



# AANZFTA: The benefits for investment



## 2. AANZFTA overview

- Entered into force on 1 January 2010
- Most comprehensive FTA concluded by ASEAN
- Largest FTA concluded by Australia



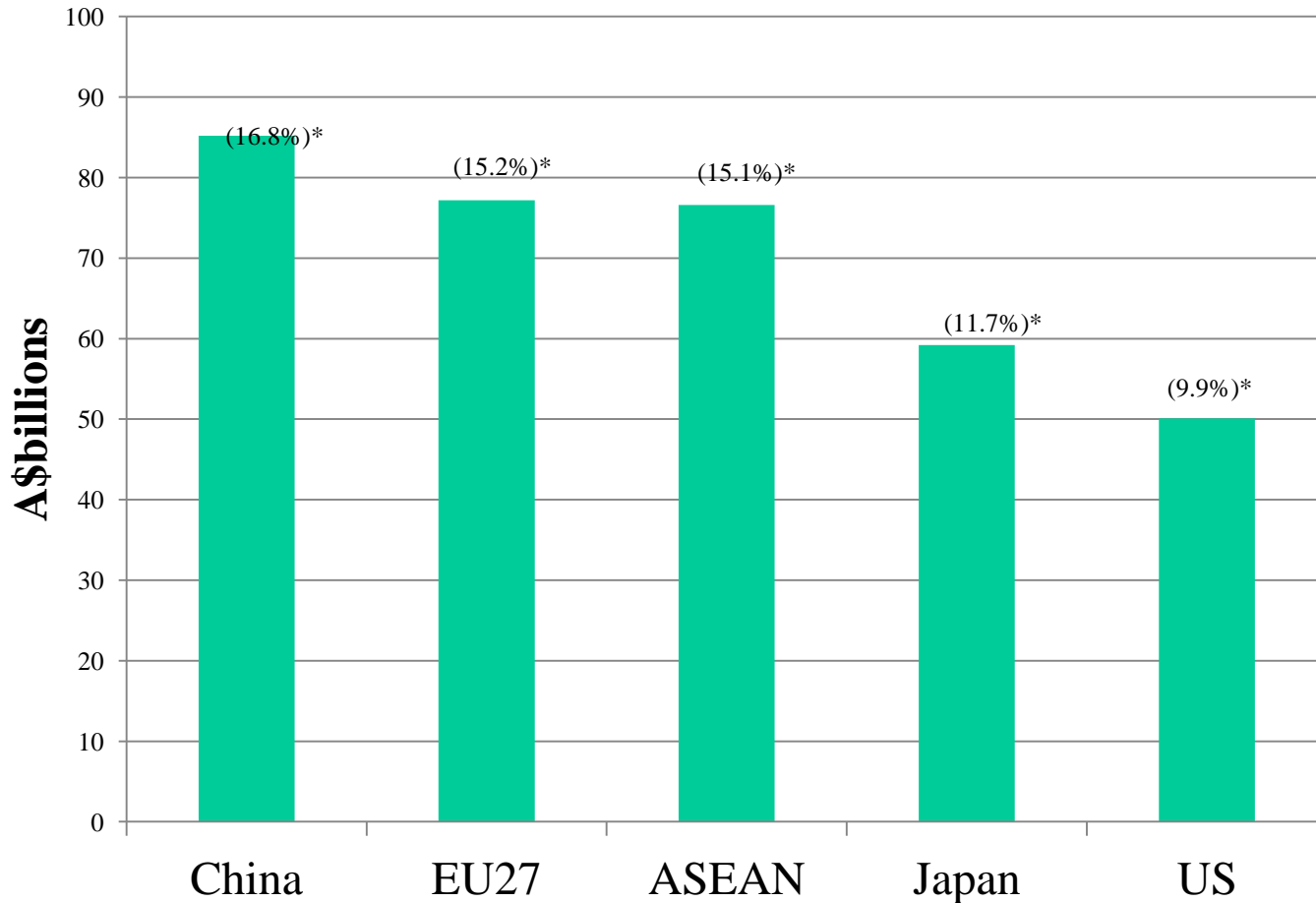
# 3. Key AANZFTA outcomes

- Significant tariff outcomes
- Regional Rules of Origin
- “WTO-plus” commitments in a range of service sectors
- Investment protections
- Temporary business entry
- Economic cooperation
- Built-in agendas and review mechanisms





