

# India-Australia free trade pact to be effective Dec 29

**Our Bureau**  
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The India-Australia free trade agreement will come into effect from December 29, allowing zero-duty access to over 96 per cent of India's exports, including labour-intensive items such as apparels, leather goods, several engineering products and gems & jewellery from the first day itself.

"India and Australia consolidate their long-standing partnership. Economic Cooperation & Trade Agreement (ECTA), realised under the guidance of leaders on both countries, comes into effect from December 29, 2022. It is the dawn of a whole new era for our businesses and people," Commerce & Industry Minister Piyush Goyal tweeted on Wednesday.

The interim-ECTA, expect-

ed to increase bilateral trade to an estimated \$45-50 billion in five years from existing \$31 billion, was approved by Australian Parliament earlier this month.

India will provide zero-duty market access to 85 per cent of Australian goods, such as wool, sheep meat, coal and identified metals, on the first day of implementation increasing it to 91 per cent in 10 years while Australia will

provide zero-duty access to 100 per cent of Indian goods in five years.

Negotiations for a comprehensive India-Australia ECTA are now likely to be launched during the Joint Ministerial Commission meeting in January 2023. The comprehensive pact will include areas that had not been fully included or were excluded in the interim deal such as digital trade, government procurement, product

specific (rules of origin) and market access for some goods.

Australia has agreed to liberalise its visa regime for Indians in a number of areas as part of ECTA. It has agreed to an annual quota of 1,800 visas for yoga teachers and Indian chefs. It will also allow post studywork visa (18 months-4 years) for Indian students that is likely to benefit more than one lakh Indian students, per government estimates.