Report of the 6th round of negotiations for a Free Trade Agreement between the European Union and Australia

10-14 February 2020, Canberra

Officials from the European Commission and Australia met in Canberra from 10-14 February 2020 for the 6th round of Free Trade Agreement (FTA) negotiations between the European Union and Australia. The EU negotiating team was led by Ms Helena König, Chief Negotiator and Deputy Director General for Trade of the European Commission, while the Australian team was led by Ms Alison Burrows, Chief Negotiator and First Assistant Secretary at the Australian Department of Foreign Affairs and Trade.

Discussions were held in a good and constructive atmosphere and showed a shared commitment to negotiate an ambitious and comprehensive agreement. 22 working groups and sub-groups met covering almost all areas of the future FTA. Negotiators discussed the textual proposals that had been submitted for the different chapters, and their respective comments. They clarified the underlying concepts and practices, the linkage with international agreements where relevant, and the involvement of different levels of government. Where already possible at this stage of discussions, negotiators started to agree in principle on text parts that were agreeable to both sides. A number of follow-up actions were decided ahead of the 7th negotiation round which is provisionally scheduled for May 2020.

Details per negotiating area

Trade in Goods: The two sides continued discussions on the market access offers for goods that had been exchanged ahead of the previous round. They also discussed open provisions of the consolidated text as regards imports and exports restrictions, customs valuation, remanufactured goods, and non-tariff measures.

Rules of Origin: Both sides discussed approaches on origin procedures. Although they now agree on basic principles, still a number of differences were identified in relation to respective rights and obligations of importers and exporters. They were able to bridge some previously identified differences in the general provision on rules of origin. Both sides continued the first reading of respective proposals of product specific rules of origin to identify similarities and differences.

Customs and Trade Facilitation: Both sides discussed all articles in the chapter and continued to make good progress, most notably in relation to the article setting out the objectives of the chapter and the article on advanced rulings.

Mutual Administrative Assistance in Customs Matters and Anti-Fraud: Both sides discussed the remaining articles of the protocol on mutual administrative assistance in customs matters (MAA) and customs anti-fraud measures (AF). The MAA protocol has been substantially agreed while the discussion on AF is still ongoing.

Technical Barriers to Trade (TBT): Both sides discussed all articles of the TBT Chapter, with particular focus on the scope, international standards, marking and labelling and conformity assessment. The EU side presented its new text on cooperation on market surveillance and non-food product safety and compliance and the approach to market surveillance. The Australian side presented its accreditation system.

Vehicle annex: Both sides discussed all articles of the annex with particular focus on regulatory convergence based on UNECE Regulations on motor vehicles and on acceptance of UN and EU type-approvals.

Sanitary and Phyto-Sanitary measures (SPS): Constructive work continued on all remaining articles including risk assessment, precautionary principle, adaptation to regional conditions, and equivalence.
Services and Investment: The services and investment discussions made continued progress during this week, with many areas close to agreement. Key discussions focused on the initial services and investment offers which were exchanged ahead of the round.

Digital Trade: Both sides discussed all provisions of the Digital Trade text in detail. Provisions on open internet access and online consumer trust were agreed. Progress was made and clear pathways forward were developed on a number of provisions.

Public Procurement: Further progress was achieved on the text of the chapter. An open discussion was held on the first market access offers that had been exchanged prior to the round.

Intellectual Property Rights (IPR): Both sides continued discussions based on a consolidated text. Discussions covered all sections of the IPR Chapter, including general provisions, copyright and related rights, trademarks, designs, plant varieties, patents, protection of undisclosed information, geographical indications and IPR enforcement, including border measures. Constructive discussions took place, which allowed for progress in different areas. Follow up actions in relation to various IPRs were agreed.

Geographical indications (GIs): Following the end of the Australian opposition procedure on 13 November, discussions during this round focused on the oppositions to EU GI names. In the next round full dossiers on the conflicts identified will be discussed. Short discussions were also held on the text pending internal consultations on the Australian side. The link between the FTA and the existing EU-Australia wine agreement (GI and non-GI parts) was addressed.

Competition and Subsidies: Both sides discussed the two sections of the Competition chapter. Good progress was made on the section covering Anticompetitive Conduct and Mergers Control, where the two sides further clarified provisions and removed brackets in the text. On the section of the chapter covering Subsidies, both sides exchanged views on the definitions and scope and the relationship of the provisions of this section with the WTO Subsidy and Countervailing Measures Agreement. The EU also replied to questions regarding the provisions on prohibited subsidies.

Trade and Sustainable Development (TSD): Both sides continued discussions based on the EU text proposal and Australia’s follow-up attributions and new proposals. Discussions covered all articles of the TSD Chapter. Discussions also covered provisions on the right to regulate and levels of protection, scientific and technical Information as well on institutional and dispute settlement aspects. Both sides provided more details on their labour, environmental, climate and CSR legislation and practices. A number of follow up actions were agreed. The EU side presented the European Green Deal Communication of 11 December 2019 and the importance of ratification and effective implementation of all fundamental ILO Conventions, and recalled the importance of the effective implementation of the Paris Agreement by both parties.

Energy and raw materials: Both sides went, in detail, through all the main articles in the EU text proposal. The EU further explained the reasoning and objectives behind its proposals, notably in relation to promoting sustainable trade and investment in these sectors.

Transparency: Both sides discussed outstanding articles of the Transparency Chapter, in particular objective, definitions, publication, enquiries, administrative proceedings and review and appeal, and progressed significantly on most of the text. Application of dispute settlement to the Chapter was also discussed.

Good Regulatory Practice: Both sides discussed the outstanding articles of the Chapter, in particular general principles, definitions, scope, early information on planned regulatory measures, public consultations and regulatory register. Good progress was made on most of the text. The Australian side explained its intentions with regard to regulatory authorities and measures covered on its side.