



## Copper Mines of Tasmania

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Australia-India Comprehensive Economic Cooperation Agreement  
Free Trade Agreement Division  
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By email: [india.ftastudy@dfat.gov.au](mailto:india.ftastudy@dfat.gov.au)

### **Subject: Submission in regard to Australia-India Comprehensive Economic Cooperation Agreement**

Dear Sir

I refer to the Department of Foreign Affairs and Trade's call for submissions and comment on issues relevant to the proposed Australia-India Free Trade Agreement (FTA). We believe that such a free trade agreement could offer significant opportunities for the Australian mining industry.

### **About CMT (Copper Mines of Tasmania)**

Vedanta / Sterlite has operated the Mount Lyell Mine, located in Queenstown, Tasmania since 1999 with target production of ~30,000 tonnes per annum of contained copper (Cu) in concentrate for export.

The Mount Lyell Mining and Railway Company operated the mine between 1893 and 1994. It was re opened by Copper Mines of Tasmania in 1995. Over it's history Mount Lyell has produced more than 1.8 million tonnes of copper (Cu), 62 tonnes of gold (Au) and 1,300 tonnes of silver (Ag) to date.

### **Australia – India Trade in Copper concentrate**

India is a growing market for copper; refined copper consumption in India is expected to grow at over 10% in the coming years, from the current level of ~900,000 tonnes per annum. However, India has virtually negligible reserves of copper ores.

Consequently, the Indian refined copper industry has evolved on the back of imports of copper concentrates. More than 96% of India's copper concentrate requirement is met of out of imports. Almost 25% of the import of copper concentrate in to India is from Australia and hence Australian copper mines play a key role in India's evolving economy and infrastructure development.

Copper Ores and Concentrates (HS Code 2603) exports are ranked as 3rd in terms of goods exported from Australia to India and ranked as 4th in terms of exports of both goods and

services to India. The table below shows Australia exported Copper Ores and Concentrates to India to the value of A\$ 1,180m in 2009-2010.

<b>Major Australian goods and services exports to India</b>	
Major Australian exports	2009-10 (A\$m)
Non-monetary gold	7,125
Coal	5,532
Education	3,148
Copper ores and concentrates	1,180
Crude petroleum	499

(Source: [http://www.dfat.gov.au/geo/india/india\\_brief.html](http://www.dfat.gov.au/geo/india/india_brief.html))

### **Competitiveness of Australian Copper ores and Concentrates**

Currently India accords preferential duty to imports of copper concentrates from various origins but the Australian origin copper concentrates are charged full basic customs duty of 2.5%.

### **Submission**

It is our submission that in view of the almost nonexistent domestic production of copper concentrates in India, there is a strong case for asking for the removal of customs duty on imports of Australian copper concentrates (HS Code 2603) in to India under the proposed Australia-India Comprehensive Economic Cooperation Agreement.

This will help in the long term sustenance of the copper smelting industry in India which is completely dependent on imports of concentrates and at the same time shall provide a more competitive market for exports by the Australian copper mining industry.

We urge you to take on board our above submission in negotiations with Indian government

Yours faithfully  
Copper Mines of Tasmania Pty Ltd



Ajay Jajoo  
Finance Manager

CC :  
Edward Sulikowski  
Director  
Tasmanian State Office  
Department of Foreign Affairs and Trade