



Final Report

DFAT SEA FTA Grants 001 — "Options for FTA Modernisation to Strengthen Critical Mineral Supply Chains for the Indo-Pacific Green Economy Transition"

Milestone 5: Final Report *29 April 2026*

Prepared by: UNSW Centre for Sustainable Development Reform and UNSW Energy Institute

Grant Reference: Southeast Asia Free Trade Agreements Modernisation Grant Program

Executive Summary

This Final Report is submitted in accordance with Milestone 5 of the Grant Agreement between the University of New South Wales (UNSW Centre for Sustainable Development Reform and UNSW Energy Institute) and the Department of Foreign Affairs and Trade under DFAT SEA FTA Grants 001. It describes the processes involved in delivering the Activity Report and companion deliverables, summarises the consultation program, outlines resources deployed, identifies issues that impacted delivery, and reflects on the benefits of grant funding.

The project successfully delivered all contracted research outputs on schedule. The Activity Report (Milestone 4) was submitted on 28 February 2026 and accepted by the Department on 29 April 2026. The project produced five core research deliverables — an Inception Report, Evidence Review, Consultation Summary, Final Recommendations Report, and Technical Paper on Model FTA Provisions — together with supporting materials including a Cross-Departmental Roundtable Concept Note, Meeting Packet, and Progress Reports.

Process Description

The Activity Report and its companion deliverables were produced through a phased research approach designed to build progressively from evidence gathering to policy recommendation.

Phase 1: Evidence Review and Analytical Framework (August–October 2025)

The project commenced with an iterative desk review drawing on the project team's domain expertise in trade policy, critical minerals governance, and sustainable development. This phase sought to faithfully synthesise the published literature and publicly available stakeholder positions to establish a robust evidentiary baseline. The review examined trade barriers and regulatory landscapes across priority Southeast Asian partners, regional processing opportunities, sustainability dimensions, and available policy instruments. The resulting Evidence Review was submitted as part of the Milestone 2 deliverables in October 2025, alongside an Inception Report establishing the project's analytical framework and a Progress Report.

Phase 2: Stakeholder Consultation (October 2025–February 2026)

The consultation phase was designed to validate, challenge, and enrich the desk review findings through direct stakeholder engagement. Individual consultations were conducted with stakeholders across seven categories, complemented by two multi-stakeholder virtual workshops held under Chatham House Rule. The Consultation Summary, submitted in December 2025 as part of the Milestone 3 deliverables, documented emerging themes and stakeholder priorities.

Phase 3: Synthesis and Recommendations (December 2025–February 2026)

The final phase synthesised evidence review findings and consultation input into two substantive outputs: the Final Recommendations Report, which presents a three-tier implementation framework for FTA modernisation, and the Technical Paper on Model Provisions, which translates recommendations into specific model treaty language across nine thematic areas.

Responsive Methodology

Throughout the project, the research methodology was adjusted in consultation with the Department to maximise policy relevance. Following guidance from the 28 November 2025 meeting with Departmental officials, the project expanded its focus on behind-the-border barriers and industry consultation. The planned cross-departmental roundtable was deferred at DFAT's direction, and the project responded by expanding and deepening industry consultation – an adjustment that proved effective in generating robust, actionable findings.

The project's analytical approach evolved in response to Departmental feedback, with the pathfinder sector methodology refined to ensure findings addressed all three grant objectives. This approach used critical minerals as the analytical anchor while testing whether identified barriers, opportunities, and solutions extend to agriculture, green economy, and other priority sectors. This approach served all three grant objectives: informing the government's Southeast Asia trade and investment agenda, advancing implementation of the *Invested* strategy, and supporting Australia's critical minerals strategy.

Consultation Summary

The project employed a mixed-methods approach to evidence gathering and stakeholder engagement.

Desk Review

The evidence base was established through iterative desk review of published literature, government reports, industry submissions, and publicly available stakeholder positions across priority sectors. This review covered trade policy frameworks across ASEAN member states, critical minerals supply chain dynamics, sustainability standards and ESG requirements, existing FTA provisions and their utilisation, and relevant international precedents for critical minerals trade governance.

Individual Consultations

Targeted individual consultations were conducted with stakeholders across seven categories:

- **Australian government officials** – trade policy, resources, and investment officials
- **Southeast Asian government and industry representatives** – counterparts across Indonesia, the Philippines, Malaysia, and Vietnam
- **Mining and METS industry** – major producers and mining equipment, technology, and services companies active in Southeast Asia
- **Financial services** – export finance and resources sector investment
- **Peak industry bodies** – national and bilateral business councils and sector associations
- **Academic researchers** – trade law, critical minerals, and sustainable development specialists
- **Civil society organisations** – environmental and labour standards perspectives

Stakeholders overwhelmingly preferred non-attribution under Chatham House Rule, enabling frank discussion of sensitive topics including government coordination, regulatory challenges, and

competitive dynamics.

Multi-Stakeholder Workshops

Two virtual multi-stakeholder workshops were convened under Chatham House Rule:

- **Workshop 1** (December 2025): Validated emerging themes from the desk review and individual consultations, with participants drawn from industry, government, and academic stakeholders across Australia and Southeast Asia.
- **Workshop 2** (February 2026): Tested draft recommendations and model provisions, gathering feedback on feasibility, sequencing, and implementation priorities.

