

# Australia unveils \$16 mn outlay to boost trade ties with India

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New Delhi, 26 February

The Australian Prime Minister Anthony Albanese on Wednesday unveiled a new road map to bolster economic ties with India, describing it as an attempt to find paths towards a better future for both sides.

The road map identified four “superhighways of growth” — clean energy, education and skills, agribusiness, and tourism — with a broader aim to seize the enormous trade and investment opportunities arising from India’s economic rise.

Kickstarting the implementation of the roadmap, Canberra announced investing \$16 million in an Australia-India Trade and Investment Accelerator Fund, which will help Australian businesses unlock new commercial opportunities in India.

Delving into various aspects of the new economic road map, Albanese said both the nations have the chance to “brighten each other’s future.” India is already Australia’s fifth-largest two-way trading partner and fourth-largest export market for goods and services.

Exporters from Australia saved around \$2 billion in tariffs by the end of December 2024 due

to tariff concessions implemented under the Economic Cooperation and Trade Agreement (ECTA), or the interim trade deal, between the two countries. The ECTA came into force on December 29, 2022. Under the deal, by value, over 85 per cent of Australian goods exported to India are now tariff-free, which is going to rise to 90 per cent in 2026. As much as 96 per cent of imports from India are now tariff-free, and will rise to 100 per cent by 2026.

**During the first year of the trade deal, Australian exports to India grew by 35%, excluding coal**

“Our free trade agreement with India has saved Australian businesses hundreds of millions of dollars... the savings are having a direct impact for Australians, reducing costs at the checkout and creating local jobs. Australia continues to make progress in its negotiations with India on a new free trade agreement, which will unlock even more trade opportunities for Australian businesses,” the Australian government said in a statement as it launched “A New Road Map for Australia’s Economic Engagement with India”.

During the first year of the trade deal, Australian exports to India grew by 35 per cent, excluding coal. Particularly, the deal kickstarted a range of Australian agricultural exports to India, including cotton, nuts, and some fruits.

*(With inputs from PTI)*