



PERU-AUSTRALIA

FREE TRADE AGREEMENT

OUTCOMES: SERVICES MARKET ACCESS

The Peru-Australia Free Trade Agreement (PAFTA) provides legal certainty for Australian service suppliers in Peru and creates new opportunities to attract more Peruvian students to study in Australia. Australia's services trade with Peru was worth \$176 million in 2016. By removing key barriers and providing Australian service suppliers with more transparent and predictable operating conditions, PAFTA provides a platform for both countries to increase the value of our bilateral services trade.

KEY OUTCOMES

Education services

Education is Australia's number one services export earner with Peru, worth \$43 million in 2016. Most of that benefit comes from Peruvian students studying in Australia.

The main PAFTA market access outcomes for Australian exporters of education services include:

- Peru has undertaken to allow the recognition of Australian university degrees, making it easier for Peruvian graduates from Australian universities to get a job when they return to Peru;
- Australian education providers will be able to offer part of their courses online to Peruvian students; and
- Australian universities, international schools and vocational education providers will be able to establish campuses in Peru on the same basis as Peruvian education suppliers.

Financial services

Highlights of PAFTA market access outcomes for Australian financial services exporters include:

- guaranteed market access in Peru for investment advice and portfolio management services to collective investment schemes, as well as insurance of risks relating to maritime shipping and international commercial aviation and freight and brokerage;
- opportunities for Australian financial service providers in Peru to provide a range of financial services on a cross-border basis, including reinsurance, retrocession, consultancy, actuarial, risk assessment, and claim settlement services; and
- easing some of the regulatory burdens Australian firms may face when exporting financial services to, or operating in, Peru, including by promoting consultation with industry and encouraging the streamlining of approvals for the issuance of new insurance products.

Professional, technical and other business services

Key PAFTA market access outcomes for Australian exporters of professional, technical and other business services include:

- Australian lawyers may provide advice on Australian, international or third party law in Peru, including on a fly-in, fly-out basis or as a temporary employee of an enterprise operating in Peru;



- Guaranteed access for qualified Australian engineers, urban planners and architects to provide services in Peru; and
- Peru has guaranteed not to introduce any new restrictions on Australian accountants, auditors, book-keepers and taxation service providers.

Mining and energy-related services

Australia has significant mining and energy-related investments in Peru. PAFTA will facilitate easier access for Australian companies and individuals supplying mining and energy-related services. These outcomes for Australians include:

- Peru has granted access on non-discriminatory terms for Australian suppliers of mining-related consulting, research and development, engineering, environmental, mining and technical testing and analysis services; and
- Australia's working in the mining sector, including managerial staff, contractors working on mining and extraction equipment and technicians working on oil and gas wells are covered by Peru's commitments on temporary entry, allowing Australians to stay in Peru for a year with the possibility of extension.

E-commerce and telecommunications

Outcomes on e-commerce and telecommunications will help to facilitate trade and investment between Australia and Peru. E-commerce outcomes are consistent with Australia's regulatory framework, including Australia's e-health record system and Privacy Act.

Key e-commerce and telecommunications outcomes include:

- A guarantee not to prevent service suppliers and investors from transferring data across borders where it is part of business activity;
- Australian businesses will not be forced to build data storage centres in Peru;
- legal protection for consumers to protect privacy, enforce consumer protection rights, and combat 'spam' messages;
- Australia and Peru have agreed to work cooperatively to promote reasonable international mobile roaming rates; and.
- Peru guarantees that it will provide non-discriminatory treatment, including maintaining no foreign equity limits, for Australian investors in telecommunications and e-commerce services.

Temporary entry of business persons

The PAFTA commitments on temporary entry of business people will help facilitate increased trade and investment between Australia and Peru, enabling business people to enhance their commercial relationships and pursue new opportunities.

Australia's PAFTA commitments are consistent with Australia's existing immigration and workplace relations frameworks. Peru has committed to allow Australian short-term business visitors, intra-corporate transferees, specialist service suppliers, investors and spouses to stay in Peru. These commitments include specified lengths of stay for each category (up to one year with the possibility of extension), waiver of labour market testing for Australians and the removal of quotas or numerical



limitations on all categories other than intra-corporate transferees. Australia has retained the right to require labour market testing for Peruvian contractual service suppliers.

