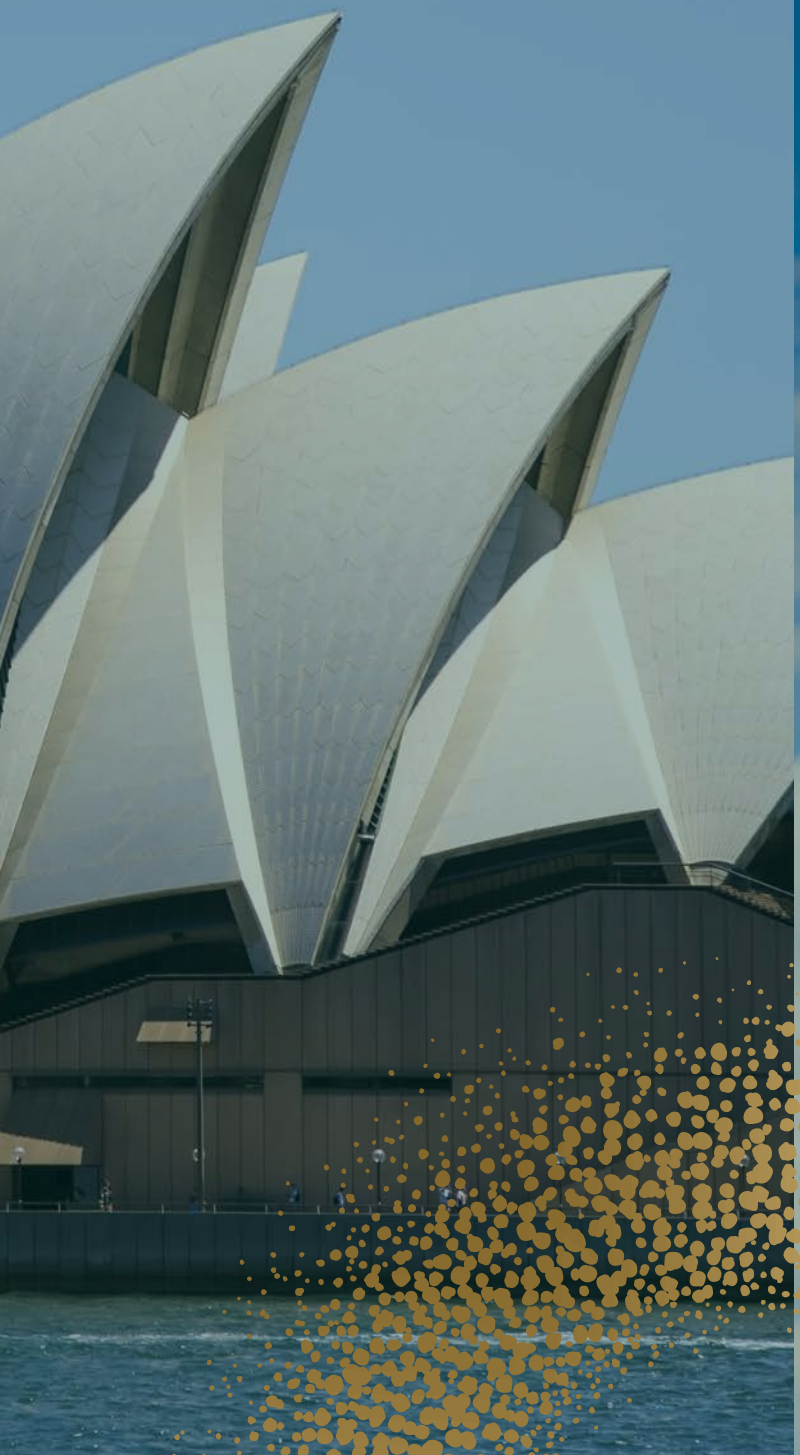
Australian Government
Australian Trade and Investment Commission

AUSTRALIA-UNITED KINGDOM NATURAL TRADING PARTNERS

Trade & Investment Update 2021





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HON DAN TEHAN, MP

AUSTRALIAN MINISTER FOR TRADE, TOURISM AND INVESTMENT

MINISTERIAL FOREWORD

The Australia-UK Free Trade Agreement will be ambitious and liberalising, reflecting both countries' commitment to free trade and its economic benefits.

It will benefit consumers, producers and workers in both countries and result in a significant strengthening of the enduring relationship between our two nations.

Under the agreement in principle agreed by both our Prime Ministers, all tariffs on Australian imports from the UK will be eliminated within five years, and 99 per cent of Australian goods will enter the UK duty free when the agreement enters into force.

This is wonderful news for businesses, and their customers.

Our agreement in principle also seeks to enhance existing opportunities and create new opportunities, in the areas of:

- two-way investment;
- digital trade;
- financial and professional services;
- movement of people;
- government procurement; and
- agriculture.

The Australia-UK FTA will help drive business growth, job creation and innovation and those things are critical to both countries.

Both governments are working hard to finalise the agreement and bring it into force as quickly as possible.

Our hope is to sign the final agreement in October this year.

As Minister for Trade, Tourism and Investment, I look forward to the Australia-UK Free Trade Agreement providing a significant boost to our two-way trade and investment, as well as to our people-to-people links, to the benefit of both nations.

Minister for Trade, Tourism and Investment,
The Hon Dan Tehan, MP

INTRODUCTION



Australia has a uniquely close relationship with the United Kingdom, underpinned by our shared history, common values, deep people-to-people connections, closely aligned strategic outlook and interests, and important trade and investment links.

Many Australians trace their ancestry to the British Isles. We have fought side-by-side in time of war, we have worked together to uphold peace, we have competed with vigour on the sporting field and we have shared one another's sorrows and joys. More than a million people born in Britain today call Australia home. For countless young Australians, living, working and studying in the United Kingdom has been a rite of passage.

Our countries are liberal democracies, parties to the Five Eyes intelligence alliance, defenders of the rules-based international order and vigorous advocates of free trade.

The Australia-UK Free Trade Agreement

The bilateral relationship, always strong, is poised to become even stronger through an historic free trade agreement between our two countries.

