

Lithuania-Australia Bilateral Trade Relations and Future Prospects

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Australia at a glance

- 13th largest economy in the world
- 4th largest economy in Asia Pacific
- Top 10 AAA-rated club
- Population: 25 million
- Huge reserves of raw materials





Lithuania's presence in Australia

DIASPORA

Honorary Consuls

Diplomatic Representation

Official data

16 290 *Australian population of
Lithuanian descent*

2 609 *Australian residents born
in Lithuania*

Unofficial data

50-60 K *Australian residents of
Lithuanian descent*

4 Honorary Consuls

July 2020:
- Opening the Embassy

Lithuania-Australia fast facts

Legal Framework - Key Agreements:

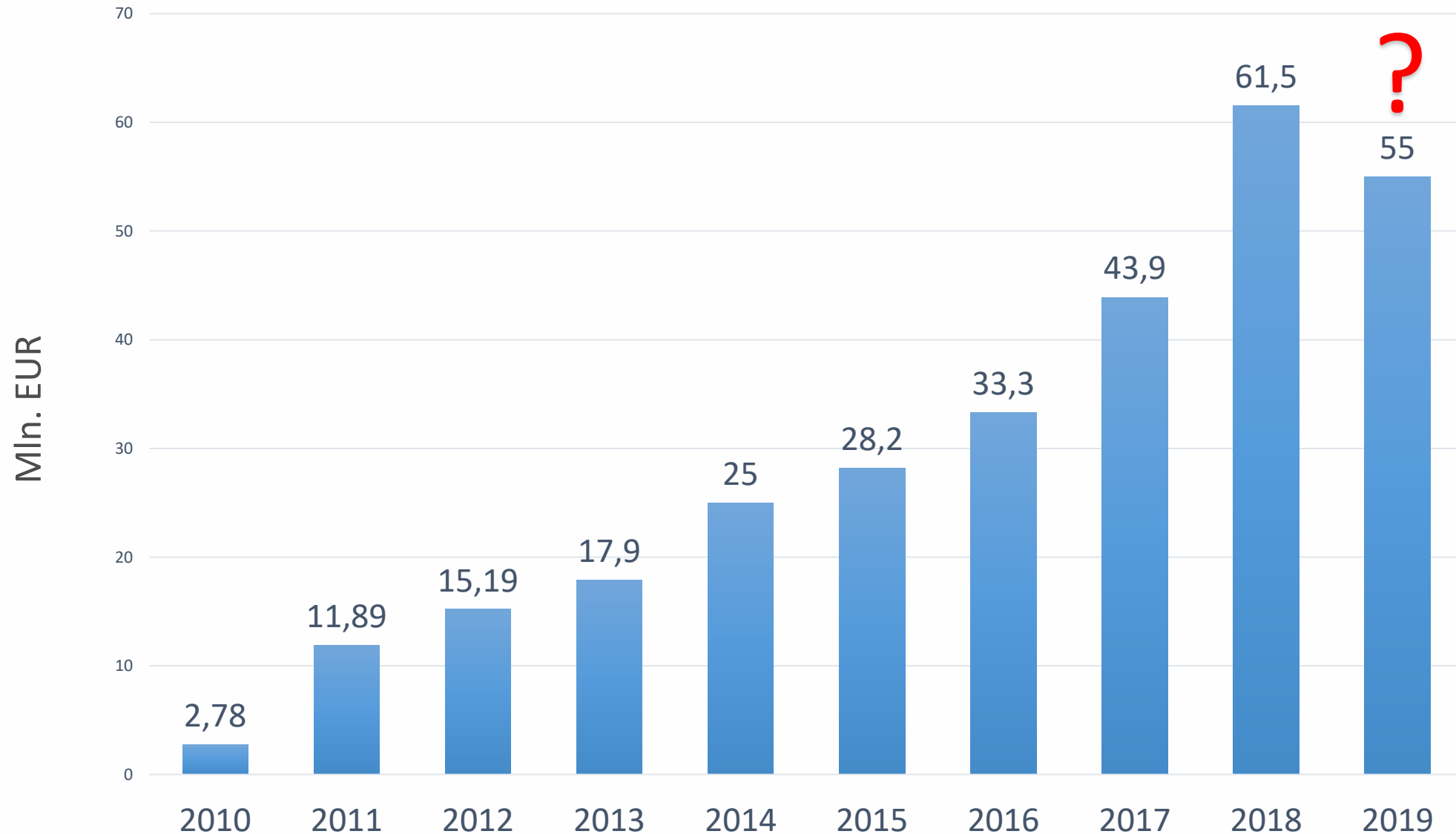
- Trade and Economic Cooperation (1993)
- Investment Promotion and Protection (2002)
- LT proposal to sign Agreement on Avoidance on Double Taxation

Economic Cooperation - Key Numbers:

- No.55 trade partner for LT - turnover 57,4 million EUR (2019)
- No.103 FDI in LT: -26,49 million EUR (2019 K3)
- 5,6 K (+11,81%) Australian tourists in LT (2019 K1-3)

