

Peru-Australia Free Trade Agreement

Australia and Peru signed the Peru-Australia Free Trade Agreement (PAFTA) on 12 February 2018. This agreement will launch a new chapter in economic relations between Australia and Latin America. Both countries will now follow their own domestic treaty making processes before PAFTA can enter into force. For Australia, this will include a Joint Standing Committee on Treaties (JSCOT) inquiry. The full text of the agreement is now available at [PAFTA text and associated documents](#).

About the Peru-Australia Free Trade Agreement

Australia and Peru launched negotiations for a free trade agreement (FTA) on 24 May. A fellow signatory to the Trans-Pacific Partnership (TPP) Agreement, Peru has been one of the fastest growing economies in Latin America over the last decade. The Peru-Australia FTA (PAFTA) enables Australian businesses to access the opportunities presented by that growing market. It also supports our goal of capturing the TPP's benefits, and strengthens our economic relationship with Latin America.

Peru is a growing market for Australian goods and services exporters. In 2016, total two-way trade in goods and services with Peru was worth \$590 million, up 51.2 per cent from the previous year. The FTA with Peru provides Australian businesses with an opportunity to expand our engagement with this emerging market.

Peru is also an attractive investment destination for Australia. The number of Australian companies operating in Peru has grown from ten in 2003 to currently over ninety. The Australian and Peruvian mining sectors, in particular, are already closely integrated. The FTA with Peru provides a platform for expanding and deepening these relationships.

Why has the Government concluded an FTA with Peru?

As one of the fastest growing economies in Latin America over the last decade, Peru presents a growing opportunity for Australian businesses. This FTA ensures that Australia is well-placed to share in Peru's economic growth, providing opportunities for expanding our engagement with this emerging market. It is a strategic goal to diversify export markets for Australian exporters.

The FTA also complements and supports our goal of capturing the benefits of the TPP, and strengthening our economic relationship with Latin America.