

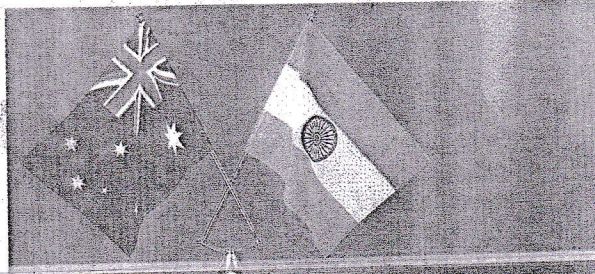
Australia seeks inputs on roadmap for closer ties

SUSTAINING MOMENTUM. Keen to build on the existing work under CECA

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Recognising India's move towards becoming the world's third-largest economy by the end of the decade, Australia is working on a new roadmap for engaging with New Delhi that will complement and build on existing work under the bilateral Comprehensive Economic and Co-operation Agreement (CECA).

"The new roadmap will support our efforts to ensure closer bilateral economic co-operation and bolster broader efforts to secure a more prosperous region for Australia and India. It will complement and build on existing work under CECA by keeping momentum between negotiating rounds and exploring new areas of bilateral opportunity through public consultations," per a discussion paper circulated by the Australian government to stakeholders seeking their inputs.



SCOPE FOR TRADE. As both countries work towards net-zero emissions, there is potential for significant growth in trade and investment ISTOCKPHOTO

There has never been a better time to engage economically with India, which was already the most populous country in the world and had an economy growing at a fast pace, the paper observed.

DEEPENING TIES

"In 2023, India was our fourth-largest export market and is on track to be the world's third-largest economy by the end of this decade (per IMF)," the paper readied by Australia's Department for Foreign Affairs and Trade (DFAT) noted.

India and Australia implemented the bilateral Economic Co-operation and Trade Agreement (ECTA) on December 20, 2022, under which Australia agreed to eliminate tariffs on 96 per cent of goods imported from India immediately, increasing it to 100 per cent by January 1, 2026. India agreed to eliminate tariffs on over 85 per cent of Australian goods, which would rise to 90 per cent by January 1, 2026.

The India-Australia CECA, being negotiated at present, is set to be much deeper than the existing ECTA. It is likely to

cover more products as well as new areas such as services, digital trade, government procurement and Rules of Origin (ROO)-Product Specific Rules Schedule. The ongoing CECA negotiations are expected to cover a wider range of products and areas such as services, digital trade, and government procurement.

GROWTH TRAJECTORY

The Australian government is focusing on maximising the benefits of India's growth by targeting opportunities wisely. As both countries work towards net-zero emissions, there is potential for significant growth in trade and investment. Stakeholders are also encouraged to provide suggestions on regulatory changes and trade diversification opportunities to further enhance the bilateral economic relationship. India is hopeful that bilateral trade, valued at around \$24 billion in 2023-24, may touch \$100 billion over the next few years, once the trade pacts are fully implemented.