

CHATTO CREEK

TRADE REPORT

A COMPLIMENTARY NEWSLETTER ON TRADE ISSUES IN ASIA PACIFIC

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INDIA LOSES US CONCESSION: The US has dealt a blow to India by announcing its intention to remove access to a tariff preference program within 60 days. India sought to play down the likely impact. The US review of India's program access followed complaints by US business including dairy and medical goods.

RUBBER EXPORTS FACE CUT: Major natural rubber producing economies Indonesia, Malaysia and Thailand plan to cut exports in a bid to secure higher prices. They met in Bangkok during the week and confirmed they would cut exports by 240,000 tonnes over four months beginning April.

THAILAND TO SEEK TPP-11 MEMBERSHIP WITHIN WEEKS: Thai officials were said this week to be working toward applying for CPTPP (TPP-11) membership before Thailand's March 24 election. Kyodo News reported Trade director-general Supthaweethum as saying application documents were being prepared.

AUSTRALIA & INDONESIA SIGN FTA: Trade Ministers Birmingham and Lukita have this week signed a new comprehensive economic partnership agreement. The agreement, strongly supported by key industry sectors in Australia, is seen as a major strategic advance in the relationship between the two neighbours.

WINNERS FROM NEW FTA: Australian farmers will benefit from the Australia-Indonesia FTA with significantly better access for cattle, beef, sheep meat, grain, sugar, dairy, citrus and vegetables. The services sector will also gain new access and be able to hold majority stakes in companies in many sectors.

NO TARIFFS FOR INDONESIAN GOODS: Exporters will see the elimination of all remaining tariffs on Indonesian goods under the Australia-Indonesia FTA. A liberal origin requirement will also apply for Indonesian electric vehicles. A skills package allowing for more holiday and work visas is also included.

LABOR TO BACK AUSTRALIA-INDONESIA FTA: A Labor Government can be expected to back the Australia-Indonesia FTA. A carefully-worded statement by Leader Shorten and senior Shadow Ministers described the signing as a "positive step forward." It was the result of years of hard work on both sides of politics.

NEW BOSS FOR WORLD'S BIGGEST DAIRY EXPORTER: New Zealand's Fonterra has announced Miles Hurrell as its chief executive. Hurrell, who has promised a full review of the business's strategy, has been interim chief executive of the mega dairy co-operative since the departure of Theo Spierings in August.

RCEP TALKS CONTINUE: Negotiators for the RCEP FTA have been told by ministers to keep working. A 7th Ministerial meeting called on them to address sensitivities while working toward meaningful outcomes. A 26th negotiating round is to be held in Australia mid-year and an 8th Ministerial meeting in Beijing in August.

AUSTRALIA SEEKS TO SMOOTH ACCEPTANCE OF NEW LEVY: Agriculture Minister Littleproud has announced a new steering committee to help "an informed delivery" of a new biosecurity levy. The levy, which has sparked an angry reaction from business groups, of \$10 a container is due to begin in July.

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