Chandrawat & Partners



BILATERAL RELATIONS

INDIA - AUSTRALIA

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INTRODUCTION

India and Australia share a longstanding relationship based on shared democratic values, common interests, people-to-people links and growing economic engagement. Diplomatic relations between the two countries began in the pre-Independence period, with India opening a Trade Office in Sydney in 1941. Over the years, the relationship has expanded across political, economic, educational, scientific and cultural fields. Strong links between the Indian and Australian communities, including growing student, tourism and sporting connections, have further strengthened bilateral relations.

The bilateral relationship has developed into a Comprehensive Strategic Partnership (CSP), established in 2020, building on the Strategic Partnership of 2009. Cooperation now covers trade and investment, defence and security, science and technology, education, agriculture, energy, critical minerals and maritime cooperation. India and Australia also work closely in the Indo-Pacific, Quad, G20 and East Asia Summit, reflecting their shared interest in a peaceful, stable and prosperous region.

Economic and strategic cooperation has continued to deepen through high-level exchanges and institutional mechanisms. The Australia–India Economic Cooperation and Trade Agreement (ECTA) entered into force in December 2022, while both countries are pursuing further economic cooperation. At the July 2026 Leaders' Summit in Melbourne, India and Australia launched the Partnership on Cyber, Critical Technologies and Supply Chains (PACTS). This framework expands cooperation into cybersecurity, digital resilience, critical technology and defence research, reflecting the increasingly broad and forward-looking nature of the India–Australia partnership.



HISTORY

India–Australia historical links can be traced to the period following European settlement in Australia in 1788. During the early period, trade between the Australian colonies and India was closely connected through the British East India Company, with Kolkata serving as an important centre for trade. These early commercial contacts laid the foundations for later economic and people-to-people links between the two countries.
The relationship also developed through shared experiences during the First World War. Indian and Australian troops served alongside each other, including at Gallipoli and on the Western Front. Australian Government sources also note the presence of Indian soldiers in these campaigns, while Indian communities contributed to Australia in different fields. These shared historical experiences became an important part of the long-term connection between the two countries.

