



# MEDIA RELEASE

**DR CRAIG EMERSON**

Minister for Trade

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\*\*\*\*\*EMBARGOED UNTIL 8PM (AEST)\*\*\*\*\*

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## **Australia and Laos Agree on WTO Membership Terms**

Trade Minister Craig Emerson has welcomed the completion of bilateral market access negotiations between Australia and Laos as part of Laos' bid to join the World Trade Organization (WTO).

"The conclusion of bilateral negotiations is an important step in Laos' overall bid to join the WTO and signals its commitment to economic reform and integration into the international trading system," Dr Emerson said.

"While Australian exporters already enjoy access to the Laos market under the ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA), they will benefit from the certainty of Laos's commitment to multilateral trade liberalisation and the rules-based system," he said.

Australia's Ambassador and Permanent Representative to the WTO, Tim Yeend, and Lao Vice-Minister of Industry and Commerce, Madame Khemmani Pholsena, signed the market access agreement on 24 June in Geneva.

Under the agreement, Laos has agreed to an average ceiling on import tariffs of around 25 per cent, and as low as 5 per cent on some goods. In relation to trade in services, Laos has agreed to liberal conditions of access for suppliers in a range of sectors, including mining, professional, telecommunications, financial, education and environmental services. These commitments are consistent with special WTO guidelines governing the accession of Least Developed Countries (LDCs).

"These commitments, as well as an agreement by Laos to allow majority foreign ownership of joint ventures, should also improve conditions for Australian foreign investment," Dr Emerson said.

Australia has contributed more than \$4 million in technical assistance, including funding of a Trade Development Facility and a trade adviser in the Ministry of Industry and Commerce, in support of Laos' accession bid and broader economic reform agenda.

Australian exports to Laos were worth \$24.7 million in 2010. They comprise mainly civil engineering equipment and parts, pumps and chemicals.

The agreement will take effect when Laos joins the WTO. Laos is still negotiating the overall terms of its WTO membership.

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