Webinar
on
Implications of Australia-India FTA under Trump 2.0
Are we setting sail without checking the weather?

1730 to 1900hrs AEST/ 1300 to 1430hrs IST
September 11, 2025 Thursday

1. Background and Context

1.1. The return of Donald Trump to the White House in 2025 has triggered a major shift in global economic and strategic dynamics. With Trump's focus on "America First" and a strong leaning toward economic nationalism, protectionism, and bilateralism, many multilateral trade agreements are likely to see less U.S. support. Amid these uncertainties, regional players such as India and Australia are expected to strengthen their cooperation to protect economic stability and sustain strategic stability in the Indo-Pacific.

1.2. The Australia-India Free Trade Agreement, implemented through the Economic Cooperation and Trade Agreement (ECTA) in 2022 and currently evolving toward a Comprehensive Economic Cooperation Agreement (CECA), becomes increasingly important in the current environment. As the United States shifts toward transactional bilateral engagements and possibly withdraws from broader regional trade frameworks like the Indo-Pacific Economic Framework (IPEF), India and Australia are well placed to strengthen their bilateral economic ties in response to the power vacuum and rising Chinese influence.

1.3. Resurgence of Bilateralism and Strategic Autonomy on Trump's policy pivot toward bilateral agreements reinforces the relevance of the Australia-India FTA. With the U.S. expected to prefer exclusive deals over inclusive multilateral frameworks, the Australia-India CECA negotiations offer a space to build autonomous, rule-based bilateral economic mechanisms that promote stability and counterbalance coercive economic practices.

1.4. Protectionism and Tariff Shockwaves were Trump's pledge to impose steep tariffs up to 60% on Chinese goods and 10–20% on others may distort global trade flows and shift global supply chain strategies. This enhances the appeal of India and Australia as alternative, stable partners. The FTA provides a structured platform to absorb redirected investment and trade flows.[1]

1.5. Supply chain diversification and Indo-Pacific realignment, as U.S. commercial involvement in the Indo-Pacific becomes increasingly unpredictable, India and Australia can lead regional supply chain realignment. Joint efforts in critical minerals, pharmaceuticals, agriculture, and clean technology will benefit from FTA-driven tariff concessions and regulatory harmonisation.

1.6. Uncertain U.S. commitment towards IPEF and subsequent regional stability may deprioritise initiatives like IPEF, in Trump's second term thereby reducing U.S. influence over Indo-Pacific economic rulesetting. This opens space for India and Australia both Quad members to shape regional norms via CECA. This partnership can also work in tandem with other like-minded democracies to counterbalance China's assertive economic diplomacy.

1.7. While the iCET initiative under Biden has advanced U.S.-India technology ties, Trump's transactional approach may slow tech transfers and defence cooperation. India and Australia can seize this opportunity by incorporating provisions for digital trade, cybersecurity, AI governance, and cross-border data flows into their Free Trade Agreement.

1.8. Therefore, keeping the above in mind, taking into account the initial six months of Trump 2.0, this webinar will offer a timely and distinct opportunity to assess the immediate impacts of his administration's policy recalibrations on the Australia-India bilateral relations. Our deliberations will bring fresh perspectives on specific issues.

2. Objectives

- To examine opportunities for India and Australia to strengthen their bilateral economic architecture in response to strategic uncertainty in the Indo-Pacific -
- To evaluate the potential of the India–Australia FTA as a tool for promoting regional stability, technology cooperation, and resilient trade corridors in a shifting geopolitical landscape

[1] https://www.jpmorgan.com/insights/global-research/current-events/us-tariffs

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3. Discussion Topics

- Can the Australia-India FTA emerge as a strategic response to the weakening of multilateral frameworks like IPEF and the growing unpredictability of U.S. trade policy?
- How can Australia and India use their bilateral trade agreement to strengthen collaboration in emerging areas such as the digital economy, critical minerals, clean technology, and education?
- How should Australia and India align their FTAs with broader Indo-Pacific strategic goals, including their roles within the Quad and their regional outreach beyond U.S. dependence?
- What role can the FTA play in reinforcing regional economic stability and rule-based trade amidst rising protectionism and Chinese economic assertiveness?

4. Programme Flow

Time (AEST)	Agenda
1730 – 1740	Welcome and Introduction
1740 – 1830	Panelists Opening Remarks
1830 – 1850	Q & A
1850 – 1900	Panelists Closing Remarks