

The Hon Simon Crean MP

AUSTRALIAN MINISTER FOR TRADE

5 March 2009

Australia-Chile FTA comes into force

The Australia-Chile Free Trade Agreement will come into force tomorrow 6 March, 2009.

This was the first Free Trade Agreement to be concluded by the Rudd Government and comes into force a week after Mr Crean signed the ASEAN-Australia-New Zealand FTA.

"The Labor Government is compiling runs on the board - liberalising trade with regional and bi-lateral agreements," Mr Crean said.

"I urge Australian exporters to take advantage of the new opportunities offered by the Australia-Chile FTA now that it has entered into force," he said.

The Minister for Trade said the Australia-Chile FTA is an agreement of the highest quality.

"It is the most comprehensive outcome on goods in any FTA that Australia has negotiated with another agricultural producing country since the Closer Economic Relations agreement with New Zealand signed by the Labor Government in 1983.

"At a time of significant downturn in the global economic outlook, this agreement sends a powerful message of our commitment to expanding trade opportunities," he said.

Australian companies looking to do business with Chile should get in touch with Austrade for advice on new opportunities under the agreement.

The FTA eliminates immediately Chile's tariffs on almost 92 per cent of tariff lines covering 97 per cent of goods currently traded.

This includes Australian exports of coal, meat, wine and key dairy products. Tariffs on all existing merchandise trade will be eliminated by 2015.

Reflecting the Government's increasing focus on helping services suppliers, the FTA includes commitments by Chile to maintain an open and non-discriminatory market for Australian services, including in important sectors for Australia such as education, professional services, mining, engineering, management consulting and financial services.

Chile is Australia's third largest trading partner in Latin America and there are approximately 120 Australian companies actively trading with Chile.

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