The Australia-UK Free Trade Agreement (the A-UK FTA) is hugely significant for both nations. For the UK, it represents the first, new post-Brexit free trade agreement: tangible proof of Prime Minister Johnson's aspiration for a new, outward-looking, global Britain. It is an early manifestation of the UK's Indo-Pacific 'tilt' and will serve as a gold standard for future UK free trade agreements. For Australia, it will deliver our most comprehensive and liberalising trade deal with another G20 nation. It restores many of the business connections with the country with which we once had our closest trading relationship, and it provides Australia with a new and influential partner as we pursue our free trade agenda in the WTO and other global fora.

The A-UK FTA will provide greater access to a range of high-quality products made in both countries, as well as greater access for businesses and workers. All of this will help drive economic growth and job creation in both countries – a win-win outcome for both of us.

This FTA will allow us to explore greater mobility between our people, with more flexibility for our young people to work in each other's countries and our professionals benefitting from provisions to support mutual recognition of qualifications.

Growing ties across industry and culture

The A-UK FTA will provide the architecture for deeper integration of our two economies and societies for decades to come, but it is not the only avenue. As well as the FTA, Australia and the UK have already agreed to collaborate in other important ways.

Reflecting the strength of our relationship, we have also agreed in principle to liberalise bilateral services trade. This builds on our existing trade and work underway as a result of the UK-Australia Fintech Bridge and the Space Bridge.

The recently formed Global Business and Talent Attraction Taskforce will increase foreign direct investment into Australia and promote talent mobility between the UK and Australia. This will drive innovation and collaboration across manufacturing, services and research.

The UK/Australia Season 2021-22 is by far the most ambitious cultural exchange programme between the two countries. It is designed to strengthen and deepen cultural connections between the UK and Australia and introduce each other's audiences to the richness of our two cultures. The programme ranges across theatre, film, dance, design, creative technology, architecture, music, literature, museums and will celebrate the diversity of both our countries.

Trade agencies to help businesses and organisations explore new opportunities

These strong foundations would not be possible without the partnerships taking place at federal and state government levels, as well as with industry organisations. In particular, we would like to acknowledge the Australia-UK Chamber of Commerce, the Australian British Chamber of Commerce, and the UK Department for International Trade.

The Australian Trade and Investment Commission's role in promoting trade and investment will only grow with a free trade agreement, and we encourage Australian and UK businesses alike to reach out to discuss opportunities for two-way trade and investment.

Austrade and the Department of Foreign Affairs and Trade welcome this historic moment in our relationship, and look forward to forging stronger ties between the UK and Australia.

High Commissioner for Australia to the United Kingdom
The Hon George Brandis QC

Acting General Manager Europe and Senior Trade & Investment Commissioner to the UK, Ireland and the Nordics, Austrade
Jennifer Mackinlay



A NEW ERA OF FREE TRADE

Australia and the UK are on the cusp of a new era of free trade, investment and closer people-to-people links. Two-way trade accelerated in the decade to 2020, taking the UK to fifth place among Australia's global trade partners.

The foundations for future trade relations are rock solid: shared heritage, common values, people-to-people connections, closely aligned strategic outlook and interests, and existing important trade and investment links. The Australia-UK Free Trade Agreement will create a partnership of new opportunities between Australia and the UK – between our countries, peoples and businesses.

The new FTA will arrive at an opportune moment. As the UK liberalises trade, Australia is diversifying its exports. Companies in both countries are seeking fresh prospects across a range of goods and services, from fintech and wine to cars and medical goods. As the UK's green energy revolution transforms industry – including car manufacturing – Australia's vast mining sector is ideally placed to become a secure supplier of critical minerals, and Australia's innovators and researchers are poised to deepen their collaboration through further research and manufacturing UK partnerships.

Natural trading partners

Australia and the UK have complementary trading economies.

In 2019-20, 78% of Australia's goods exports were primary products[1], while more than 85% of the UK's goods exports were manufactured[2]. During the decade to June 2020, two-way trade in goods increased by 75% with a compound annual growth rate (CAGR) of 5.8%. This was well above the 2.1% CAGR in the decade prior to June 2010.

Trade in ICT and financial services sectors see growth of 10% pa

Prior to the COVID-19 pandemic, trade in services was powering ahead. In terms of UK services exports to Australia, the fastest growing sectors were intellectual property (IP) – such as music and entertainment – ICT and financial services. Exports in all three sectors grew at over 10% per year from 2009-10 to 2019-20[3]. This was extremely fast – and approximately three times the pace of average services-export growth in the UK. This signals exceptional future growth opportunities for UK entrepreneurs.

The UK is also a keen importer of Australian services. Imports of IP – including licensing fees for software and commercial brands – have almost tripled over the past decade. During the decade to June 2020, imports of ICT services grew by a CAGR of 14.5%, and financial services by a CAGR of 16%[4]. This means Australia-to-UK exports in these service sectors are growing two to three times faster than the industries themselves. This signals exceptional growth opportunities for services trade between the UK and Australia.

Strong investment creates jobs and triggers creativity

Investment is a vital element in Australia-UK trade, helping to grow industries, power productivity and create new services. It, too, is growing strongly.

From 2010 to 2020, the stock of UK foreign direct investment in Australia more than doubled reaching £69.2 billion (A$123.5 billion)[5], or 12.0% of foreign direct investment in Australia. Total UK investment in Australia reached £413.1 billion (A$737.6 billion) at the end of 2020 or 18.5% of total foreign investment in Australia. Portfolio investment from the UK into Australia grew at a CAGR of 9% per year from 2001–2019 to reach £178 billion (A$317.3 billion).

This has helped cement the UK's position as the second biggest international investor in the Australian economy[6]. Meanwhile, the UK held the second largest amount of Australian outbound foreign direct investment stock in 2020[7]. From 2010 to 2020 the stock of Australian foreign direct investment in the UK almost doubled, reaching £76 billion (A$134.5 billion) at the end of 2020.