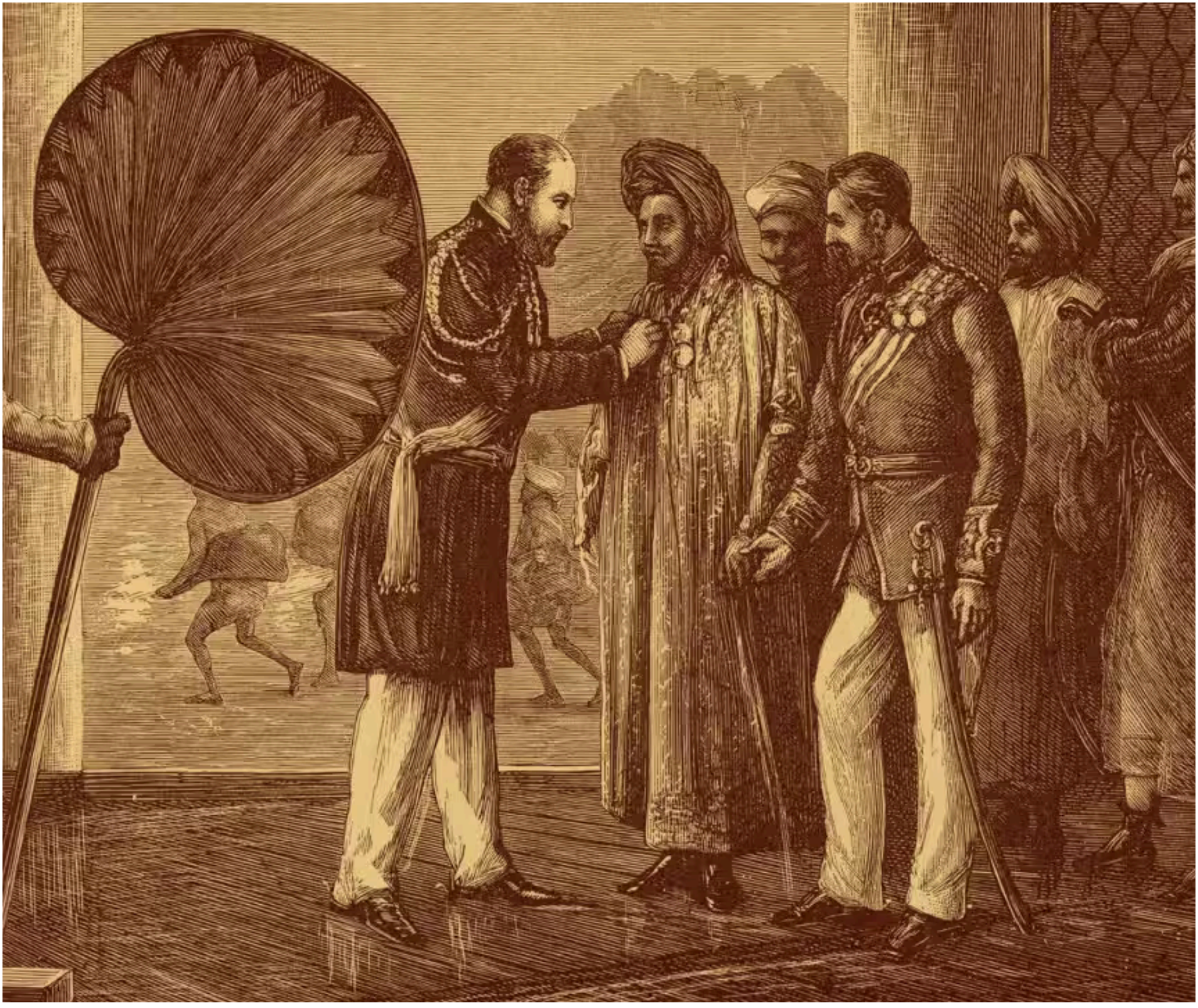
Formal diplomatic relations began during the pre-Independence period. India opened a Trade Office in Sydney in 1941, which marked the beginning of official diplomatic representation between India and Australia. In March 1944, Lieutenant-General Iven Mackay became Australia's first High Commissioner to India, while India's first High Commissioner to Australia arrived in Canberra in 1945. Australia was therefore among the earliest countries to establish diplomatic representation in India.

Following Indian independence in 1947, bilateral relations continued to develop within the Commonwealth framework. Australia and India maintained close political contacts and cooperation in the post-war period. Australia also supported India's development efforts through programmes such as the Colombo Plan, which contributed to education, training and capacity building. The two countries shared Commonwealth connections and increasingly developed cooperation on regional and international issues.

A significant transformation occurred in the modern period. In 2009, India and Australia elevated their relationship to a Strategic Partnership, reflecting growing cooperation in political, economic, security and people-to-people areas. The two countries subsequently expanded institutional mechanisms covering trade, education, defence, energy and other areas. The 2014 reciprocal Prime Ministerial visits gave further momentum to the relationship and strengthened high-level political engagement.

In 2020, India and Australia elevated their relationship to a Comprehensive Strategic Partnership, marking a new phase in bilateral ties. Cooperation has since expanded across defence and security, trade and investment, education, science and technology, maritime cooperation, agriculture and the Indo-Pacific. The Economic Cooperation and Trade Agreement (ECTA) entered into force in 2022, while regular leaders' meetings, the 2+2 Ministerial Dialogue and cooperation through the Quad, G20 and East Asia Summit have further strengthened the partnership.

In 2011–12, Indians were the largest source of permanent migration to Australia. Australia is also the second most popular destination for Indian university students, with nearly 60,000 Indians on student visas in Australia in 2017. After independence, Australia has maintained relations with both India and Pakistan, with historical concern from India over regional arms sales, such as Canberra's 1990 legacy transfer of 50 decommissioned Mirage fighter jets to Pakistan which resurfaced in strategic friction through subsequent fleet operational tests in 2007.