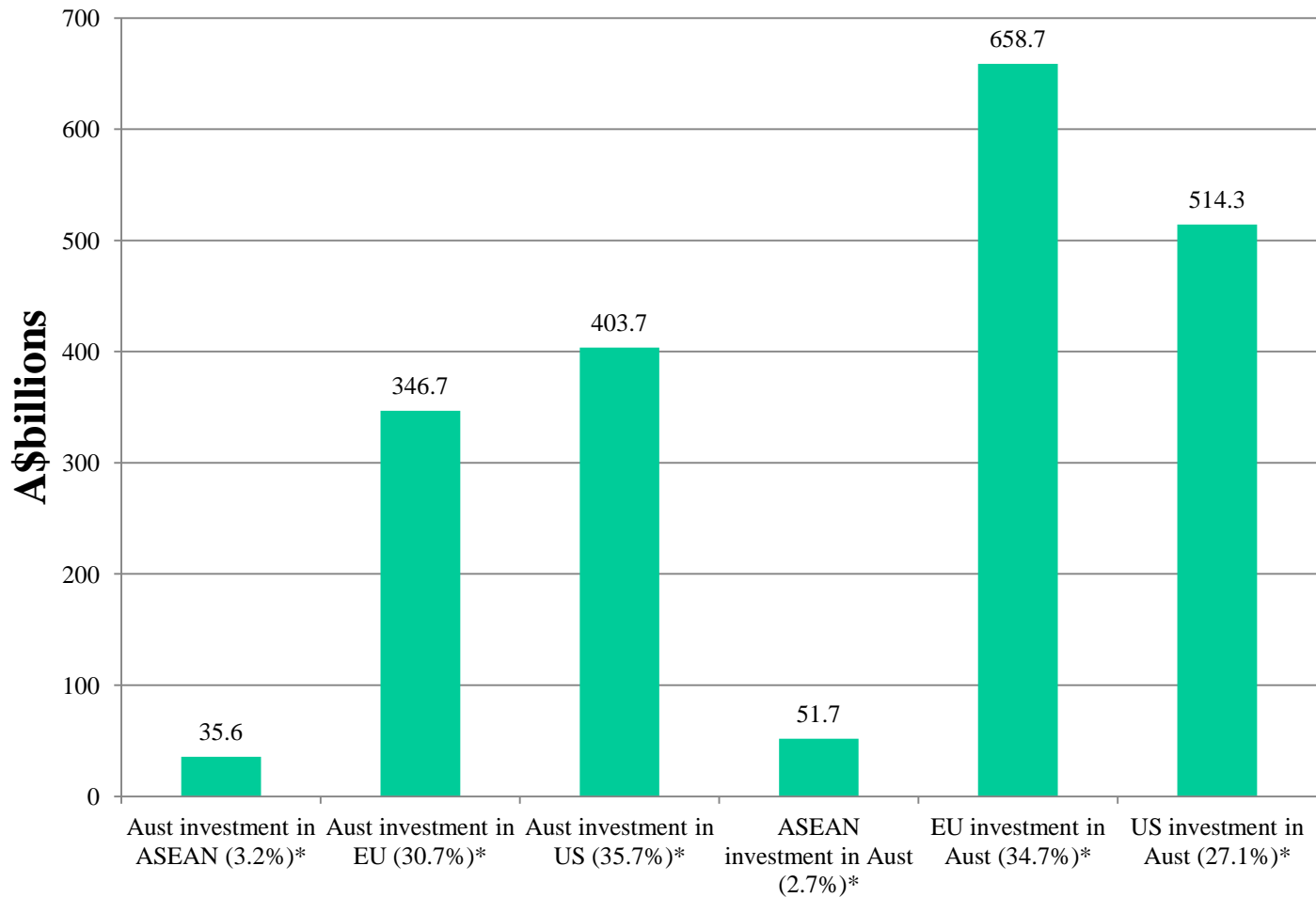
#### 4. Australia's major trading partners (2009)



\* Expressed as a percentage of Australia's total two-way trade in goods and services of A\$506.6 billion in 2009



## 5. Australia's investment partners (2009)



\* Expressed as percentage of Australia's total investment abroad (stock) and total foreign investment in Australia (stock) respectively



# 6. AANZFTA Investment outcomes

- AANZFTA provides strong framework to increase investment over time
  - Greater transparency and certainty for investors through a regime of investment protections
  - Forward-looking built-in agendas on market access
  - Economic Cooperation



# 7. AANZFTA Investment protections

- Minimum standard of treatment
- Transfer of funds without delay
- Compensation for expropriation
- Non-discriminatory treatment for loss caused by armed conflict, civil strife or states of emergency
- Investor-state dispute settlement
- Transparency provisions





# 8. AANZFTA Built-in Agendas

- Built-in agenda for improving on services commitments, including mode 3
- Work program for market access schedules for investment
- Implementation by Investment and Services Committees
  - Oversight by AANZFTA Joint Committee





# 9. AANZFTA Economic Cooperation

- Australia to provide up to A\$20 million over five years to assist ASEAN countries implement the Agreement
  - “Economic Cooperation Work Program” covers projects in nine subject areas
  - including rules of origin, intellectual property, services and investment



# 10. Investment review proposal for AANZFTA

- Australian and New Zealand proposal for investment review process:
  - interested ASEAN countries to receive funding to participate in OECD Investment Policy Review process;
  - additional funding to implement recommendations.





# 11. Conclusion

- AANZFTA paves the way for deeper economic integration with ASEAN
- Built-in agendas and committee structures will ensure ongoing commercial relevance
- Economic Cooperation Work Program to support ASEAN take advantage of the benefits.





- More information at :

[www.dfat.gov.au/trade/fta/asean/aanzfta](http://www.dfat.gov.au/trade/fta/asean/aanzfta)

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