The strength of this investment relationship shows mutual confidence in each other's economy and commercial potential. It also reflects a changing focus. Historically, UK investment was directed towards Australia's agriculture and mining sectors. Increasingly, however, UK funds are moving into Australia's infrastructure and services-based industries.

Seizing new opportunities

An age of new opportunities is unfolding. For the UK, an expanding network of trade agreements will create opportunities to increase trade in the Asia-Pacific region – a path trodden with confidence and success by Australian exporters for over two decades. Meanwhile, Australian producers are looking to diversify and grow their export markets. For both countries, old ties will create new links at a pivotal moment in trade relations for industries as diverse as automotive, commodities, manufacturing and services.



TWO-WAY TRADE AND INVESTMENT

- **Two-way trade was worth £19.6 billion (A$36.7 billion) in 2019–20. The UK was Australia's 5th largest two-way trading partner and its 3rd largest two-way services trading partner[8].**
- **From 2010 to 2020 total two way investment flows (FDI, portfolio and other investment) more than doubled to reach £760 billion (A$1.35 trillion) in 2020[9].**



PEOPLE & BUSINESSES

- **There are more than 1,400 UK majority-owned affiliates in Australia[10].**
- **Over 105,000 people are employed by UK companies in Australia[11].**
- **More than 155,000 working-age Australian and New Zealanders are currently living in the UK[12].**
- **There are more than 600 Australian majority-owned affiliates in the UK[13].**

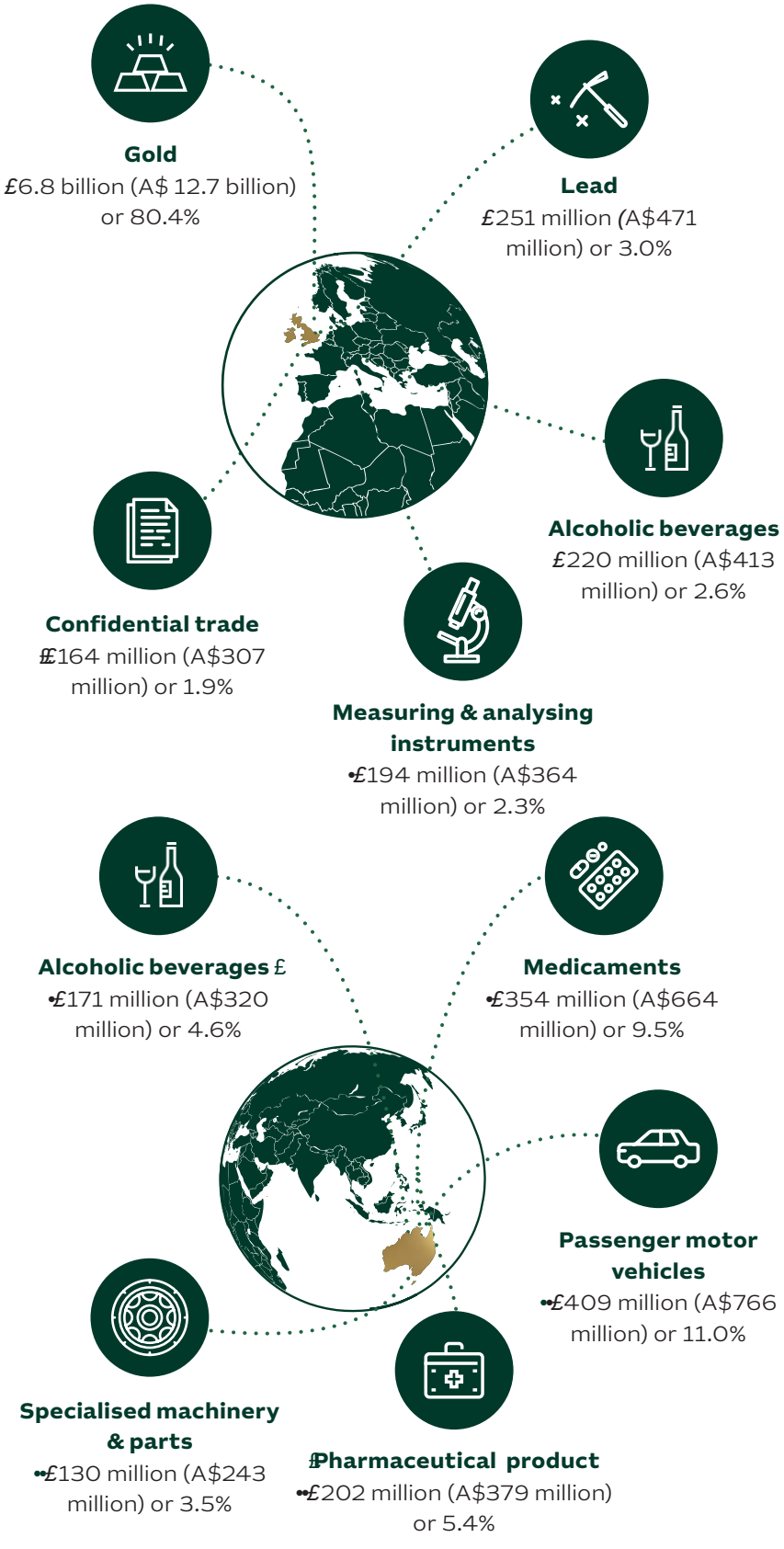
BILATERAL TRADE IN GOODS IS ACCELERATING

Australian goods exports to the UK 2019-20[14]

Gold is a big part of the story, alongside the UK's taste for Australian wine. The UK is Australia's largest export market for wine by volume, and Australia has been the largest global wine supplier for UK off-trade sales for twenty years[15].

UK goods exports to Australia 2019-20[16]

The UK's export mix highlights the country's strengths in manufacturing trade. Beverages is also a major growth opportunity. Australia is the UK's eighth largest market for Scotch whisky, with sales of £117 million (A$220 million) in 2019[17]. Measured by volume, the UK's whisky represents approximately 20% of the spirits consumed in Australia[18].



