



## **Committee to review Free Trade Agreement with ASEAN and the Cluster Munitions Convention**

Two significant treaties have been referred to the Federal Parliament's Treaties Committee, the ASEAN-Australian-New Zealand Free Trade Agreement (AANZFTA) and the Convention on Cluster Munitions.

### **AANZFTA**

The comprehensive AANZFTA includes trade in goods and services, investment and intellectual property and is the largest FTA Australia has ever signed.

The agreement will reduce or eliminate tariffs across a region that is home to 600 million people and has an annual GDP of A\$3.2 trillion. Australia's two-way trade with the ASEAN region is worth \$80 billion a year, which is bigger than Australia's trade with Japan, China or the United States. However, ASEAN has attracted only a modest 5% of Australia's foreign direct investment as at December 2007. The Minister for Trade's press release states that the 'AANZFTA will create greater certainty for Australian investors in the region with access to international arbitration extended to the whole region.'

The AANZFTA is the first free trade agreement signed by Australia since the start of the global financial crisis and demonstrates a willingness by ASEAN countries to resist raising protectionist trade barriers. However, it may also pose some domestic challenges for Australia in tough economic times.

### **Cluster Munitions Convention**

Australia, along with more than 90 other countries, has signed the Convention on Cluster Munitions. It is estimated that over the decades those killed or injured by cluster bombs range from tens of thousands to 100,000 and more.

Cluster bombs can contain hundreds of submunitions or "bomblets", which blanket wide areas inflicting enormous suffering and damage on civilians. The Convention prohibits the use, production and stockpiling of cluster munitions.

The US has not signed the agreement and is reportedly concerned that allied governments signing the Convention risk the possibility of their soldiers facing criminal prosecution when fighting alongside US troops. China and Russia, both powerful arms producers, remain outside the agreement.

**Submissions to the inquiries are invited from interested organisations and individuals and should be received no later than Friday 17 April 2009. If you or your organisation have difficulty meeting this deadline please contact the Secretariat.**

**The full terms of reference for the inquiry and further information about the Committee are available at [www.aph.gov.au/jsct](http://www.aph.gov.au/jsct) or by contacting the Committee Secretariat by email at [jsct@aph.gov.au](mailto:jsct@aph.gov.au) or phone (02) 6277 4002.**

### **MEDIA CONTACTS**

**For Mr Kelvin Thomson MP (Chair) contact Mr Anthony Cianflone (03) 9350 5777  
Background: Committee Secretary (02) 6277 4002**