territory's labour market is structurally different from larger jurisdictions. A small population base, high workforce turnover, remoteness and persistent skills shortages mean that domestic supply alone cannot meet demand, even with strong investment in local training and workforce participation. Northern Territory Government workforce strategies consistently emphasise that targeted migration, skills recognition and rapid workforce mobilisation are essential complements to education and training reform. FTAs provide a critical lever to support these objectives by reducing friction at the intersection of trade, services and labour mobility.

Modernised ASEAN bilateral FTAs should be used to convert high-level mobility commitments into practical, regionally responsive pathways that align with Northern Territory workforce planning settings, including the Northern Territory Skilled Occupation Priority List, regional workforce plans and employer-led demand signals. Static or generic services commitments are insufficient. Instead, upgraded agreements should allow for dynamic occupation lists and periodic updates, every 3 to 5 years, enabling mobility arrangements to reflect changing project pipelines in construction, engineering, energy, health, education, ICT and critical trades etc.

Australian Government migration policy increasingly prioritises regional employer sponsorship and place-based solutions. The Northern Territory already operates tailored mechanisms that support this approach, including Northern Territory Government skilled nomination pathways, the Northern Territory Designated Area Migration Agreement (DAMA III), and employer-facing talent matching platforms. Modernised FTAs should explicitly complement these settings by incorporating mobility annexes that guide skilled workers from ASEAN economies into existing Australian visa and nomination pathways, supported by agreed documentation standards, skills evidence templates and pre-assessment processes. This would materially reduce compliance costs for regional employers.

Australia already has strong foundations for cross-border regulatory cooperation, notably through the Memorandum of Understanding between Tertiary Education Quality and Standards Agency (TEQSA) and the Malaysia Qualifications Agency. This provides a platform for mutual recognition and quality assurance in higher education. However, modernised FTAs offer an opportunity to scale this bilateral alignment into a regional framework by engaging with the ASEAN Qualifications Reference Framework. Embedding AQRF-referenced provisions within FTAs would ensure broader portability of skills and qualifications across ASEAN, reducing duplication and accelerating workforce deployment for Northern Territory projects. These provisions should explicitly include the Australian Skills Quality Authority to cover vocational education and training pathways, ensuring comprehensive coverage across academic and technical qualifications.

Qualification recognition is equally central. ASEAN already has in place regional architecture that Australia can leverage, including the ASEAN Qualifications Reference Framework and sector-specific Mutual Recognition Arrangements covering professions such as engineering, architecture, nursing, medicine, accountancy and tourism.

Upgraded FTAs should move beyond aspirational cooperation language and establish outcome-based, AQRf-referenced recognition pathways, including for diplomas, degrees and stackable micro-credentials. This would enable “best-fit” assessment against Australian standards, reduce duplicative re-assessment and accelerate workforce deployment into Northern Territory projects.

Language capability is equally critical. With English as ASEAN’s official working language, competency in English underpins mobility and employability across the region. Australia can leverage the existing MoU between TEQSA and the National ELT Accreditation Scheme, which plays an active quality assurance role in ASEAN, to embed commitments on English language training integrity and consistency within FTAs. This would strengthen qualification pathways and ensure that language proficiency standards are maintained across transnational education and workforce mobility programs.

Modernisation should also recognise the growing role of short-term, project-linked mobility. Services chapters should facilitate structured placements, apprenticeships, traineeships and supervised practice arrangements with ASEAN partners, mapped to Australian VET and professional frameworks. These arrangements are particularly relevant for the Northern Territory, where short-duration deployments can unlock project bottlenecks without displacing long-term workforce development objectives.

Education and training cooperation provisions are a further opportunity. The Northern Territory relies heavily on teachers, early childhood educators and allied professionals to sustain population growth and community viability, particularly in remote and regional areas. Workforce shortages in education and care settings present a persistent constraint on economic participation, social cohesion and long-term regional development. Modernised bilateral ASEAN FTAs should support practicum placements, supervised teaching and recognition of supervised hours and micro-credentials, accelerating registration processes while maintaining Australian standards, regulatory integrity within the Northern Territory.

