



Report of the 11th round of negotiations for a trade agreement between the European Union and Australia

1 – 11 June 2021 (per video-conference)

Officials from the European Commission and Australia held the 11th round of negotiations for a trade agreement between the European Union and Australia from 1 to 11 June 2021 through a series of video-conferences. The EU negotiating team was led by Mr Peter Berz, Chief Negotiator and Head of Unit at the Directorate 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 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. 26 working groups and sub-groups met covering almost all areas of the future trade agreement. Negotiators continued discussing the textual proposals that had been submitted for the different chapters, and the respective comments received. They clarified the underlying concepts and practices, the linkage with international agreements where relevant, and the involvement of different levels of government.

Where possible, negotiators agreed in principle on text parts that were acceptable to both sides. The chapter on professional services was provisionally concluded during the round. A number of follow-up actions were decided.

Details per negotiating area:

Trade in Goods: Negotiators continued discussion of the market access offers for goods based on the exchange that had taken place in a previous round. They focused on open provisions of the consolidated text as regards export licensing procedures, origin marking, performance requirements, national treatment and customs fees and charges.

Rules of Origin: Negotiators discussed the procedural provisions to claim preferential tariff treatment for originating products as well as

to verify the originating status of the originating products. Negotiators looked at a balanced responsibility of the exporters and importers on both sides. The EU side reiterated a number of key principles to avoid burdening importers with obligations to seek information on the origin conferring processes normally not available to them.

Moreover, negotiators discussed the introductory notes to the product specific rules, and made some progress in aligning the two proposals on the calculation of value rules. Products specific rules for textiles, machinery and other manufactured products were discussed.

Customs Anti-Fraud and Mutual Administrative Assistance: Negotiators agreed to continue the discussion of the anti-fraud clause proposal. As regards the Protocol on Mutual Administrative Assistance in customs matters, negotiators progressed in their discussion of the remaining articles.

Trade Remedies: Negotiators discussed the remaining articles, and in particular the bilateral safeguards clause. The majority of these issues remain open and will be discussed at a later stage, as they are linked to progress in the market access chapter. The sections related to the use of the existing WTO instruments (anti-dumping, anti-subsidy and global safeguard) have been almost completed in previous rounds.

Technical Barriers to Trade: Negotiators discussed articles on scope, relationship with the WTO Technical Barriers to Trade Agreement, standards, international standards, conformity assessment, transparency, marking and labelling, cooperation on market surveillance and consumer product safety and institutional provisions. Negotiators also discussed the annex on motor vehicles.

Sanitary and Phytosanitary Measures and Animal Welfare: Constructive work continued on remaining articles, which assisted in further finalising a joint text. Discussions took place on sustainable food systems, transparency and robustness in risk assessment for approvals, certification and import checks.

Services and Investment: All texts relating to services and investment were discussed in detail during this Round. The text of the chapter on mutual recognition and professional services was provisionally concluded, and advances made during this round have brought the texts on telecoms, domestic regulation, maritime transport, and the movement of natural persons close to conclusion. Discussions on market access were aimed at preparing for a possible future exchange of updated offers.

Government Procurement: The text of the chapter is essentially ready, but market access remains to be further negotiated taking also into account input from Australian States and Territories.

Intellectual Property Rights: Constructive discussions allowed for good further progress across sections, also on designs. Discussions covered all sections of the Intellectual Property Rights Chapter, including general provisions and cooperation, copyright and related rights, trademarks, patents, designs, trade secrets and enforcement, including border measures. Clarifications provided in several areas will allow to take work forward at next rounds.

Geographical Indications: Negotiators bridged a number of gaps in their positions. Progress also took place on prior use conflicts with several EU Geographical Indications names. Discussions are overall evolving positively.

Competition, Subsidies and State-owned Enterprises: Discussions progressed well. A single issue remains to be agreed on the section covering anticompetitive conduct and mergers control. On subsidies progress was made, although questions of the actual scope remain outstanding, impacting also on other parts of the chapter. A strong effort was made to advance the text on state-owned enterprises as much as possible, with several proposals on the table with a view to finalise the chapter.

Trade and Sustainable Development: The exchanges covered all the articles of the chapter, and substantial progress in text consolidation was made, in particular in relation to the articles on the multilateral labour standards, trade and biodiversity, trade and wildlife, and environmental goods and services. Also a first constructive text based discussion on the trade and gender equality article took place. Negotiators agreed to continue discussing the EU's trade and climate as well as the scientific and technical information articles.

Energy and Raw Materials: Negotiators discussed in detail disciplines on Environmental Impact Assessment, Offshore Risk and Safety, Third-Party Access, Regulatory Authority and Access to Infrastructure for Renewables.

Dispute Settlement and Mediation: Negotiators continued detailed and constructive discussions on the Dispute Settlement Chapter, and its two Annexes (Rules of Procedure and Code of Conduct). They reached agreement on the objectives for the Chapter, which include transparent, efficient and effective dispute settlement procedures. Negotiators also agreed in principle on many areas relating to the

concrete operation of the dispute settlement mechanism but certain areas remain outstanding.

Final, Exceptions and Institutional Provisions: Negotiators had detailed and constructive discussions on the institutional, final provisions and exceptions chapters, on the basis of textual proposals made by the EU side.