DIPLOMATIC RELATIONS

India and Australia established diplomatic relations in the pre-Independence period. India opened its Trade Office in Sydney in 1941, marking the beginning of formal diplomatic representation. In March 1944, Lieutenant-General Iven Mackay became Australia's first High Commissioner to India, while India's first High Commissioner to Australia arrived in Canberra in 1945.

Following India's independence, diplomatic relations continued to develop through political exchanges, Commonwealth connections and cooperation in development and education. Australia was among the earliest countries to establish diplomatic representation in India, and the two countries gradually expanded their engagement across economic, political and people-to-people areas. The Colombo Plan also provided an important avenue for cooperation in education and capacity building. A major milestone came in 2009, when India and Australia elevated their relationship to a Strategic Partnership. This provided a framework for expanding cooperation in areas including security, trade, education, science and technology and regional affairs. The relationship gained further momentum through regular high-level visits and institutional mechanisms, including the Foreign Ministers' Framework Dialogue and the 2+2 Foreign and Defence Ministers' Dialogue.

In 2020, the relationship was elevated to a Comprehensive Strategic Partnership (CSP), marking a significant new phase in bilateral relations. The CSP has expanded cooperation across defence and security, maritime affairs, critical minerals, cyber and critical technologies, education, water resources and trade. Today, India and Australia also work closely through the Quad, G20 and East Asia Summit, reflecting their shared interest in a peaceful, stable and prosperous Indo-Pacific.

High-level political engagement has become a regular feature of India–Australia relations. The two Prime Ministers meet regularly at bilateral and multilateral forums, including the Quad, G20 and East Asia Summit. The Foreign Ministers' Framework Dialogue provides an important mechanism for advancing the bilateral agenda, while the biennial 2+2 Foreign and Defence Ministers' Dialogue addresses strategic and security issues. These institutional mechanisms have strengthened political coordination and contributed to closer strategic understanding between the two countries.

The contemporary diplomatic relationship is supported by a shared vision of a peaceful, stable and prosperous Indo-Pacific. India and Australia cooperate through bilateral mechanisms as well as regional groupings such as the Quad. Their diplomatic engagement has expanded into science and technology, maritime cooperation, trade and investment, defence, education, agriculture and tourism. The Comprehensive Strategic Partnership continues to provide the principal framework for developing this broad-based relationship.

ECONOMIC RELATIONS

India and Australia have developed strong and complementary economic relations, with two-way trade in goods and services valued at around A$54.4 billion in FY 2024–25, making India Australia's fifth-largest trading partner. Economic cooperation covers trade, investment, education, agriculture, energy, resources, tourism, healthcare, infrastructure, science and innovation. Australia is an important supplier of resources and critical minerals to India, while Indian exports to Australia include manufactured goods, services, pharmaceuticals, machinery, textiles and other products.

A major milestone was the Australia–India Economic Cooperation and Trade Agreement (ECTA), signed in April 2022 and entering into force on 29 December 2022. ECTA reduced or eliminated tariffs on a wide range of goods and opened new opportunities in services and investment. More than 85% of Australian goods exports by value received tariff-free access to India when ECTA entered into force, while 100% of imports from India became tariff free in Australia. The two countries are now negotiating the more ambitious Comprehensive Economic Cooperation Agreement (CECA) to further deepen bilateral economic relations.

Investment cooperation is also an important part of the economic partnership. At the end of 2025, Australia's investment stock in India was around A$26.8 billion, while India's investment stock in Australia was around A$45.3 billion. Cooperation is increasingly expanding into critical minerals, clean energy, education and skills, agribusiness, healthcare, tourism, critical technologies and infrastructure. Australia's 2025 Roadmap for Economic Engagement with India identifies clean energy, education and skills, agribusiness and tourism as major areas of future economic opportunity.



URANIUM EXPORT TO INDIA

Uranium cooperation has become an important component of the India–Australia energy partnership. Australia and India signed the Civil Nuclear Cooperation Agreement in 2014, and the agreement entered into force on 13 November 2015. Australia subsequently established the legislative and safeguards framework required for uranium exports to India. Australia's policy permits uranium exports to India because of the 2008 Nuclear Suppliers Group decision, the application of IAEA safeguards to India's civil nuclear facilities and the separation of India's civilian and military nuclear programmes.