In modernising ASEAN FTAs, skills mobility should be framed as a two-way economic enabler, supporting ASEAN workforce development while ensuring Australian regions such as the Northern Territory can deliver nationally significant projects, secure supply chains and deepen economic integration with Southeast Asia. Embedding practical, flexible and regionally attuned mobility and recognition provisions will ensure FTAs are not only trade-facilitating on paper, but genuinely project-enabling on the ground.

4.1. International education and regulatory harmonisation

International education is the second largest services export for the Northern Territory and a critical enabler of regional integration. To maximise its potential under upgraded FTAs with Southeast Asia, the Department of Trade, Business and Asian Relations recommends the inclusion of explicit provisions to strengthen education cooperation and regulatory alignment.

Proposed Commitments:

1. **Broader Regulatory Harmonisation Across ASEAN for Higher Education:** Engage with the AQRf to establish consistent standards for higher education, ensuring portability of qualifications and alignment with Australian frameworks. This will reduce duplication, enhance trust in Australian credentials, and support seamless student mobility.
2. **Quality Assurance Frameworks for Joint Degrees and Offshore Campuses:** Develop mutual recognition and quality assurance mechanisms for transnational education, including joint degree programs and offshore campuses operated by Australian providers. This should include commitments to uphold academic integrity, accreditation standards, and consumer protection across jurisdictions.

3. Digital Education Delivery and Cross-Border Online Learning: Incorporate provisions that enable cross-border delivery of online education services, recognising the growing importance of remote and hybrid learning models. This includes commitments to prevent unjustified data localisation and ensure interoperability of digital platforms.
4. Micro-Credentials and Stackable Pathways: Support the development and mutual recognition of micro-credentials for both vocational and academic pathways, aligned to ASEAN standards, to enable flexible learning and lifelong skills development.

5. Building ASEAN language capability as trade and workforce infrastructure

A modernised ASEAN FTA framework should also be leveraged to strengthen ASEAN language capability, particularly Bahasa Indonesia, as a form of long-term trade, workforce and diplomatic infrastructure for Northern Australia. Language capability is foundational to effective skills mobility, services trade, investment facilitation and people-to-people engagement, yet remains structurally under-supplied across Australia.

The Northern Territory is uniquely positioned to pilot deeper ASEAN language (especially Bahasa Indonesia) integration. Its geographic proximity to Indonesia and Timor-Leste, longstanding people-to-people links, and trade exposure across energy, minerals, agribusiness, education and services create a strong economic case for rebuilding Bahasa and other ASEAN language pipelines from primary through secondary education. Strengthening ASEAN language capability aligns directly with the Northern Territory Department of Education and Training's strategic priorities to improve literacy outcomes, build workforce capability and create clear pathways from education to employment. ASEAN language skills enhance employability in trade-exposed sectors, support workforce readiness and regional engagement, and build a culturally capable workforce able to operate effectively across Southeast Asia, strengthening the Territory's economic participation and connectivity. Modernised FTAs should include education and cooperation provisions that explicitly support language capability development linked to trade and workforce outcomes. This could include:

- Education services cooperation recognising ASEAN language education as a trade-enabling capability, supporting curriculum development, teacher mobility and joint delivery models.
- Short-term mobility and training for Northern Territory teachers, including in-country immersion and professional development linked to ASEAN education systems and pedagogical practice.
- Teacher exchange programs with ASEAN partners to build classroom capability.
- Strengthening ASEAN languages (especially Bahasa) and cultural literacy in Northern Territory schools through the systematic embedding of language capability and intercultural understanding within curriculum frameworks, promoting partnerships with Indonesian institutions or sister-school programs to enhance cross-cultural engagement.
- Scholarship schemes and incentives for qualified ASEAN language teachers to relocate to the Northern Territory, including appropriate recognition of overseas teaching qualifications and supervised practice pathways.
- Leveraging the existing Australia Awards scholarship program to establish a targeted pathway for qualified Indonesian and ASEAN language teachers to undertake study, supervised teacher practice, or specialist language-education placements in Northern Territory schools. This would create a structured, reputable mechanism for attracting language teachers, while deepening Northern Territory ASEAN people-to-people links and supporting long-term capability building.

