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## What is a Free Trade Agreement?

**Free Trade Agreements (FTAs)** are market-opening agreements that promote stronger trade and commercial ties between participating countries.

**FTAs** open up opportunities for Australian exporters and investors to expand into key markets.

**FTAs** improve access to important trading partners across all areas of trade – goods, services and investment – helping to maintain Australia's competitiveness in these markets.

**FTAs** can address 'behind the border' issues such as standards, professional qualifications, licensing, intellectual property rights and competition policies.

The Australian Government will only negotiate an FTA if it believes it will:

- deliver **substantial economic benefits**, including **commercial gains** for Australian businesses;
- deliver benefits **more quickly** than would be possible through multilateral efforts;
- be **comprehensive** in scope;
- be **consistent** with Australia's WTO commitments and objectives; and
- significantly **enhance** broader economic, foreign policy and strategic interests.

## FTAs and Education Services

Australian **education service providers and investors** are making inroads into key markets around the world but many still face a range of challenges either operating in or doing business with a number of these trading partners. These include licence and market access restrictions, quota restrictions, foreign equity and joint venture partner restrictions and transparency issues. Some of these issues can benefit from greater bilateral dialogue and cooperation facilitated by an FTA.

**FTAs** can provide for increased trade in education services if they can facilitate, for example:

- further recognition of Australian professional and academic qualifications;
- the establishment of Australian educational institutions overseas;
- increased regulatory transparency; and
- the movement of educational professionals.

## What is AEI's role in trade negotiations and how does this relate to you?

The **Department of Foreign Affairs and Trade (DFAT)** leads for the Australian Government in all trade negotiations, in consultation with other agencies and state and territory governments. Trade agreement negotiations are whole-of-government processes.

**AEI** works in partnership with DFAT to ensure that the best outcomes possible are obtained for the Australian education and training sector. AEI actively pursues opportunities to open markets for Australian education exporters. However, AEI is also mindful of the dual interests of trade liberalisation and safeguarding Australia's domestic education and training system including our quality assurance measures as well as protecting government funding and subsidies. These objectives constitute AEI's offensive and defensive agendas.

Prior to entering into FTA negotiations AEI and DFAT **consult** with **Australian education providers**, state and territory governments and other stakeholders to collect relevant information. We use this information to identify key interests and gauge the effect of trade barriers on these interests in the markets under negotiation. The information provided by industry is **crucial** to achieving the best outcomes for the education sector in trade agreements.

## Free Trade Agreements currently under negotiation

The Australian Government's current agenda for FTAs is the most exciting and dynamic development in Australia's trade policy history. As part of its commitment to pursue every opportunity to increase trade and investment for Australians, the Government is currently undertaking FTA negotiations or feasibility discussions with:

- **China**
- **Japan**
- **Chile**
- **Australia/NZ-ASEAN**
- **Malaysia**
- **Gulf Cooperation Council**
- **South Korea (feasibility only)**
- **Indonesia (feasibility only)**
- **India (feasibility only)**

It is **important** that Australian government negotiators have **information** on barriers to trade from providers and potential providers of educational services to these countries, whether these services are supplied to students here in Australia or offshore. We depend on input from stakeholders to ensure that the FTA outcomes help Australian education providers when making business decisions in the market of the trading partner. Industry consultations continue throughout the FTA negotiations and your input is welcome at any time on the FTAs already underway.

## Contact

For further information on these FTAs, or to make a submission that could assist Australia's FTA negotiations, please refer to the DFAT website at [www.dfat.gov.au/trade](http://www.dfat.gov.au/trade). For additional information, please contact:

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