

Australia set to finalise Japan FTA
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Australian Prime Minister Tony Abbott today said substantial progress had been made in securing free trade agreements with its three largest export markets and a pact with Japan should be finalised within weeks.

Canberra in December announced a free trade agreement with Asian giant South Korea after four years of negotiations and Japan is expected to be next followed by China with Abbott visiting all three countries in the next fortnight.

"While in Korea, I hope to witness the signing of the Korea-Australia Free Trade Agreement," he said.

"In Japan, I hope to help finalise the Japan-Australia FTA. In China, I hope to announce substantial progress towards freer trade. This is the trifecta of trade we are working towards."

Korea is Australia's third-largest export market and the deal will see tariffs of up to 300% gradually eliminated on key Australian agricultural exports such as beef, wheat, sugar and dairy.

Tariffs on resources, energy and manufactured goods will also be axed, while the door will be opened to new market opportunities for Australian services in education and telecommunications.

If realised, a deal with Japan would cement a relationship worth around US\$58 billion (RM191.11 billion) annually in two-way trade. Recent reports said it was likely to be at least as comprehensive as the one with South Korea, but with rice and wheat exports as possible carve-outs.

Australia has previously said it also hopes to conclude an FTA with its top export market China this year.

"Asia will generate about half the growth in global output between now and 2030," Abbott said in an address to the Asia Society.

"Just because Asian countries have found Australia a good supplier in the past, doesn't mean they will inevitably do so in the future.

"That's why this government is doing everything it can to complete free trade agreements with our top three export markets."

Australia already has several bilateral FTA pacts, including with Singapore, Thailand and the United States. – AFP, March 25, 2014.

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