Embedding these provisions in FTAs will strengthen people-to-people links, improve trade readiness, and create a pipeline of multilingual professionals for Northern Territory projects and regional engagement.

These initiatives can be practically delivered by leveraging existing Australian Government and regional mechanisms. The Australia-ASEAN Centre provides an appropriate platform to coordinate language, education and people-to-people initiatives aligned with FTA objectives. Katalis funding and other ODA-supported programs offer established vehicles to support education cooperation, teacher exchanges, curriculum co-development and institutional partnerships with Indonesia and ASEAN counterparts. Aligning these programs more explicitly with FTA implementation would strengthen policy coherence and maximise return on investment.

Embedding ASEAN language capability within FTA cooperation chapters would also reinforce workforce mobility outcomes over the medium to long term. Improved language proficiency supports safer and more productive workplaces, accelerates skills transfer, enhances regulatory compliance and deepens cultural understanding across sectors such as construction, health, education and resources.

In modernising ASEAN FTAs, skills mobility and language capability should be treated as mutually reinforcing elements of economic integration. Leveraging FTAs to rebuild Bahasa and ASEAN language pipelines in Northern Territory schools would deliver enduring benefits for trade, workforce development and regional engagement, positioning Northern Australia as Australia's most ASEAN-literate region.

6. Aboriginal and Torres Strait Islander chapters

Australia has commenced incorporating standalone Aboriginal and Torres Strait Islander trade and investment chapters in bilateral agreements.

The Northern Territory is well placed to leverage these Australian Government-led initiatives by ensuring Northern Territory-based Aboriginal businesses, cultural industries and Indigenous botanical enterprises benefit from standalone arrangements. Key opportunities include:

- Ensuring Aboriginal-led enterprises are recognised within Australia's FTA cooperation frameworks and sectoral work programs.
- Connecting Northern Territory Indigenous businesses with trade-related capacity-building platforms established under these chapters.
- Promoting certification systems (e.g. Supply Nation, Northern Territory Indigenous Business Network) to support international recognition of Indigenous ownership and control.
- Highlighting Aboriginal-owned agribusiness, fisheries, tourism, and bush foods enterprises that align with Southeast Asian market demand for authentic, sustainable, culturally grounded products.

To ensure that economic benefits flow directly to Indigenous people, Aboriginal and Torres Strait Islander businesses participating under these provisions should be certified as Aboriginal Business Enterprises by a recognised certifying authority such as the Northern Territory Indigenous Business Network or Supply Nation. Certification requires that the business is at least 51% Aboriginal and/or Torres Strait Islander owned, actively involved in day-to-day operations, and has control proportionate to ownership. This aligns with Outcome 8 – Strong economic participation and development of Aboriginal and Torres Strait Islander people and communities under the National Agreement on Closing the Gap, and its definition of Aboriginal and Torres Strait Islander organisations.

Including an Aboriginal and Torres Strait Islander chapter in modernised FTAs will support broader policy objectives such as ethical trade, sustainability and inclusive growth. Provisions can encourage collaboration on culturally appropriate intellectual property protection, particularly for Indigenous knowledge, cultural expressions and branding, and promote participation in sectors where Aboriginal and Torres Strait Islander enterprises are especially active, such as agribusiness, fisheries, tourism and creative industries.

Demand for Indigenous botanicals and sustainably produced foods is expanding across Southeast Asia, making provenance, authenticity and cultural integrity key to market access and price discovery.