The two countries have continued to strengthen arrangements for the supply of Australian uranium for peaceful civilian nuclear purposes. In 2026, India and Australia finalised the administrative arrangements necessary to enable Australian uranium exports to India under the 2015 Nuclear Cooperation Agreement and IAEA safeguards. The arrangement provides a pathway for Australian uranium to support India's safeguarded nuclear reactors and contribute to India's energy security. Australia requires its nuclear exports to be subject to strict safeguards, accounting, physical-security requirements and peaceful-use conditions.

The uranium partnership is also linked to the broader objective of strengthening energy security and clean-energy cooperation between India and Australia. Australia has significant uranium resources, while India is seeking to expand nuclear power as part of its long-term energy strategy. The two countries are therefore developing cooperation in nuclear energy alongside wider collaboration in renewable energy, critical minerals, technology and resilient energy supply chains.



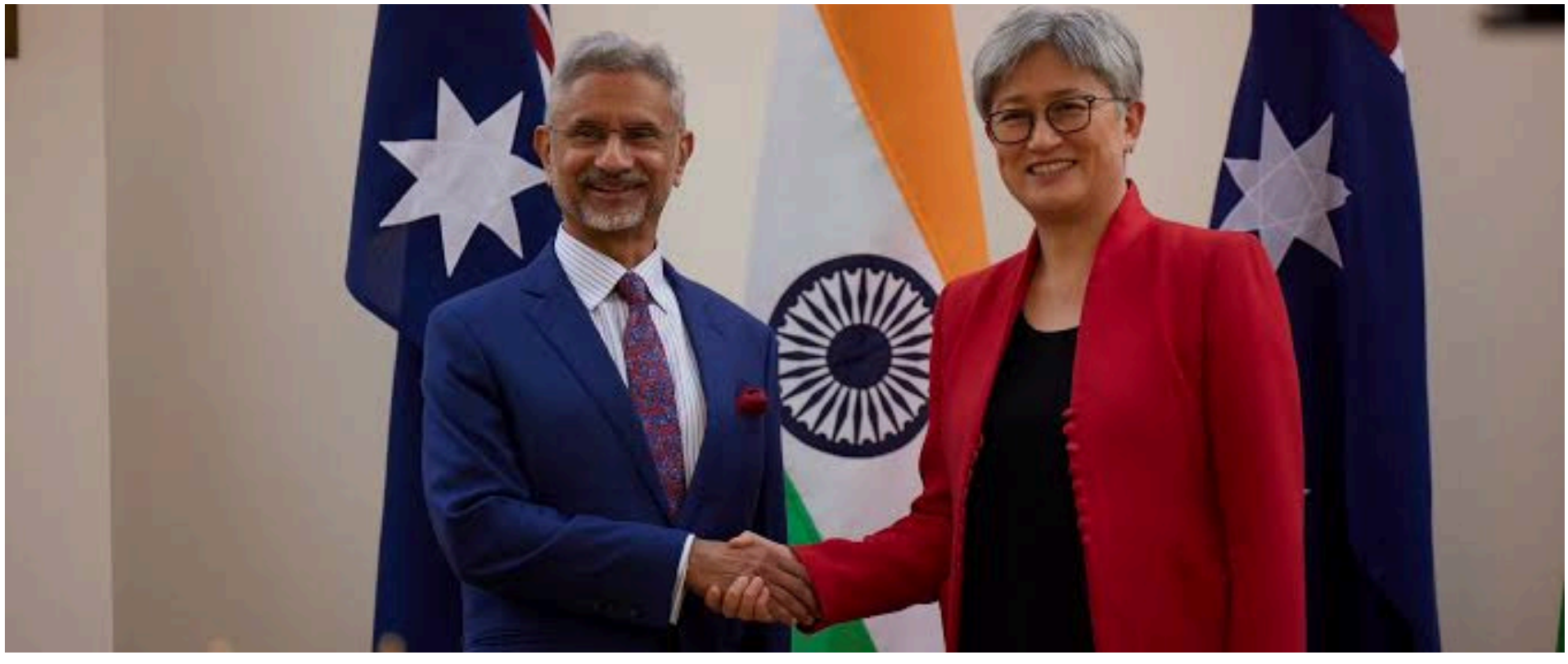
TRADE AGREEMENT

India and Australia signed the Australia–India Economic Cooperation and Trade Agreement (ECTA) in April 2022, marking an important milestone in bilateral economic relations. The agreement entered into force on 29 December 2022 and provides a framework for expanding trade in goods and services, improving market access and strengthening economic cooperation between the two countries.

ECTA provides Australian exporters with improved access to the Indian market through the elimination or reduction of tariffs on a wide range of Australian goods. The agreement was designed to create new opportunities for Australian businesses while giving Indian exporters greater access to the Australian market. It covers areas including trade in goods, trade in services, rules of origin, investment and economic cooperation.

The agreement has strengthened opportunities for trade and investment across sectors such as agriculture, resources, manufacturing, pharmaceuticals, textiles, education and services. ECTA has also contributed to greater trade diversification and closer business-to-business engagement between India and Australia. The agreement serves as an important foundation for further expansion of bilateral economic relations.

ECTA is also regarded as a stepping stone towards a full Comprehensive Economic Cooperation Agreement (CECA) between India and Australia. The two countries continue to work towards deeper economic integration and expanded market access. Through ECTA and ongoing negotiations, India and Australia aim to strengthen trade, investment, supply-chain cooperation and long-term economic partnerships.



MILITARY RELATIONS

