

CHATTO CREEK

TRADE REPORT

A COMPLIMENTARY NEWSLETTER ON TRADE ISSUES IN ASIA PACIFIC

No.94

6 May, 2019

US WANTS QUICK FARM DEAL: US Agriculture Secretary Perdue indicated this the week the US could settle for a quick farm-focussed trade deal with Japan. An agreement would assist US farmers overcome the disadvantage they faced from economies with trade deals. Such a deal could also later be broadened.

SOUTH AUSTRALIAN RESTRICTIONS LIFTED: A horticulture area in South Australia has been declared pest-free following the eradication of Queensland fruit fly. The Agriculture Department said the Loxton pest-free area had been reinstated. It was now working with trading partners to allow normal trade to resume.

APEC SAYS KEEP TALKING: APEC Director, Rebecca Sta Maria, has called on nations to keep talking despite trade challenges. "As long as economies are engaged and talking about solutions, that augers well for the global trading system. It's when they stop talking, that's when you need to start worrying," she said.

MALAYSIA STARTS SINGAPORE STEEL INQUIRY: Malaysia has launched an anti-dumping inquiry into rebar steel, used to reinforce concrete, imported from Singapore. A similar inquiry has also been launched against rebar steel from Turkey. The inquiries followed a complaint filed by the Malaysia Steel Association.

US SUBSIDY DUTIES FOR CHINA & INDIA: The US this week flagged huge subsidy duties against polyester yarn from China and India. The US Commerce Department said Chinese producers had received subsidies of up to 460% and Indian producers up to 20%. A final decision is expected in September.

CANADA TARGETS NEW ASIAN CANOLA MARKETS: Canada continues to look for new canola markets following its access difficulties to China. Trade Minister Carr will be leading a canola trade mission to Japan and Korea in June. The Canadian Government has also announced higher loan limits for canola farmers.

US CLAIMS PRODUCTIVE TALKS IN BEIJING: US Treasury Secretary Mnuchin has described this week's high-level trade talks in Beijing as "productive." USTR Lighthizer and Mnuchin will continue their talks with Vice Premier Liu in Washington DC in the coming week. A Trump-Xi Summit is possible within weeks.

CHINA & SINGAPORE SEEK TO SPEED RCEP TALKS: An agenda item for Premier Li and Prime Minister Lee when they met in Beijing this week was RCEP. Li said China was willing to work with Singapore to speed-up negotiations of the ASEAN + 6 FTA. A 26th negotiating round will be held in Melbourne mid-year.

SOUTH KOREA SEEKS TO JOIN ALLIANCE: South Korea is seeking early talks to become an associate member of the Pacific Alliance, according to The Korea Times. The Pacific Alliance, currently in FTA negotiations with Australia, Canada, NZ and Singapore, is a grouping of Mexico, Colombia, Chile and Peru.

TAIWAN TO CUT TARIFFS: Taiwan's Cabinet this week approved amendments to its customs import tariff. In addition to implementing tariff cuts between Taiwan and Paraguay, Premier Su said in a statement the changes were also seeking to make tariffs more reasonable as Taiwan sought membership of the CPTPP.

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