7. Geographic indicators, provenance protection and Indigenous botanical industries

The Northern Territory's agricultural landscape is dominated by micro, small and medium enterprises (MSMEs) whose competitiveness relies on trusted provenance, authenticity and transparent branding. Modernised FTAs offer an opportunity to strengthen national-interest protections and support Northern Territory exporters – particularly Indigenous botanical enterprises through clearer frameworks for geographic indicators, certification and provenance branding.

A national Geographical Indication (GI) framework with regional flexibility is essential. GIs and provenance tools will differentiate premium Northern Territory products in crowded Asian markets, protect unique Indigenous botanicals from misappropriation, support higher price realisation, and maintain consumer trust.

Northern Territory producers across beef, mangoes, remote aquaculture, Indigenous bush foods and botanicals require branding tools that help differentiate Northern Territory products in increasingly competitive markets. National GI or provenance frameworks can:

- Increase premium positioning and trust in Northern Territory food and botanical products.
- Provide clarity for buyers in ASEAN markets regarding origin, quality and sustainability.
- Reduce barriers for small producers by creating nationally consistent branding structures.
- Prevent misappropriation and misleading origin claims.
- Ensure cultural intellectual property is acknowledged and protected.
- Distinguish authentic Indigenous botanicals from foreign-grown substitutes that may incorrectly claim Australian origin.

A national provenance brand – such as an “Australian North” identity – could be paired with regional sub-brands (e.g., Top End Tropical Produce, Territory Beef) to highlight unique Northern attributes while maintaining a unified national standard.

GIs and provenance tools can differentiate premium Northern Territory products in crowded Asian markets, protect unique Indigenous botanicals from misappropriation, support higher price realisation, and maintain consumer trust. The Department of Trade, Business and Asian Relations recommends priority GI candidates such as Kakadu Plum (*Terminalia ferdinandiana*), alongside other native botanicals (Finger Lime, Wattleseed, Bush Tomato, Desert Lime, Red Bush Apple, Pepperberry, Lilly Pilly). In seafood, provenance branding for Australian Barramundi must clearly distinguish it from generic “Asian Seabass” to protect premium positioning and avoid misleading claims.

8. Investment and ISDS reform

The Department of Trade, Business and Asian Relations opposes the inclusion or retention of Investor–State Dispute Settlement (ISDS) provisions in Australia's FTAs. ISDS mechanisms create an uneven playing field by granting foreign investors access to international arbitration pathways that are not available to Australian investors operating domestically. This asymmetry undermines the integrity of Australia's legal system and introduces systemic regulatory risks for state and territory governments.

ISDS provisions allow foreign investors to bypass Australian courts, even after all domestic judicial mechanisms have been utilised, and challenge legitimate public-interest regulations, such as those relating to health, environmental protection, cultural heritage, through costly international tribunals. This exposes governments to significant financial liability and in extreme cases may lead to a regulatory chill effect.

Australia's domestic legal system already provides transparent, independent, and enforceable remedies for investors, including foreign entities. Adding ISDS creates a duplicative and preferential dispute mechanism that is unnecessary and unjustified. It privileges foreign investors over Australian businesses, erodes sovereignty, and risks constraining the ability of governments to respond to future challenges.

The Department of Trade, Business and Asian Relations recommends that all upgraded and future FTAs exclude ISDS provisions entirely. Investment chapters should instead focus on:

- Non-discriminatory treatment of investors.
- Transparency and due process in domestic legal remedies.

This approach maintains investor confidence while preserving Australia's regulatory autonomy and ensuring equal treatment for all businesses, foreign and domestic, under Australian law.

9. Recommendations to improve utilisation of Free Trade Agreements

Despite Australia's extensive FTA network, utilisation rates in the Northern Territory remain below the national average. This reflects not a lack of commercial opportunity, but structural and practical barriers to effective use. Low FTA literacy persists across businesses, industry associations and, at times, government agencies. High workforce turnover in Northern Australia further compounds this challenge, eroding institutional knowledge and necessitating continuous capability rebuilding.

