

## Minor Treaty Action

### Introduction

- 5.1 Minor treaty actions are generally technical amendments to existing treaties which do not impact significantly on the national interest.
- 5.2 Minor treaty actions are presented to the Committee with a one-page explanatory statement and are listed on the Committee's website. The Committee has the discretion to formally inquire into these treaty actions or indicate its acceptance of them without a formal inquiry and report.

### Minor treaty action

- 5.3 There is one minor treaty action reviewed in this chapter. The Committee determined not to hold a formal inquiry into this treaty action, and agreed that binding treaty action may be taken.

### **Amendment to Annex 15A (Government Procurement) of the *Australia-Chile Free Trade Agreement***

- 5.4 The *Australia-Chile Free Trade Agreement* (ACIFTA) came into effect on 6 March 2009. The proposed amendments would extend coverage of Chapter 15 (Government Procurement) of ACIFTA to the functions of 14 additional Commonwealth Government entities. Subject to the commitments in Chapter 15, the Australian Government would be legally bound to ensure that the covered government procurement tenders of these additional covered entities would be open to bids from Chilean firms. There is no practical effect from the change as the entities are already covered by the Commonwealth Procurement Rules.

- 5.5 Under Chapter 15 of ACIFTA, Australia is required to afford Chilean companies the opportunity to bid for Australian government contracts on the same terms as Australian firms (and vice versa), subject to certain exceptions. The obligations set out in Chapter 15 apply to procurements above a specified 'threshold' value by the 'procuring entities' of each Party, listed in Annex 15A.
- 5.6 Under the proposed amendment Annex 15A, Section 1 ('central government entities') would be extended to include:
- Australian Commission for Law Enforcement Integrity
  - Australian Institute of Family Studies
  - Australian National Preventative Health Agency
  - Australian Organ and Tissue Donation and Transplantation Authority
  - Cancer Australia
  - Private Health Insurance Ombudsman
  - National Health and Medical Research Council (NIMRC)
  - Australian Sports Anti-Doping Authority (ASADA)
  - Australian Skills Quality Authority
  - Tertiary Education Quality and Standards Agency
  - National Water Commission
  - Fair Work Building and Construction
- 5.7 Additionally, Annex 15A, Section 3 ('other covered entities') would be extended to include the Murray-Darling Basin Authority and the Independent Hospital Pricing Authority.
- 5.8 The proposed amendment will bring ACIFTA into alignment with Australia's more recent trade agreements.
- 5.9 No legislative changes are needed to implement the proposed treaty action. Chilean firms are already able to compete for contracts with the additional entities under the Commonwealth Procurement Rules.

Mr Wyatt Roy MP

Chair