In response to the following Question on Notice from Senator Canavan and Senator Cox at the public hearing held on 30 January 2025 for the <u>Comprehensive Economic Partnership</u> <u>Agreement between Australia and the United Arab Emirates – Parliament of Australia</u>, please find the Departments' response below.

Question on Notice from Senator Canavan

From Mr Ravi Kewalram - **We will confirm who was actually there** [sic at the stakeholder meeting on 14 June 2024].

From Senator Canavan - Ok if you could find that on notice that would the great.

Which organisations attended the briefing on 14 June 2024?

The National Farmers' Federation, Meat and Livestock Australia and Dairy Australia attended this meeting. The Australian Live Exporters' Council was invited but did not attend.

Other organisations who attended the meeting included: Animals Australia; Aboriginal Carbon Foundation; Accolade Wines; Australian Manufacturing Union; Animal Medicines Australia; ANZ; Aspen Medical; Australian Automotive Aftermarket Association; Australian Chamber of Commerce and Industry (ACCI); Australian Fair Trade and Investment Network (AFTINET); Australian Fresh Produce Alliance; Australian Grape & Wine; Australian Marine Export Industry; Australian Nut Industry Council; Australian Seafood Industry; Australian Steel Institute; Australian Sugar Milling Council; Australian Superyachts; Australian Unions; Australian Wine Research Institute; Australian Wool Innovation (AWI); Australia-UAE Business Council; Bank of Sydney; Binah Group; BlueScope; Canegrowers Ltd; Capral Aluminium; Export Council of Australia (ECA); Fonterra Australia; Go8; Grain Trade Australia; Infrabuild; Jala Jala Treats, NSW Government.

DFAT would also like to clarify our answer to the following questions from Senator Canavan.

Did you follow up on the World Animal Protection submission? Did you follow up with consultation/talking to them?

DFAT met with World Animal Protection after they submitted their submission along with other organisations on 28 October 2022 (prior to the commencement of negotiations) and 24 July 2024 to discuss UAE CEPA. They were also invited to a general stakeholder meeting on 21 November 2024, but did not attend.

Question on Notice from Senator Cox

1. Would ratifying CEPA have any negative aspects for Australian industry at all, even if they are outweighed by the benefits?

Current analysis indicates that ratifying CEPA will have no direct negative aspects for Australian industry. Our industry consultations identified there are no Australian industries in direct competition with imported UAE goods. CEPA will not impose any regulatory burden on businesses, communities, or individuals.

2. We've heard concerns from previous witnesses about the UAE's labour laws. How have you managed to ensure these sorts of concerns are taken into account in the negotiations with the UAE?

Labour issues are important for many stakeholders and an area we discussed closely with the UAE in the negotiations to seek the highest possible commitments from the UAE. Negotiators also engaged with unions and a range of NGOs to seek input throughout the negotiations.

Australia advances social inclusion and human rights across DFAT's portfolio of work, including through our foreign policy, development assistance, and trade and investment policy. Australia is also a key partner of the ILO where we engage with other Member States to advance, protect and promote labour rights.

Through the trade and labour chapter, CEPA:

- promotes compliance with ILO standards and enforcement of labour laws;
- recognises the importance of non-discrimination, equality and safety in the workplace;
- affirms commitments to address forced labour, including in supply chains; and
- establishes a dialogue on Labour to advance Labour Rights, including through engaging with stakeholders.
- 3. Do you think instability brought about by new tariffs could have an indirect effect on Australia's exports to the UAE or other countries either positive or negative?

As set out in the National Interest Analysis, we anticipate the increase on Australian goods exports to the UAE from CEPA would be estimated to increase Australian exports by around \$678 million per year once fully implemented.

4. Chapter 17 in the CEPA treaty pertains to first Nations people. What are the specific benefits of CEPA to First Nations people, given that the language is quite weak ("where possible", "where appropriate")?

First Nations businesses will benefit from tariff preferences available to all Australians, giving them a competitive advantage in exporting products in areas they have expressed interest, such as bush foods, bush skincare and fashion. The chapter has symbolic importance, as our first stand-alone chapter in an Australia trade agreement that is specific to First Nations. This underlines to UAE counterparts the importance of First Nations businesses in Australia's economy and may provide encouragement to First Nations businesses to explore export to the UAE – "head turning effect".

The chapter encourages cooperation between our two countries and recognises the important contribution that First Nations people and businesses make to international trade and investment, and the importance of empowering First Nations people and businesses to benefit from the opportunities created.