Many micro, small and medium enterprises continue to export under Most Favoured Nation settings or default to legacy agreements under a "set and forget" approach. This results in foregone tariff savings and missed commercial advantages, particularly where annual tariff reductions, updated ROO, or alternative agreements provide superior outcomes. Complexity across overlapping agreements (AANZFTA, RCEP, CPTPP and bilateral agreements) and long tariff phase-downs of up to 20 years further discourage active reassessment by smaller firms.

Many Northern Territory businesses, particularly small and medium-sized enterprises, often find it challenging to fully understand the intricate details and benefits of various FTAs. Many exporters in the Northern Territory rely on freight forwarders and are not directly aware of the benefits of individual agreements. Ensuring compliance with the rules of origin and other regulatory requirements stipulated by FTAs can incur additional administrative and financial costs, which are burdensome for smaller businesses.

To address these barriers, a shift to proactive, product-specific and regionally delivered support is recommended. This should include practical tools that allow exporters to compare tariff schedules, ROO requirements and documentation obligations across FTAs by HS code. DFAT and Austrade should issue annual exporter alerts highlighting best-available tariff rates, changes to ROO, and SPS or customs documentation updates for key Northern Australian exports.

Given the Northern Territory's distance from major service centres and its role as a gateway to Southeast Asia, fit-for-purpose regional delivery is essential. To improve utilisation of Australia's FTAs across the Northern Territory, it is recommended that the Australian Government funds the Northern Territory Government to establish a Northern Territory FTA Helpdesk, to be based in Darwin but servicing the whole of the Northern Territory, including remote and regional exporters.

The Helpdesk would provide real-time advisory services on HS classification, rules of origin interpretation, SPS and biosecurity documentation, and dispute-avoidance support for Northern Territory exporters, industry associations and supply-chain partners. It would operate as a dedicated capability-building and utilisation-lifting mechanism for Northern Australian MSMEs. The Department of Trade, Business and Asian Relations recommends trial funding of AUD \$500,000 per annum for 5 years to establish and operate this service, ensuring capacity to undertake outreach in Darwin, Katherine, Alice Springs, East Arnhem and remote communities.

Targeted support is also required for Aboriginal-led enterprises, particularly in the Indigenous botanicals sector. Many native products lack clear HS classification, creating uncertainty and increasing compliance costs. These include a lack of specific codes for classification and inconsistent classification between countries which can lead to reduced market access, delays in customs clearance, higher tariffs, stricter quarantine requirements, and difficulty in tracking trade volumes and values. These challenges can be addressed by better recognition of native foods within the system, education and training for custom officials, and collaboration between the industry and government to ensure accurate classification.

Finally, simplifying and digitising trade administration is critical to lifting utilisation. Upgraded FTAs should commit to origin self-certification, greater ROO harmonisation where feasible, and the use of standardised digital documentation for certificates of origin, SPS/phyto and customs data. These systems should be interoperable with partner country single windows and trusted trader programs, reducing administrative burden and making FTA use commercially viable for MSMEs.

10. Conclusion

This submission sets out practical, commercially focused reforms to make Australia's Southeast Asian FTAs simpler, fairer and future-ready for Northern Territory businesses. By modernising digital trade, aligning SPS and biosecurity, enabling skills mobility, recognising Aboriginal and Torres Strait Islander trade, protecting provenance through GIs, reshaping investment disciplines without ISDS, and delivering targeted utilisation support, the upgraded agreements will unlock two-way trade and investment, strengthen regional food security, and embed Northern Australia, anchored by Darwin, as a credible gateway to Southeast Asia. The Department of Trade, Business and Asian Relations looks forward to working with the Australian Government, including DFAT and Austrade, to realise these outcomes.

The Department of Trade, Business and Asian Relations would like to reiterate our appreciation for DFAT's collaborative approach to trade negotiations, and our hopes for continued federal-state and territory discussions on the modernising, updating and advancing of new bilateral trade agreements in Southeast Asia.