

ASEAN-AUSTRALIA-NEW ZEALAND FREE TRADE AGREEMENT INKED

Economic Ministers of ASEAN, Australia, and New Zealand today inked the ASEAN-Australia-New Zealand Free Trade Area (AANZFTA) Agreement in Cha-am, Phetchaburi, Thailand, where the ASEAN Economic Ministers were meeting in the run-up to the 14th ASEAN Summit. This seals the agreement that had been concluded and announced by Ministers in August 2008 in Singapore.

2 The signing of the AANZFTA Agreement is a momentous occasion. Economic Ministers of Australia and New Zealand, who are not participants of this ASEAN Summit, came to Thailand to meet with the ASEAN Economic Ministers for the signing ceremony. Singapore's Minister for Trade and Industry, Lim Hng Kiang, said, "The signing sends an important signal of the resolve between ASEAN, Australia and New Zealand to deepen economic partnerships with one another. Such a move is even more essential in these times of economic difficulties, when interdependence, cooperation, and openness are increasingly crucial to our economies; and when paving the way for businesses to reap tangible benefits is vital."

3 The AANZFTA Agreement is the first comprehensive FTA that ASEAN has signed with a Dialogue Partner, and the only one that has commitments in all three pillars of goods, services and investments. The Agreement covers trade in goods; rules of origin; customs procedures; services (including financial and telecommunications services); electronic commerce; movement of natural persons; investments; sanitary and phytosanitary (SPS) measures; standards, technical regulations and conformity assessment procedures; intellectual property; competition; economic cooperation; and a dispute settlement mechanism.

4 The AANZFTA Agreement effectively creates a free trade area of over 600 million people with a combined GDP of more than US\$2 trillion. ASEAN's total merchandise trade with Australia and New Zealand was almost US\$50 billion in 2008, and FDI flows from Australia and New Zealand surged to more than US\$1 billion last year. With the FTA, trade and investment among ASEAN, Australia, and New Zealand are expected to grow even further and faster.



5 Besides economic gains, Minister Lim also pointed out, “There are strategic benefits of the AANZFTA, as ASEAN integrates and develops itself into the wider region.” Minister Lim added, “The AANZFTA is a high quality agreement that is testament to ASEAN’s capabilities and gives ASEAN good standing among global markets.”

MINISTRY OF TRADE AND INDUSTRY, SINGAPORE
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