BILATERAL SERVICES TRADE IS POWERING AHEAD



Transport
£125 million (A$235 million) or 4.5%



Other business services
£717 million (A$1.3 billion) or 26.1%



Travel services
£967 billion (A$1.8 billion) or 35.2%



Financial services
£437 million (A$ 819 million) or 15.9%



ICT services
£317 million (A$594 million) or 11.5%

Australian services exports to the UK 2019-20[19]

Service exports in ICT services and financial services are growing approximately two to three times faster than the industries themselves[20]. This signals exceptional growth opportunities.



Other business services
£819 million (A$1.5 billion) or 17.5%



Charges for Intellectual Property
£462 million (A$866 million) or 9.9%



Financial services
£416 million (A$780 million) or 8.9%



Insurance and pension services
£399 million (A$747 million) or 8.5%



Travel services
£1.7 billion (A$3.2 billion) or 37%

UK services exports to Australia 2019-20[21]

Two of the fastest growing services exports from the UK in 2019-20 were ICT (23%) and financial services (68%).

ACCOLADE WINES

Based in South Australia, Accolade Wines is one of the largest suppliers of wine to the UK. Its portfolio features some of the world's best known wine brands, including Hardys.

The UK is a key market for Accolade Wines. The company directly employs around 500 people and supports a further 2,400 jobs across the local supply chain.

Accolade Wines' principal investment in the UK – The Park – is an award-winning bottling plant in Bristol and the largest production, warehouse, distribution and innovation centre for wine in Europe. The Park is Accolade Wines' primary facility and the regional hub from which it supplies customers across mainland Europe.

Accolade Wines can process 1,200 bottles per minute or over 1 million bottles a day at The Park. The company provides 1 in every 10 bottles of wine sold in the UK off-trade environment. It is also the single largest supplier to on-trade premises.

Accolade Wines would like to see a positive FTA in place by the end of 2021, with support for tariff elimination, carbonation of Australian sparkling wine in the UK and a streamlined import interface. This will help the company grow its presence in the UK and provide British consumers with greater choice on wine and new products in the years ahead – including low-alcohol wines and seltzers.

'As we emerge from the pandemic, this symbolic trade deal will demonstrate the close relationship between the UK and Australia. It will be something to raise a glass to when negotiators have sealed an historic deal that ushers in a new period in the global wine trade,' says Caroline Thompson-Hill, Managing Director Europe, Accolade Wines.

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www.accoladewines.com

PHOTO CREDIT: ACCOLADE WINES, THE PARK, BRISTOL

TELSTRA

Telstra is Australia's leading telecommunications and technology company, with products and services that span the consumer and enterprise markets. It has a longstanding presence in the UK and Telstra's London office serves as its main hub for the EMEA region.

Telstra has worked with a wide range of UK-headquartered organisations and is passionate about helping them thrive. The company has worked with London City Airport to help manage a digital transformation programme that touched all aspects of its operations to support ambitious plans to double passenger capacity. It has also worked with Genomics England to develop an innovative single data strategy, as well as Renishaw and DAZN to help connect and grow their businesses in the UK and across the globe.

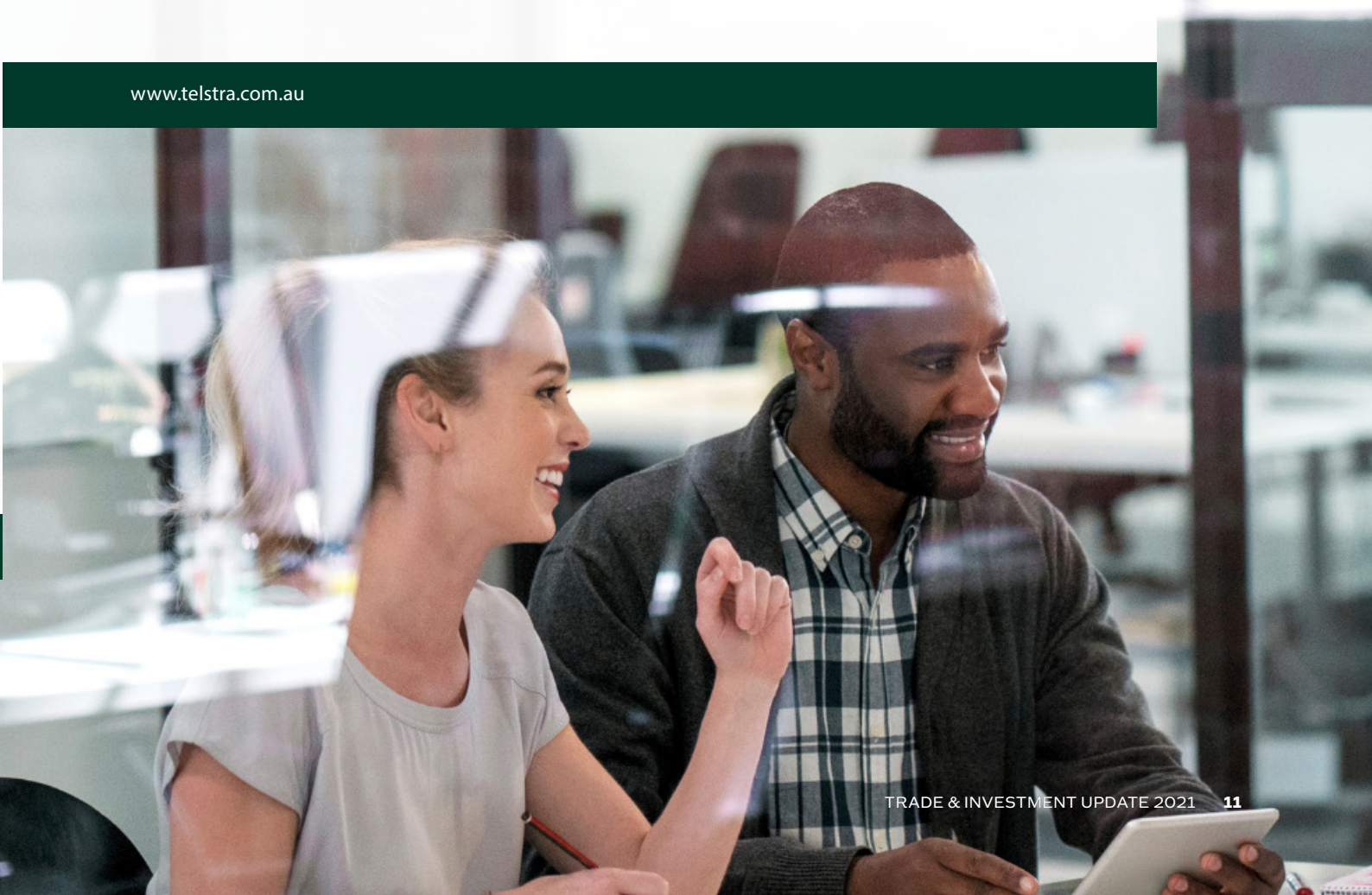
Telstra appreciates the wealth of benefits an FTA would offer to the company and the broader technology community. These include:

- a larger pool of professional talent facilitated through more cross-border movement and increased synergy in recognising qualifications
- a better understanding of mutual investment opportunities and the expansion of two-way investment flows
- greater transparency and alignment of regulatory barriers, with a reduction of red tape on restrictive licensing requirements for services providers.

With technology and telecommunications playing an increasingly important role in the growth of the global economy, Telstra sees the FTA as a key opportunity to provide value across both countries. The UK is Australia's third-largest services trading partner, demonstrating the extent of pre-existing synergies and the high value potential that an FTA offers.

Telstra is excited to continue to partner with businesses across the two countries, with greater opportunities to connect and collaborate once the FTA comes into full force.

www.telstra.com.au



LINK GROUP

Established in 2005, Link Group is a market-leading provider of scaled, technology-enabled administration solutions. The company has over 6,500 employees globally, including major hubs in Australia and across the UK in London, Leeds, Exeter, Ipswich and Belfast. Its clients include some of the world's largest corporations, pension funds and financial institutions.

Link Group helps manage regulatory complexity, improve data management and provide the tools to connect people with their assets. The company's administration tools generate analysis and insights. Its core businesses are: Retirement & Superannuation Solutions, Corporate Markets, Fund Solutions, and Banking and Credit Management. These core businesses are complemented by expertise in digital solutions and data analytics.

Link Group believes the Australia–UK Free Trade Agreement will be a major step forward for both economies, the financial sector, its clients and society at large. The company believes it will improve the portability of ideas, innovation, technology and skills.

'We are encouraged by the significant potential benefits that a comprehensive FTA could bring to our respective countries and economies, which will ultimately also benefit our clients and their customers. We look forward to what the FTA can do to support a two-way commitment in sharing talent and technological innovation, so we can continue to provide world-class financial administration expertise which enables people to safely and securely connect to their shares, dividends, pensions, loans, mortgages and other assets,' says Vivek Bhatia, CEO and Managing Director, Link Group.

www.linkgroup.com





PHOTO CREDIT: BAE SYSTEMS, AUSTRALIAN HUNTER CLASS FRIGATE

www.baesystems.com

BAE SYSTEMS

BAE Systems is a significant partner to the governments of both the UK and Australia in the defence, aerospace and security sector. Out of a total global skilled workforce of around 89,000, BAE Systems employs over 35,000 people in the UK and 5,000 in Australia producing and supporting some of the world's most advanced technologies, including the Hawk Advanced Jet Trainer, the F-35 and the Type 26 Global Combat Ship, known as the Hunter Class in Australia.

BAE Systems' advanced capabilities and technologies protect people, national security and keep critical information and infrastructure secure. These critical programmes benefit from technology, skills and knowledge transfer between the UK and Australia while supporting supply chain collaboration between the two nations. For example, BAE Systems has supported nine Australian companies to export over AU$6M in products, services and materials into the UK's Type 26, Queen Elizabeth-class aircraft carrier and submarine programmes.

BAE Systems is supportive of an enhanced bilateral trade and investment relationship between the UK and Australia and welcomes the opportunities that the FTA might afford for greater collaboration on new technologies, innovation and research & development. BAE Systems also welcomes the commitment to the inclusion of a world-first innovation chapter and establishment of a Strategic Innovation Dialogue as a mechanism under the FTA to drive further collaboration in this area.

BAE Systems Group Chief Executive Dr Charles Woodburn says, 'We think the FTA will strengthen the already close ties between the two nations' defence industries, for which there are increasing cross-border opportunities. We anticipate the FTA will further promote technology transfer and innovation exchanges between governments, business and academia, including through enhanced skilled migration and talent attraction.'

OCTOPUS ENERGY

Founded in 2000, Octopus Energy is one of the UK's fastest-growing companies. The firm's energy investment business, Octopus Renewables, is Europe's largest investor in solar power and a leading investor in onshore wind. It manages a global portfolio of renewable assets valued at over £3 billion.

In 2021, Octopus Renewables was acquired by its sister company Octopus Energy. The group's UK energy technology business, Octopus Energy Group, is a double unicorn. It is also the UK's fastest growing and sixth largest energy supplier, serving over two million British customers.

After establishing as Octopus Investments in Australia in 2017, the firm announced its first project, the Darling Point Solar Farm in New South Wales. In 2020, one of Australia's largest energy companies, Origin Energy, acquired a 20% stake in Octopus Energy. The partnership allows Origin Energy to deploy Octopus Energy's technology platform 'Kraken' in Australia, fast-tracking Origin Energy's ambitions to roll out cleaner and smarter energy solutions. By 2027, Octopus Energy plans to serve 100 million homes across the globe on its Kraken technology platform.

'Clever policy decisions by governments around the world have led to a rise of renewable energy across the globe. But more needs to be done to increase investment in green energy technology, which will provide more homeowners and businesses with greener and cheaper energy. Our partnership with Origin and Nectr have already shown what Britain and Australia can do together to implement this technology and provide millions with green energy at no huge markup. There's huge potential for this Free Trade Agreement to allow even more investment and innovation and build the foundations of an affordable low carbon economy in both countries' says Rachel Fletcher, Director for Regulation & Economics at Octopus Energy Group.

www.octopus.energy

PHOTO CREDIT: OCTOPUS ENERGY, FAN CLUB, EAST YORKSHIRE

BJSS

BJSS is a technology and engineering consultancy that is headquartered in Leeds. The company works with private and public sector organisations to deliver technology, engineering, consulting, data and AI services that solve complex challenges.

