

Australia scores improved citrus, carrot access to Indonesia with signed FTA

Australia's National Farmers' Federation (NFF) has welcomed the recently signed free trade agreement with Indonesia, which will give improved market access for a range of agricultural products including carrots and citrus.

It said "wide-ranging wins" for farmers were at the heart of the much much-anticipated Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA), signed in Indonesia on March 4.

"Today represents real tangible benefits to the hip pocket of many Australian farmers," said National Farmers' Federation CEO Tony Mahar said. "IA-CEPA will deliver improved market access for live cattle, feed grains, beef, sheepmeat, dairy, sugar, fruit, carrots, potatoes and honey."

The tariff relief represents an extra AUD\$5-10 million to Australia's fresh vegetable exports per annum, Mahar said.

Carrots, Australia's largest vegetable export, are at the forefront of the agreement with tariffs to be cut to 10% (down from 25%) for 5000 metric tons (MT) per year, increasing to 10,000MT after 10 years, and tariffs eliminated after 15 years.

There will also be improved access for key Australian citrus exports.

For mandarins, the tariff will be cut immediately to 10% (from 25%) for 7,500MT per year and reduced over time down to 0% after 20 years for an unlimited volume.

For oranges, there will be duty-free access for 10,000MT, increasing 5% each year, while for lemons and limes here will be duty-free access for 5,000MT, increasing 2.5% each year

Tariffs on potatoes will be cut immediately to 10% (from 25%) for 10,000MT per year, and after five years tariff further reduced to 5% for 12,500MT per year.