CEPA will encourage cooperation and exchange of information, which highlights opportunities, through joint trade and investment promotion activities relevant for First

Nations businesses. This includes businesses that relate to or derive from traditional knowledge and traditional cultural expressions such as arts and crafts, dance and music, tourism, food and agri-business, biological diversity and environmental management, the green economy and resources.

CEPA will provide a platform to share experiences and views with regard to:

- counterfeit goods purporting to derive from traditional knowledge or traditional cultural expressions; and
- the resale royalty rights of artists, including First Nations artists.
- 5. What are the aims of Chapter 17 and are they achievable?

The Government is committed to an inclusive international trade and investment agenda that drives economic growth for all Australians, including First Nations people and communities. Chapter 17 advances these objectives as outlined in question 4 above.

6. Do you feel that the current free trade setup gives sufficient protection to First Nations intellectual property?

CEPA will promote adequate, effective and balanced protection and enforcement of Intellectual Property (IP) rights and also encourage innovation and creativity.

CEPA recognises the value of protecting traditional knowledge and traditional cultural expressions, including through intellectual property rights. It also acknowledges the cultural significance of genetic resources, traditional knowledge and traditional cultural expressions are acknowledged in the agreement. This includes with respect to the names and uses of plants, traditional foods, language, song, stories, songlines, dance and works of art.

The outcomes in intellectual property will facilitate trade and investment, provide increased clarity for Australian businesses and innovators while protecting the right to regulate in important public policy areas.

7. UNDRIP is mentioned in the text of the treaty. What role does UNDRIP play in international trade, and has Australia done enough to implement its provisions?

Australia protects and promotes the UN Declaration on the Rights of Indigenous Peoples as a cornerstone for Indigenous rights internationally, it is the strongest international agreement and instrument for Indigenous rights. It underpins Australia's approach to multilateral discussions pertaining to First Nations issues including trade. This is recognised in the CEPA including in Chapter 17 which includes an explicit reference to the UNDRIP, including:

- acknowledging the importance of trade and investment to First Nations economic prosperity and wellbeing; and
- recognising the unique contribution that First Nations people make to two-way economic relationships and trade opportunities.

Australia takes our commitments under UNDRIP seriously, which involves work across government.

8. At face value, the CEPA treaty contains progressive elements like environmental and First Nations provisions, but submitters have described these provisions as unenforceable. What do you say to this?

CEPA represents the first time the UAE has agreed to dedicated chapters on these topics. Progressive elements like environmental, women's empowerment and First Nations provisions enable greater engagement with UAE on these topics and are consistent with

Australia's values. These progressive elements were based on feedback from consultations including:

- the need for inclusive trade chapters including gender balance and empowerment; a chapter promoting First Nation trade; and a separate chapter for environment; and
- meetings with union and other labour rights organisations led to the inclusion of a chapter on trade and labour which included ratify and implement ILO Conventions.

CEPA establishes new avenues for cooperating bilaterally in important areas like the environment, labour standards and gender equality, and confirm both Parties' commitment to relevant international bodies. Existing international forums and multilateral organisations are able to measure, review and evaluate performance by the Parties to CEPA.

9. Do you think Australia's trade arrangements should be contingent on human rights standards?

Australia's foreign and trade policies have evolved over time. Free trade agreements are a vital part of Australia's continued economic growth and designed to reduce or eliminate certain barriers to trade and investment, and to facilitate stronger trade and commercial ties between participating countries. Australia advances social inclusion and human rights across DFAT's portfolio of work, including through our foreign policy, development assistance, and trade and investment policy (also stated above).

10. One idea that has been suggested is that certain countries would get favourable trade preconditions based on good human rights and labour rights. Do you think something like this would be practical for a country like Australia?

Our international trade obligations are determined by a range of legal instruments including the WTO and our network of FTAs, and well as other relevant international instruments. As our trade policies evolve over time, Australia is required to ensure consistency with our international obligations.

11. From a labour and human rights standpoint, what do you think about the idea that trade treaties should be put on hold until labour standards in the UAE improve?

Fundamentally, a free trade agreement is an international treaty between two or more economies that reduces or eliminates certain barriers to trade in goods and services, as well as investment. Australia negotiates FTAs to benefit Australian exporters, importers, producers and investors by reducing and eliminating certain barriers to international trade and investment.

Free trade agreements can continue to provide additional benefits to Australia and trading partners over time, including via in-built agendas that encourage ongoing domestic reform and trade liberalisation. As a key partner of the ILO, Australia engages with other Member States to advance, protect and promote labour rights. CEPA will support these efforts by recognising progress and identifying opportunities for further cooperation and bilateral dialogue with the UAE in line with our commitments as ILO members.