BJSS has delivered some of the world's most ambitious technology projects. These include a major programme to re-engineer NHS Spine – the world's largest public healthcare platform. NHS Spine brings together over 23,000 healthcare systems across 20,500 healthcare organisations, saving the NHS over £21 million per annum. Founded in 1993, BJSS has grown from two people to over 1,700 staff in 15 offices across the UK and the world.

In 2020, BJSS established its first Asia-Pacific office in Melbourne, Australia. BJSS expects to grow its Melbourne presence to a team of 150 consultants who will support the company's technology and engineering services.

BJSS sees an Australia–UK Free Trade Agreement as an opportunity to drive greater connectivity of talent, information and innovation between the two markets. An FTA will provide a baseline for both countries to develop and expand the exchange of innovative solutions for the complex challenges of the post-COVID era.

'The free trade agreement between the UK and Australia will help organisations like BJSS to flourish,' says Amir Soufizadeh, Head of International Expansion, BJSS. 'Both democracies share the same fierce belief in the power of innovation and digital technology. As one of the largest privately owned technology consultancies in the UK, we have the people, experience and knowledge to bring this shared belief to life in Australia.'

www.bjss.com



THE AUSTRALIA-UK FINTECH BRIDGE

The innovative fintech sector is an engine for growth in both Australia and the UK.

London's world-leading financial services sector is home to 2,100 fintech companies and attracts more fintech funding than anywhere in Europe. Australia is a hub for fintech innovation in the Asia-Pacific region. The country is home to 730 fintech companies and a A$10 trillion financial services sector, which employs more than 450,000 people.

In 2018, the Australian and British Governments established the Australia–UK FinTech Bridge. This bilateral agreement opens a channel between Australia and the UK to grow two-way engagement on fintech policy and regulation, facilitate the flow of capital and make it easier for companies to move between markets.



Joanne Smith, Founder and Executive Chair, Recordsure

Initiatives under the FinTech Bridge include an agreement between the UK's Financial Conduct Authority and the Australian Securities and Investments Commission to support eligible firms to access regulatory sandboxes in each market and a referral system to direct firms to both regulators' Innovation Hubs. The Bridge has supported Australian and British companies alike to invest in both markets. Australian companies including Sandstone, CoinJar and Trade Ledger have recently brought their solutions to the UK. British fintechs that have made the move to Australia include 10x, Revolut, Railsbank and Recordsure.

With both governments encouraging their companies to scale into trusted markets, the Bridge has been hailed as a success. Close to three dozen British fintechs have established a presence in Australia over the last two years. Regulatory sandboxing measures were enhanced in 2020 to enable British firms to test innovative financial products and services in the Australian market for up to 24 months.

The Australia–UK FinTech Bridge exemplifies a successful partnership between government, industry and regulatory stakeholders to drive better outcomes for consumers and businesses in both markets by increasing efficiency, collaboration and exchange.

'The FinTech Bridge between Australia and the UK has created an incredible ecosystem that empowers innovation-led businesses like ours to thrive,' says Joanne Smith, Founder and Executive Chair, Recordsure. 'Through the benefits of quicker connections and market insights presented by the Bridge, Recordsure pursued the unique opportunity to establish strategic alliances with like-minded businesses in Australia and achieve on an international scale.'

'Being a mentor on Austrade's UK Fintech Academy has illustrated how valuable the FinTech Bridge is to companies seeking to enter and scale in the UK,' says Wayne Johnson, Co-Founder and CEO of Encompass Corporation in Australia. Encompass enables regulated firms to automate financial crime compliance and reduce regulatory risk. 'It's been exciting to share our experience of establishing in Glasgow and London in 2015, including how we have created over 130 jobs across the UK as part of our global expansion.'

ADVANCING SPACE

In February 2021, and on the heels of the successful Fintech Bridge, the UK and Australia signed a new Space Bridge Framework Arrangement to enhance cooperation, and to increase knowledge exchange and investment across our two countries' space sectors.

The world's first Space Bridge will unlock improved access to trade, investment and academic research opportunities. It will focus on government-to-government collaboration on space programmes and technology, and on research and education. Its aim is to encourage innovative bilateral collaboration.

The UK and Australia share future ambitions for space, and have similar plans to increase the size and job-creation potential of the sector. The UK's space exports hit £5.5 billion in 2017. International demand for space goods and services is driving the UK's vibrant and innovative space industry.



In 2019, Australia's space sector was worth A$4.8 billion. It comprised 558 firms with an estimated 11,560 workers across four segments of the space value chain: manufacturing, operations, enablers and applications. The Australian Space Agency is guided by its 2019 Civil Space Strategy. This strategy outlines a ten year goal of growing Australia's space industry to a value of A$12 billion with a further 20,000 jobs.

The UK and Australian strategies are well aligned. Both focus on enabling the new space economy. Both agencies want to develop space technologies that will improve the lives of ordinary citizens and grow the productivity of traditional sectors.

The Space Bridge will further develop the longstanding space relationship between the two countries. This dates back to the 1970s when the Prospero satellite built in Farnborough, UK, launched from Woomera, South Australia.

In its first months, the Space Bridge delivered a virtual roadshow to brief each country's industry on opportunities and ecosystems. We are looking forward to future announcements of bilateral commercial, research and innovation initiatives. The first commercial and research partnerships have already been announced, and a UK Space Export Academy is underway for a cohort of UK commercial space sector SMEs.

'The Space Bridge Framework Arrangement is an important step to further grow the Australian space sector and bring international opportunities to industry,' says Enrico Palermo, Head of the Australian Space Agency. 'This is a valuable partnership to ensure Australian businesses and researchers have greater opportunities to showcase their talents to the world. The Space Bridge will help propel the Australian civil space industry into its next phase of growth, opening doors to build local capability, as well as significantly boost our collaboration with the UK Space Agency.'

