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Mr Richard Emerson-Elliott
Assistant Secretary
FTA Goods Branch
Regional Trade Agreements Division
Department of Foreign Affairs and Trade

Dear Mr Emerson-Elliott,

The Australian Chamber of Commerce and Industry (ACCI), Australia's largest and most representative business advocacy body, welcomes the establishment of the Australia-United Arab Emirates (UAE) Comprehensive Economic Partnership Agreement (A-UAE-CEPA). This agreement will strengthen economic and trade relations with the UAE, connect Australia to the trade hub of the Middle East and provide a steppingstone to achieving a larger agreement with the Gulf Cooperation Council (GCC).

ACCI commends the Australian Government on taking steps to further diversify the trade opportunities open for businesses, and notes that a Comprehensive Economic Partnership Agreement with the United Arab Emirates will represent an important first trade agreement with the Middle East. While ACCI has not collected data specifically on a trade agreement with the UAE, businesses have demonstrated an interest in Middle East markets in ACCI's most recent National Trade Survey conducted in 2021. ACCI's survey reveals that a Middle East trade agreement with the Gulf Cooperation Council is business' third highest FTA priority (the highest priority being an Australia-India Comprehensive Economic Cooperation Agreement, which the Government is also proceeding with). The UAE is Australia's largest trade partner in the Middle East and Australia's 19th largest export market overall.

In addition to providing an opportunity for market diversification for Australian goods exporters, Australian producers can serve as reliable trade and food security partners for the UAE. Likewise, trade in services including construction, minerals, resources, engineering, education, agribusiness and health represent further opportunities that should be explored through this agreement. ACCI looks forward to continuing engagement with the Australian negotiators to ensure that a commercially meaningful agreement is scoped.

The A-UAE-CEPA presents an opportunity to address issues that inhibit present trade and to ensure that the commercial relationship is primed to best take advantage of opportunities for future growth. This includes opportunities to deliver commercial certainty with respect to the regulatory settings applicable to halal products, including but not limited to red meat products and cosmetics. Further outcomes that reduce transaction costs when trade is conducted between Australia and the United Arab Emirates, such as additional document legalisation requirements, would also incentivise greater trade between our countries. ACCI continues to urge the adoption of an online verification system, such as the Intergovernmental Ledger (IGL), to permit simpler and less costly verification of importers' claims.

The future growth of trade between Australia and the United Arab Emirates will be further enhanced through the adoption of optimal Rules of Origin. Whilst acknowledging the value of flexibility in some respects, negotiators must be mindful to avoid excessive textual ambiguity which creates the potential for multiple interpretations, risks the denial of preferential tariff



treatment to Australian traders, and risks undermining the benefits we have negotiated. Particular attention must be paid to the definition of a third party or non-party, territory of a non-party, retroactive issue of documentary evidence of origin, and consignment.

To further mitigate risks in using the agreement, ACCI supports the adoption of a dual proof of origin system which empowers traders to choose the system that best accommodates their business, experience in trading and risk appetite. The A-UAE-CEPA agreement should allow for electronic and paper-based Certificates of Origin certified by an authorised body and self-declared statements of origin (where appropriate). These documents must be accepted in electronic form and should be supported with the deployment of the IGL to immediately and securely verify the authenticity of the documents.

ACCI supports the Australian Government's negotiation of a Comprehensive Economic Partnership Agreement with the United Arab Emirates to offer new trading opportunities for Australian business and enhance Australia's trade relationship with the Middle East and, in time, the Gulf Cooperation Council. ACCI looks forward to working with DFAT on this agreement.

Yours sincerely,

Chris Barnes
Director, Trade Policy and International Relations
Australian Chamber of Commerce and Industry