

ASEAN- Australia- New Zealand

Free Trade Agreement



Substantial Conclusion of Negotiations to Upgrade the ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA)

Why upgrade AANZFTA?

Australia, New Zealand and the Association of Southeast Asian Nations (ASEAN) announced the substantial conclusion of the negotiations to upgrade AANZFTA on 13 November 2022. Further deepening Australia's engagement with Southeast Asia is a priority of the Australian Government.

Together, ASEAN ranks as Australia's second-largest two-way trading partner and includes five of our top 15 export markets. In 2021, \$127 billion in trade and \$248 billion in investment moved between Australia and ASEAN.

AANZFTA is the cornerstone of this economic engagement. It is ASEAN's highest quality free trade agreement in market access openings for goods trade. Since entry into force in 2010, it has eliminated tariffs on 96 per cent of our goods exports to the more developed Southeast Asian markets. AANZFTA's services and investment outcomes are a focus of the upgrade negotiations.

Substantial conclusion is a milestone in the negotiations to upgrade AANZFTA. It means that Australia, New Zealand and ASEAN have reached an agreement in principle on the vast majority of negotiated text. It also means we have agreed in principle on the approach to finalising any outstanding issues that will enable us to reach final conclusion.

The upgrade of AANZFTA will ensure it continues to support the needs of businesses and consumers and will further underpin trade and investment in the most dynamic region in the world. The upgraded agreement will deliver a range of value-added elements, including:

new chapters and provisions on:

- micro, small and medium sized enterprises, trade and sustainable development, and education services.

enhanced provisions on:

- e-commerce, competition, customs procedures and trade facilitation, trade in goods, rules of origin, trade in services, and investment.

The upgraded AANZFTA will support our service suppliers, goods exporters and investors to grow their reach into ASEAN and accelerate trade diversification. It will foster greater commercial linkages and drive cooperation.

Australia's focus now is on concluding the upgrade negotiations and working towards the early signing and timely implementation of the upgraded AANZFTA.



Australian Government

November 2022. More information on the ASEAN-Australia-New Zealand Free Trade Agreement is available at dfat.gov.au/aanzfta