'As the UK extends its ambitions in space, it's only right that we forge new and stronger alliances with new and existing partners all across the globe,' says Dr Graham Turnock, Chief Executive Officer of the UK Space Agency. 'This agreement has the potential to unleash innovation, promote knowledge exchange, and build relationships that will help both the UK and Australia maximise the vast economic and scientific potential that the space sector offers. It will help create better opportunities and greater security for people in both nations.'

UK INDUSTRY VIEWPOINTS



Confederation of British Industry
Andy Burwell, Director for International

'The Australia–UK Free Trade Agreement is an opportunity for both countries to be ambitious and realise the benefits of free trade that will be the engine for global economic recovery. For the UK, the benefits range from greater mobility to support our world-class services to ensuring the free flow of data and equivalence in standards and rules such as for IP.'



Federation of Small Businesses
Mike Cherry OBE, National Chair

'Trade will be a vital part of our pandemic recovery and our post-Brexit growth, which is why this deal with Australia should reap huge benefits for small businesses across the UK. Around 40 per cent of small firms who trade do so already with Australia. A trade deal that could be worth up to £900 million will only increase those numbers. In particular, we see significant benefits for smaller businesses in the food and drink, automotive and professional services sectors. We are delighted that both sides have committed to the inclusion of a comprehensive small business chapter. This chapter is central to any successful free trade agreement, ensuring the needs of smaller businesses are fully catered for in the years to come.'



Make UK
Stephen Phipson CBE, CEO

'The UK and Australia have a longstanding relationship built on many years of trust. This relationship will be enhanced by a comprehensive new trade deal which goes to the heart of both countries' belief in free and fair global trade. The UK's highly innovative manufacturing sector has much to offer Australia, contributing to both countries' net zero objectives in clean energy and transportation, continued security and defence cooperation, and world-leading manufacturing process technologies. An FTA will help ensure manufacturing in the UK and Australia can continue to prosper and grow.'



Australia- UK Chamber of Commerce
Catherine Woo, CEO

'Australia-UK Free Trade Agreement symbolises a new chapter in our shared history as longstanding friends and economic partners. The Australia-UK Chamber of Commerce looks forward to an ambitious, inclusive FTA that drives greater accessibility and trade between our two markets across services, goods, innovation, data, capital and talent.

We applaud the speed and ambition that both governments have demonstrated in negotiating this FTA to date and look forward to continued engagement with them to ensure a well-utilised deal that acts as a springboard for future bilateral business growth and exchange.'



Food and Drink Federation
Ian Wright CBE, CEO

'The UK and Australia are historic and important trade partners in food and drink, with trade in our products approaching £1 billion in 2020. Our manufacturers share enviable reputations for high-quality, safe, and innovative food and drink. This ambitious trade agreement removes burdensome and unnecessary barriers. It will provide a timely boost for our industry's post-COVID recovery, while ensuring consumers have confidence that the agreement maintains the highest food safety and animal welfare standards.'



techUK
Julian David, CEO

'Australia is a key market for the UK technology sector as it seeks to expand internationally, especially in the Indo-Pacific. The free trade agreement between our two countries – which includes state-of-the-art digital trade provisions on data, digital identity, access to government information and regulatory cooperation on emerging technologies – will enhance this special partnership. We expect our most innovative scale-ups, particularly in emerging technologies, to take full advantage of the agreed provisions and explore new opportunities in the Australian market.'



Innovate Finance
Janine Hirt, CEO

'Innovate Finance works with key partners to expand the opportunities for UK and Australian fintechs seeking to build new, and strengthen existing, connections between our respective ecosystems. We recently signed an international partnership with the Australian Trade and Investment Commission, leveraging our existing links with FinTech Australia and our own UK Department for International Trade. This will enable our respective fintech communities to take advantage of opportunities overseas, and to develop global relationships that will advance both countries' ambitious fintech vision. We look forward to closer trade and investment links between the two countries as a result of a successful free trade agreement.'



Association of British HealthTech Industries
Peter Ellingworth, CEO

'Given the strong cultural and professional links in health and care that exist between our two countries, we are excited about the opportunities that a new trade agreement will present for our sector. ABHI is committed to supporting and developing strong links between stakeholders in the delivery of high-quality patient care and innovation in health technology.'

AUSTRALIA INDUSTRY VIEWPOINTS



FinTech Australia
Rebecca Schot-Guppy, CEO

'Even before the Free Trade Agreement comes into force, the Australian fintech industry's relationship with the UK has never been stronger. We look to the UK as a beacon of innovation for our ecosystem, and learn from the regulatory reform and the innovation agenda. With the Free Trade Agreement in principle announcement, this level of partnership is set to hit new heights. Australian fintechs work with their UK counterparts and expand internationally, and will no doubt make full use of all the provisions inside the Free Trade Agreement'



Australian Grape and Wine
Tony Battaglene, Chief Executive

'An Australia-UK FTA presents opportunities for grape growers, winemakers and consumers in both countries. In addition to UK consumers enjoying a wider range of wines and UK businesses benefiting from more value-adding opportunities, the FTA will facilitate collaboration, investment and innovation throughout the supply chain. We want to see Australian exporters getting their wines to the UK in the most efficient and environmentally friendly way possible, with the UK emerging as a centre of excellence for innovation in processing, packaging and delivery. We also want to see grape growers and winemakers in both countries reap the benefits of increased collaboration in research and development and Australia's world-leading wine science. This will be an agreement that provides great benefits to both parties.'



AustCyber
Michelle Price, CEO

'This Free Trade Agreement will deliver a strategically and commercially significant path for trusted, long-term digital trade between the UK and Australia. We are excited to continue working with our UK partners to develop new relationships that can grow the breadth and depth of two-way opportunities for startups and scale-ups in emerging tech, including cyber security and data privacy. Reduced transaction costs in cross-border data flows and enhanced regulatory collaboration will promote the growth of companies in both markets – as solution providers and trusted partners working together to solve complex cyber-physical problems.'



