

# **‘So much for EU dynamism – trade deal with Australia collapses’**

If anyone still believed in Brussels’ ability to negotiate nimble trade agreements around the world at the drop of a hat, the recent collapse of trade talks between the European Union and Australia will have put paid to that.

Pity the poor EU27. The idea of being trapped inside this bureaucratic labyrinth with no room for manoeuvre hardly bares thinking about.

The UK by contrast wrapped up a trade deal with the ‘old enemy’ back in 2021.

It’s also worth remembering that negotiations between Australia and the EU began in 2018. This current impasse is likely to lead to a further two-year delay before anyone returns to the table.

So much for EU dynamism.

We are grateful to our research affiliate, [Brexit Facts4EU.org](https://BrexitFacts4EU.org) for this latest report which we publish in full below, with a link to the original article beneath it.

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## **Latest : EU’s Australian trade deal collapses**

**No agreement “for two years” as EU fails in bid to emulate UK’s success**

## **Meetings planned for today with EU Commissioners are now cancelled**

**Last night Australia walked away from negotiations with the EU over a trade deal. It first did this three months ago but now it seems that the latest impasse is likely to last for two years before either side tries again.**

Talks collapsed over the EU's insistence on strict rules regarding agricultural produce. In a statement in the Japanese city of Osaka last night, the Australian Trade Minister Don Farrell said that no progress had been made after meeting EU Commissioner Valdis Dombrovskis on the fringes of the G7 Summit.

*"I came to Osaka with the intention to finalise a free trade agreement. Unfortunately we have not been able to make progress. Negotiations will continue, and I am hopeful that one day we will sign a deal that benefits both Australia and our European friends."*

– Don Farrell, Australian Trade Minister, 29 Oct 2023

## **Frustration for the Australians as the EU Commissioners won't compromise**

The reality is that no progress will be made for another two years. These negotiations started in 2018 at a time when the EU was desperate to show it was good at trade deals, following the UK's dramatic progress in talks with countries around the world.

The EU wants Australia's valuable minerals including lithium and Australia wants the EU's market for beef, lamb and other produce.

Speaking to ABC Radio, Australia's agriculture minister, Murray Watt, said the EU Commission had only slightly amended

the proposal it put forward three months ago.

*"We just weren't able to see the EU increase its offer for things like beef, sheep, dairy, sugar, enough for us to think that this deal was in Australia's national interest."*

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## **OBSERVATIONS**

The EU's failure to reach an agreement with Australia last night will make for awkward reading in Brussels, which had trumpeted this proposed deal for years. The Commission started talks back in 2018, which makes the breakdown all the more frustrating for the Australians.

**The EU's failure is in marked contrast to the UK's success**

**The UK and Australia signed a free trade agreement (FTA) in December 2021.** This followed an 'Agreement in Principle' in June 2021, where most of the deal had been agreed.

The agreement came into effect at midnight on 31 May 2023. In its 32 chapters it covers a wide range of issues, including the removal of most tariffs on trade between the UK and Australia.

Other provisions cover trade in services, digital trade, public procurement and intellectual property. UK citizens aged under 35 will be able to travel and work in Australia more

easily. There are provisions covering technical barriers to trade, and sanitary & phytosanitary (SPS) measures relating to food safety, and animal and plant health. There are also chapters on small business, the environment, and animal welfare.

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To read the original report in full, please click on the link below.

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