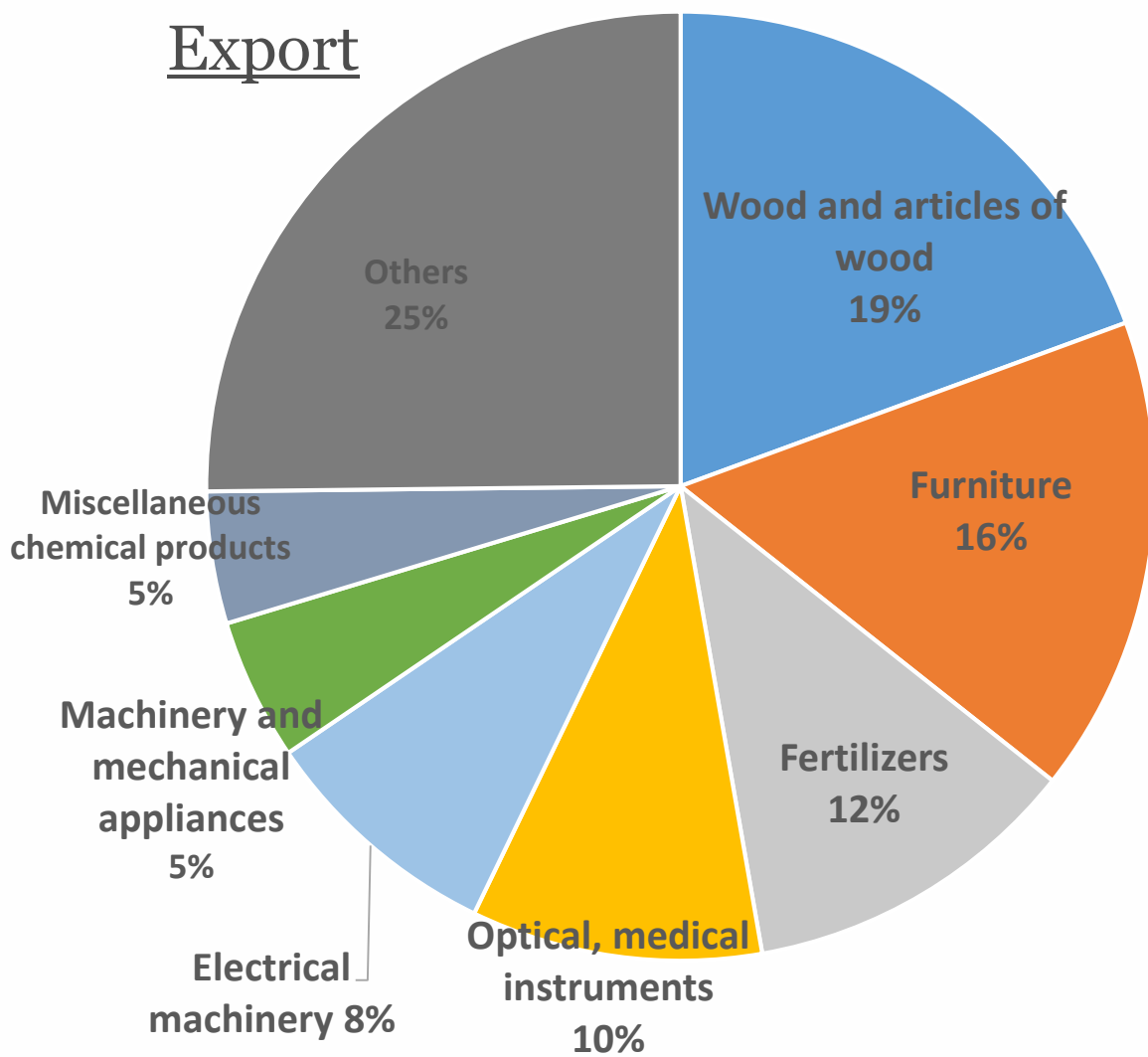


Export of goods to Australia 2010-2019

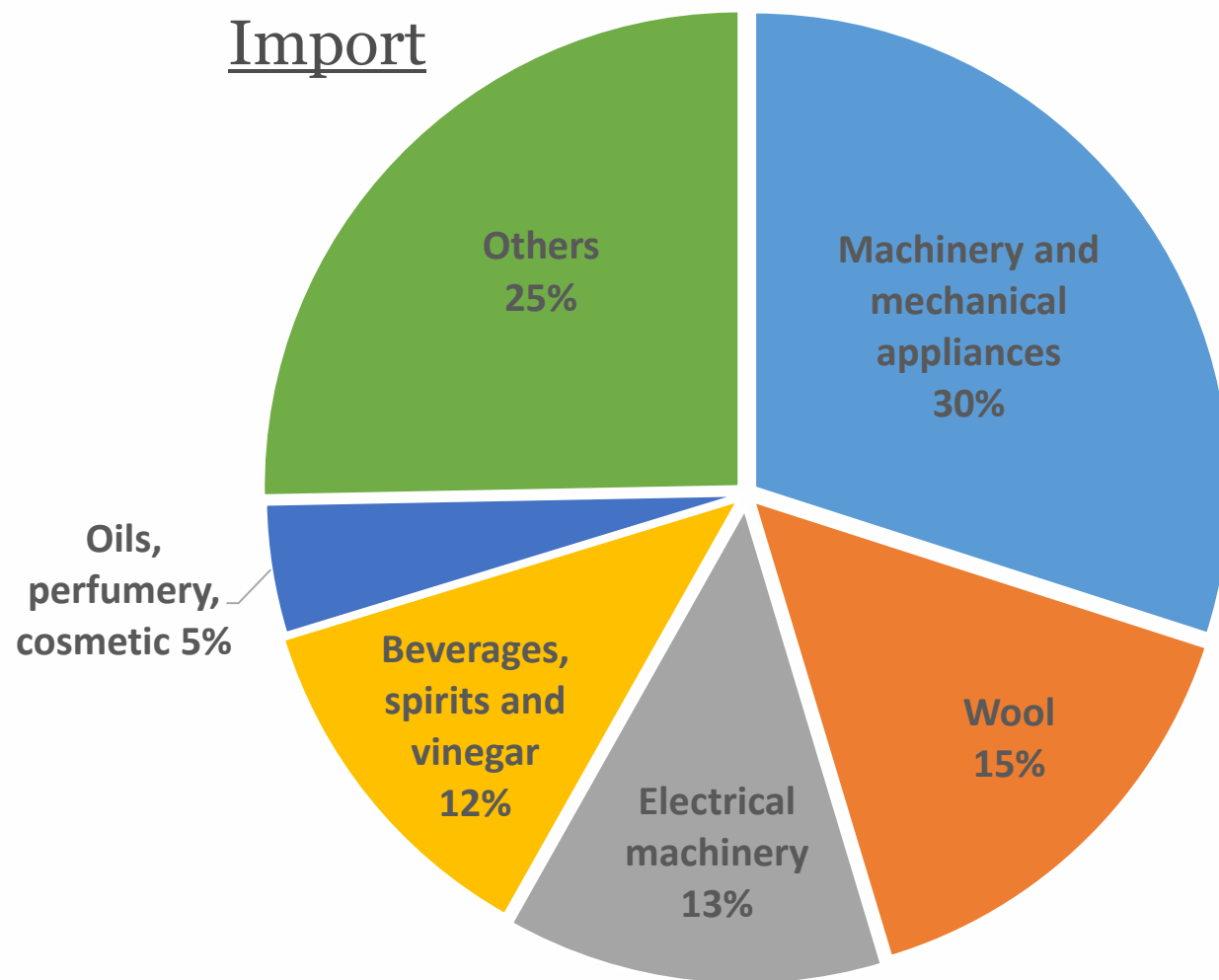


Export & Import to Australia structure, 2019

Export



Import



Lithuania-Australia bilateral cooperation: Future Prospects



Life-Sciences Industry

LT average annual growth of
production value (2012-2017):
26.9%



Hi-Tech Engineering Industry

LT average annual growth of
production value (2012-2017): 8,2%



ICT Focus on FinTech

LT average annual growth of
production value (2012-2017):
9,7 %



FDI - untapped potential ?

Australia's FDI abroad



- Financial and Insurance Services
- Professional, Scientific and Technical Services
- Manufacturing
 - Mining
- Wholesale & retail trade



LT priority areas for FDI

- Global Business Services



- Technologies
- Manufacturing



EU-Australia Free Trade Agreement (FTA) - Why Australia?





EU-Australia FTA – negotiating process

Negotiation process:

- Negotiations started in June 2018;
- 6 negotiating rounds;
- Objective – to finalize negotiations by the end of 2020.

EU goals in negotiations – market access

- Better **Market access for goods:**
 - Objective – to eliminate almost all tariffs;
 - 65% of Lithuanian exports to Australia face import tariffs;
- Better access to **Australia's public procurement markets**
- Better market access conditions for **services**
- **Expected benefits:**
 - Increase in EU – Australia trade flows – 38%
 - Contribution to EU's GDP growth – 4 bn EUR by 2030
 - Lithuanian exporters could save around 1.5 mln. EUT of tariffs.



EU goals in negotiations - sectors are likely to gain most

EU



Chemicals



Processed
foods



Motor
equipment



Services



Machinery

LT



Wood/furniture



Textiles



Machinery



Optical devices



Processed food/drinks

EU goals in negotiations – regulatory issues

- Sanitary and Phytosanitary Measures:
 - simplification of approval and certification procedures for veterinary certificates;
- Non-tariff Barriers for industrial products:
 - simpler procedures for product testing;
 - removal of duplicative testings.
 - more abilities to test products' conformity to Australian standards within the EU.

EU goals in negotiations – rules

- Rules of Origin:
 - simple rules of origin and REX system
- Small and Medium Enterprises:
 - better access to information on export procedures
- Trade and Sustainable Development:
 - ambitious commitments on environment and climate





MINISTRY
OF FOREIGN AFFAIRS
REPUBLIC OF LITHUANIA

Thank you!