Horticulture Innovation Australia
Matt Brand, CEO

'The Australia-UK free trade negotiations present an exciting opportunity for our economies. The Australian horticulture sector is always looking for ways to improve trade links in accessible international markets. Such FTAs can potentially remove significant barriers for businesses through reduced tariffs and quotas. In addition to top-quality horticultural produce, Australia boasts innovative research and development in the field. We strive to equip the industry for the future by collaborating with a diverse range of partners, locally and globally, on complex and traditionally under-invested research areas that will matter in the long term.'



ACS

Rupert Grayston, Interim CEO

'ACS warmly welcomes the FTA and believes the digital trade provisions will have positive effects beyond ICT investment and trade. The commitment to open digital markets and high standards of data protection in particular will assist both nations to grow their ICT workforce. Greater cooperation between Australia and the UK will also encourage the development and adoption of emerging technologies, and could place both nations at the forefront of innovation in global trade. There has always been a rich transfer of talent and innovation between Australia and the UK, to our mutual benefit, and the FTA promises to enhance and encourage those opportunities.'



Dairy Australia

David Nation, Managing Director

'Access to the UK market will mean Australian dairy manufacturers will be able to explore opportunities that would not have previously been possible. We expect Australian manufacturers will seek high-value, niche opportunities, leveraging our counter-seasonal supply to the northern hemisphere. Likewise, historic ties mean UK dairy will be of interest to Australian consumers. The Australian dairy industry has a proud record of servicing the international markets with high-quality dairy products. Improved access into markets such as the UK is vital for our industry to continue to be successful.'



Australia-British Chamber of Commerce

David McCredie OBE, CEO

'The Agreement in Principle is a milestone that endorses many areas of mutual benefit that gives us a level of confidence that the full FTA will be deliverable in the coming months. The Agreement also demonstrates both governments' open and collaborative approach to working through some of the more challenging issues.

The potential outcomes in a finalised FTA, when it comes into force, will bring greater opportunities for UK and Australian businesses alike. We look forward to seeing improved access to markets in goods and services, better regulatory alignment, ease of capital flows and, importantly, mobility of people to work in each-others country.'



CSIRO

Nigel Warren, Executive Director

'CSIRO, Australia's National Science Agency, has long standing research and commercial partnerships with the UK and we welcome the Australia-UK FTA. We will likely see new opportunities to grow strategic innovation partnerships and investment across trusted agrifood and food provenance, antimicrobial resistance, trade, AI, cybersecurity and secure systems. In addition, the area of infectious disease resilience will continue to be an important focus building on the work CSIRO undertook with Oxford University in the testing of COVID vaccine candidates. Changes in mobility such as the innovation and early careers skills exchange may also help foster greater collaboration between Australia and the UK through connecting our people to work together on our greatest challenges.'

AUSTRALIA INDUSTRY VIEWPOINTS



Australian Information Industry Association
Ron Gauci, CEO

'The A-UK FTA presents exciting opportunities for the Australian digital and tech sectors by allowing reciprocal recognition of qualifications and recognising the importance of digital trade. The ambitious commitments to increase opportunities for digital trade across all sectors in the FTA by the inclusion of a digital chapter in the agreement will assist in the Australian Government's ambition of becoming a leading digital economy by 2030.

The AIIA supports this important work as international trade is increasingly accompanied by data flows across borders leveraging traditional and emerging digital cloud platforms. We look forward to working with the UK and Australian governments on ensuring consumer trust and digital protections and privacy are maintained and are enthused about the prospects of interoperable digital identity and electronic invoicing frameworks to support Australian businesses operating in the UK market.'



Australia-UK Red Meat Market Access Taskforce
Andrew McDonald, Chair

'The UK and Australia have a long, shared history, both culturally and commercially, in the red meat trade and beyond. For Australian red meat producers, processors and exporters, this has meant working with UK importers and distributors to supply high quality Australian red meat products to meet discerning British customer demand. The future Australia-UK FTA will ultimately enhance our existing long-term partnerships in the market, fostering a trading environment that benefits the British meat trade, British consumers and the Australian red meat industry.'

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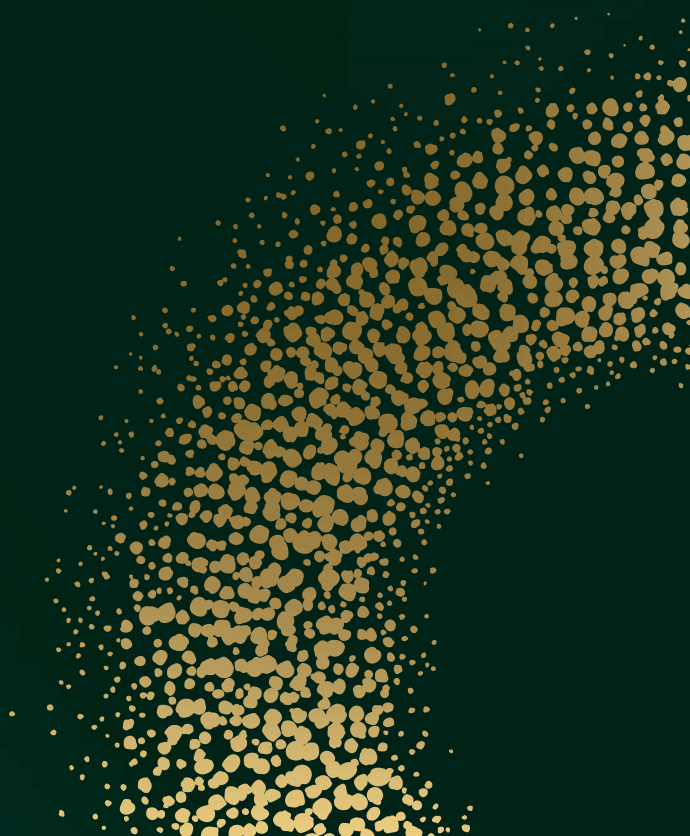
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