Defence and security cooperation has emerged as a key pillar of the India–Australia Comprehensive Strategic Partnership. The two countries have progressively expanded military engagement through regular exercises, defence dialogues, staff exchanges and cooperation across maritime, land and air domains. The Mutual Logistics Support Arrangement, signed in 2020, provides a framework for greater military interoperability and reciprocal access to logistics support, while also facilitating more complex defence engagement and humanitarian assistance operations.

India and Australia conduct several bilateral and multilateral military exercises. AUSINDEX is the principal bilateral naval exercise and focuses on improving interoperability and sharing operational practices between the Indian Navy and Royal Australian Navy. Other important exercises include AUSTRAHIND between the armies, Pitch Black involving air forces, and Kakadu involving maritime forces. The increasing frequency and complexity of these exercises have strengthened operational coordination and mutual understanding between the two defence forces.

Maritime security is an especially important area of military cooperation because of the two countries' shared interests in the Indo-Pacific and Indian Ocean regions. India and Australia cooperate in maritime domain awareness, information sharing, anti-submarine warfare and naval deployments. Australia has participated in Exercise Malabar alongside India, Japan and the United States, including hosting the exercise for the first time in 2023. These activities contribute to greater interoperability and support the shared objective of a free, open, peaceful and secure Indo-Pacific.

Defence cooperation has also expanded through institutional mechanisms and high-level military dialogue.

Defence industrial and technological cooperation is becoming an increasingly important component of the relationship. India and Australia are exploring collaboration in defence research, emerging technologies, defence industry and materiel, while promoting greater interaction between their defence industries. Australia's first defence trade mission to India and the Australia–India Defence Industry Roundtable in 2025 provided additional opportunities for industrial engagement. The two countries are also exploring cooperation in areas such as sensor technologies and other advanced defence technologies.

In July 2026, India and Australia further elevated their defence and security partnership through a Joint Declaration on Defence and Security Cooperation and a Joint Maritime Security Collaboration Roadmap. The two sides agreed to increase strategic coordination, strengthen interoperability and increase the complexity of defence exercises. They also welcomed cooperation between Australia's Maritime Border Command and the Indian Coast Guard and announced a partnership covering cyber, critical technologies and supply chains. These developments demonstrate the growing depth of India–Australia military cooperation and its importance to regional peace, stability and security in the Indo-Pacific.

