



AUSTRALIAN FEDERATION OF UKRAINIAN ORGANISATIONS
СОЮЗ УКРАЇНСЬКИХ ОРГАНІЗАЦІЙ АВСТРАЛІЇ

Representing 22 Peak Ukrainian Organisations in Australia
Member of Ukrainian World Congress

March 12, 2021

The Hon. Dan Tehan, MP
Minister for Trade, Tourism and Investment
Parliament House
Canberra 2600

RE: Including Ukraine in Australia's System of Tariff Preferences

Dear Minister,

For many years, Australia and Ukraine have enjoyed close and friendly relations deep-rooted in common values such as democracy, freedom of choice, and commitment to the rule of law. As good and reliable partners, Australia and Ukraine, have developed close cooperation in many fields, such as political, security, economic, scientific and cultural.

The Australian Federation of Ukrainian Organisations (AFUO) commends the Australian Government's steadfast support of Ukraine's sovereignty and territorial integrity. It acknowledges Australia's prominent voice against Russian aggression in Crimea and eastern Ukraine. Australia and Ukraine also remain united in supporting the international investigation into the tragic downing of MH17 and bringing perpetrators to justice.

The AFUO believes that both countries have ample opportunities to further expand cooperation, especially in bilateral trade and investment. One of the instruments that can increase bilateral trade volumes is Ukraine's inclusion into the Australian System of Tariff Preferences.

The AFUO would like to call on the Australian Government to review the possibility of Ukraine being included in the System of Tariff Preferences and would welcome any discussion or provide any additional information to aid the review process. Furthermore, we would like to bring the following points to your attention:

COVID-19 is prompting Australian companies to reassess their supply chains. It has highlighted a growing need for geographical diversification to mitigate the risks associated with one central manufacturing point. The AFUO, The Australia-Ukraine Business Council (AUBC), and the Australia-Ukraine Chamber of Commerce (AUCC) are receiving a growing number of requests from Australian companies that are interested in purchasing goods and services from Ukraine. There is strong interest from the Australian private sector to find new alternatives to traditional suppliers. Businesses from both countries are eager to explore bilateral cooperation opportunities across different industries, particularly metallurgy, coal, chemical and railway, pharmaceuticals, agriculture and IT.

Ukrainian companies are searching for new export markets to diversify away from Russia, accounting for approximately one-third of exports. Ukraine's export market has become remarkably diversified in recent years, while its trade with Russia has swiftly dwindled because of the many trade sanctions currently in place. Lower reliance on Russia is benefiting Ukraine's economy, the country's security, and the region's security.

The AFUO is aware that the Australian Government is keen to support Australian companies and is actively working to diversify its foreign trade structure to minimize dependence on some countries. To this end, Ukraine can play a role in this de-risking strategy. Ukraine is rich in natural resources and a creative workforce, having a great deal to offer its partners, starting from a full-scale aerospace industry to a fast-growing consumer market.

Ukraine is already recognized as being eligible for the Generalized System of Trade Preferences by many leading countries, particularly the USA (status was resumed at the beginning of 2020), Canada and Japan. Therefore, we believe that a favourable decision to include Ukraine in Australia's System of Tariff Preferences will align with Australia's partners' position.

We would request a meeting with you to discuss this matter at your convenience
. Our contact details are - Kateryna Argyrou 0423 204988 or Stefan Romaniw 0419 531 255

Yours faithfully,

Kateryna Argyrou
Co-Chair

Stefan Romaniw
Co-Chair