



## Media Release

4 March 2019

### Indonesian trade agreement a win for Victorian farmers

The Victorian Farmers Federation (VFF) today celebrates the signing of the long-awaited Indonesia-Australia Comprehensive Economic Partnership Agreement in Jakarta.

“This is a significant win for Victorian farmers and it will deliver real results for farmers across a wide range of commodities, include livestock, grains, dairy, and horticulture,” said Mr David Jochinke, VFF President.

“Indonesia is already one of our greatest trading partners. In 2017, food and fibre exports to Indonesia were worth \$3.5 billion for Australia’s economy.

“This trade agreement will serve to strengthen our trade relationship and maintain or even grow Australia’s market share in Indonesia. I hope the Australian Parliament moves quickly to ratify this agreement.

“Thank you to Minister for Trade Simon Birmingham, former Minister for Trade Steven Ciobo and the many departmental staff that worked on this agreement for over eight years,” said Mr Jochinke.

The Indonesian-Australia Comprehensive Economic Partnership Agreement (IA-CEPA) was signed today in Jakarta by Minister for Trade, Tourism and Investment Simon Birmingham. National Farmers’ Federation CEO Tony Mahar accompanied the Minister for the signing of this historic agreement.

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#### Media Contacts:

David Jochinke, Victorian Farmers Federation President, 0427 834 524

Heather Smillie, Stakeholder, Media & Communications Officer, 0400 874 589

#### About the VFF

The Victorian Farmers Federation (VFF) is dedicated to representing the interests of farmers and making a positive difference to their businesses and communities. We strive to create an environment for our members, our farmers, that enables profitable, safe, sustainable production to ensure an enduring social licence in a community that respects and values the sector.

## **Agriculture wins in the Indonesia-Australia Comprehensive Economic Partnership Agreement**

*(Analysis performed by National Farmers Federation)*

- **Carrots:** Tariff cut immediately to 10% (from 25%) for 5,000 tonnes per year; tariff further reduced over time, down to 0% after 15 years for an unlimited volume.
- **Citrus:** Improved access for key Australian citrus exports:
- **Mandarins:** Tariff cut immediately to 10% (from 25%) for 7,500 tonnes per year; tariff further reduced over time, down to 0% after 20 years for an unlimited volume.
- **Oranges:** Duty free access for 10,000 tonnes of oranges per year, increasing 5% each year
- **Lemons and limes:** Duty free access for 5,000 tonnes of lemons and limes per year, increasing 2.5% each year.
- **Dairy:** Immediate elimination of 5% tariff for Milk and cream, concentrated or containing added sugar or other sweetening matter. Immediate elimination of 5% tariff for Grated or powdered cheese, of all kinds.
- **Frozen beef and sheepmeat:** Remaining tariffs on all Australian exports of frozen beef and sheepmeat into Indonesia reduced to 2.5% immediately, and eliminated after 5 years.
- **Feed grains:** Guaranteed duty free access for 500,000 tonnes of feed grains per year (wheat, barley, sorghum), increasing at 5% per year. This builds on current exports of Australian wheat to Indonesia, one of our most important wheat markets.
- **Honey:** Elimination of 5% tariff on Australian honey after 15 years.
- **Live cattle:** Duty free access for 575,000 head of live male cattle per year, growing at 4% per year to 700,000. A review mechanism in year 6 will consider subsequent increases.
- **Sugar:** Confirmation of the early outcome in 2017, reducing the tariff on Australian sugar to 5% (from 8-12%).
- **Potatoes:** Tariff cut immediately to 10% (from 25%) for 10,000 tonnes per year; after five years tariff further reduced to 5% for 12,500 tonnes per year, increasing by 2.5% per year.