TREATIES

India and Australia have developed a broad framework of treaties and agreements covering economic, security, nuclear energy, defence and legal cooperation. These agreements provide an institutional foundation for the expanding bilateral partnership and support cooperation in both traditional and emerging areas. The Comprehensive Strategic Partnership, established in 2020, provides the broader framework for deepening bilateral engagement.

A major economic agreement is the Australia–India Economic Cooperation and Trade Agreement (ECTA), which entered into force on 29 December 2022. It establishes a free trade area and covers trade in goods and services, rules of origin, customs procedures, technical barriers, investment-related matters and movement of natural persons. ECTA aims to liberalise trade and investment and strengthen economic cooperation between the two countries.

India and Australia also have an important Civil Nuclear Cooperation Agreement, which provides the framework for peaceful nuclear cooperation and Australian uranium exports to India. Under Australia's safeguards policy, Australian uranium supplied to India can be used only in India's civil nuclear facilities subject to IAEA safeguards. This agreement has strengthened cooperation in civilian nuclear energy and energy security.

In the defence and security field, India and Australia have concluded arrangements that facilitate closer military cooperation and interoperability. The Mutual Logistics Support Arrangement, signed in 2020, provides a framework for reciprocal access to logistics support and strengthens practical defence engagement. The two countries have also developed agreements and institutional mechanisms covering maritime security, defence cooperation and information sharing. These arrangements support their growing strategic partnership in the Indo-Pacific.

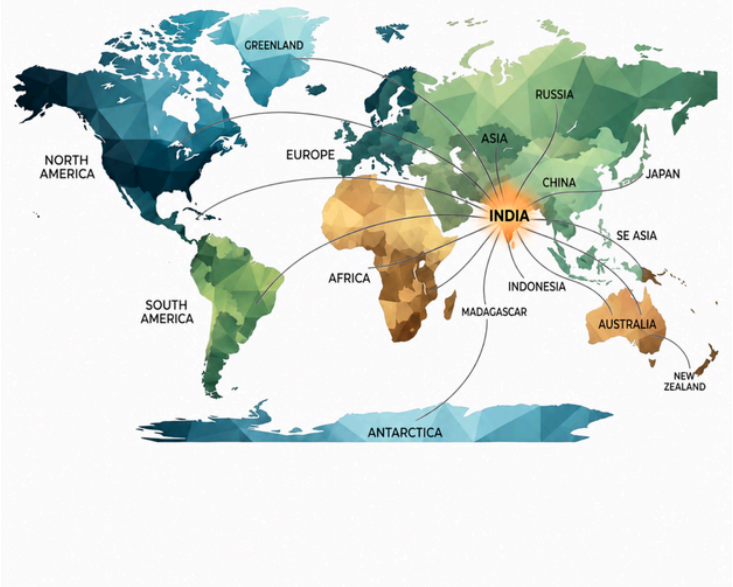
Legal cooperation is another important component of the bilateral framework. India and Australia have an Extradition Treaty in force since 2008, providing a legal mechanism for cooperation in the extradition of persons wanted for prosecution or to serve sentences. Alongside the economic, nuclear, defence and legal arrangements, the two countries continue to negotiate and develop further agreements, including the proposed Comprehensive Economic Cooperation Agreement (CECA), which is intended to build on the outcomes of ECTA and deepen bilateral economic relations.

India and Australia have also strengthened cooperation through agreements in science and technology, education, critical minerals, cyber security and critical technologies. These arrangements support research collaboration, innovation, skills development and secure supply chains. Cooperation on critical minerals has gained particular importance as both countries seek to strengthen resilient and diversified supply chains for minerals essential to clean energy and advanced technologies.

The two countries have continued to develop new frameworks for cooperation in maritime security, cyber security, defence technology, energy and emerging technologies. Recent initiatives reflect the growing strategic importance of the bilateral relationship and the shared objective of promoting a secure, resilient and prosperous Indo-Pacific. Together, these treaties, agreements and institutional mechanisms provide a strong foundation for expanding India–Australia cooperation across economic, strategic, technological and security domains.



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