Resources Deployed

Research Team

The project was delivered by a dedicated research team comprising lead researchers and research assistants with expertise spanning trade policy, critical minerals governance, international law, and sustainable development. The team was based at the UNSW Centre for Sustainable Development Reform, with support from the UNSW Energy Institute.

Institutional Support

UNSW provided institutional support including research facilities, senior management advisory input, technical expertise in trade policy and critical minerals, and project management infrastructure. The UNSW Energy Institute contributed specialist knowledge on energy transition supply chains and sustainability frameworks.

Budget

Grant expenditure was directed to research personnel costs, ensuring maximum allocation of grant funding to core research activities. Travel and other operational costs were met through UNSW's contributions to the project.

Issues Impacting Delivery

Two issues affected the project's delivery, neither of which compromised the quality or scope of deliverables.

Compressed initial timeline. The Grant Agreement was executed on 6 August 2025, approximately one month later than the originally anticipated July start. The project team accommodated this compression by accelerating the desk review phase and commencing stakeholder outreach in parallel with evidence gathering.

Consultation methodology adjustment. The planned cross-departmental roundtable was deferred by mutual agreement following the October 2025 Milestone 2 submission. The project responded by expanding industry consultation and convening two multi-stakeholder virtual workshops, which proved effective in generating robust, stakeholder-informed findings across all consultation themes.

Benefits of Grant Funding

The grant funding provided several benefits that would not have been achievable in the absence of dedicated support.

Dedicated research capacity. The grant sustained a focused research effort over seven months, enabling the depth of analysis reflected in the deliverables. This sustained engagement is not achievable through standard academic funding cycles, which typically operate on longer timelines with broader research mandates.

Credibility and access. The project's status as a DFAT-supported initiative was instrumental in securing stakeholder engagement. Industry participants, government officials, and regional partners engaged with the project on the basis that it would inform actual policy development – a level of access and candour that would not have been available to an unfunded academic research project.

Multi-disciplinary integration. The project required sustained cross-disciplinary effort, bridging trade policy, critical minerals governance, sustainability standards, and regional economic strategy. The grant enabled the assembly of a team with the necessary breadth of expertise and the time to integrate these perspectives into coherent policy recommendations.

Policy relevance. The project made a direct contribution to Recommendation 10 of the *Invested: Australia's Southeast Asia Economic Strategy to 2040*, producing actionable recommendations aligned with the Department's FTA modernisation review and the broader Southeast Asia economic strategy. The model provisions provide ready-to-use drafting options for negotiators.

Stakeholder network. The consultation program built an engaged network of industry, government, academic, and civil society stakeholders with genuine interest in continued dialogue on FTA modernisation for critical minerals. This network represents an ongoing resource for the Department's policy development.

Deliverables Summary

Deliverable	Date	Milestone
Inception Report	October 2025	Milestone 2
Evidence Review	October 2025	Milestone 2
Progress Report	October 2025	Milestone 2
Consultation Summary	December 2025	Milestone 3
Cross-Departmental Roundtable Concept Note	December 2025	Milestone 3
Second Progress Report	December 2025	Milestone 3
Final Recommendations Report	February 2026	Milestone 4
Technical Paper: Model Provisions	February 2026	Milestone 4
Activity Report	February 2026	Milestone 4
Roundtable Meeting Packet	February 2026	Additional
Final Report (this document)	April 2026	Milestone 5

All deliverables are available at <https://fta-modernisation.pages.dev> [https://fta-modernisation.pages.dev] with PDF downloads for each document.

Continuing Engagement and Further Collaboration

A consistent theme across stakeholder consultations was the importance of cross-departmental and cross-sectoral coordination in advancing Australia's critical minerals trade agenda with Southeast Asia. Stakeholders from industry, government, and academia identified coordination gaps as a significant constraint on policy effectiveness — a finding that reinforces the rationale for the cross-departmental roundtable concept developed during the project.

UNSW would be pleased to support the convening of a multi-department and external stakeholder roundtable to reflect on the project's findings and their policy implications, at no cost to the Department. Such a discussion could bring together officials from relevant agencies and portfolios alongside industry and academic participants to consider the practical implementation of the project's recommendations. This could be organised in cooperation with the Department outside the formal Grant Agreement, in whichever arrangement is most straightforward for DFAT.

More broadly, UNSW will continue to advance stakeholder coordination on a cost-neutral basis as part of its ongoing academic research mission. The Centre for Sustainable Development Reform and Energy Institute maintain active research programs in trade policy, critical minerals governance, and sustainable development that will build on the project's findings and stakeholder relationships. We will keep the Department updated with any significant findings or developments that may be of relevance to the FTA modernisation agenda.

Financial Acquittal

The independently audited financial acquittal report, including a detailed expenditure statement and auditor's certificate, is currently being finalised. The delay is due to administrative and contractor scheduling matters within the University that are beyond the project team's direct control. We sincerely apologise for any inconvenience and are working to provide the completed acquittal at the earliest opportunity. Should the Department require any interim information or arrangements, we would welcome the opportunity to discuss this directly.

A large, stylized handwritten signature in black ink, appearing to read 'Ben Milligan', is positioned in the lower half of the page. The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Dr Ben Milligan Scientia Fellow and Director UNSW Centre for Sustainable Development Reform

29 April 2026