

13 August 2014

Committee Secretary
Joint Standing Committee on Treaties
PO Box 6021
Parliament House
Canberra, ACT, 2600.

Economic Partnership Agreement between Australia and Japan

The Australian almond industry supports the Japan-Australia Economic Partnership Agreement.

The Almond Board of Australia (ABA) is a membership based organisation representing the interests of Australian almond growers, processors and marketers. Our membership covers 98% of production and sales. As the Australian almond industry's peak body, the ABA facilitates further growth of the industry, seeks to maximise its profitability and ensure its sustainability, by developing and implementing the industry's strategic plan. The ABA is the platform for industry members to collectively respond to industry-wide issues, invest in market development and research, share knowledge and interact with government and other stakeholders.

The Australian almond industry currently produces 74,000 tonnes of almonds annually with a farm gate value of \$500 million dollars. Export sales in the 2013/14 financial year were valued at \$468 million dollars, making almonds Australian horticulture's most valuable export industry by far. The four major export marketers are represented on the ABA Board of Directors and all exporters are active members of the ABA's Market Development Committee.

The Australian almond industry is the world's second largest producer accounting for 7% of global production. Australian production is still growing rapidly but remains well behind the US industry that has the productive capacity to produce one million tonnes or over 80% of world production.

The Japanese market is a health conscious market that consumes more than US\$200 million per annum with sales volume increasing rapidly. To date this market has been mainly serviced by the US almond industry but it remains a market of interest for the Australian almond industry that continues to expand towards 90,000 tonnes as orchards mature. The removal of the tariff on Australian almonds will deliver a competitive advantage over the Californian product and will enable the Australian industry to invest more in meeting the stringent Japanese quality specification.

Japan is 36th on the list of 47 export destinations for sales of Australian almonds with total sales in the 2013/14 marketing year of \$257,679.

With the volume of the Australian almond crop set to increase by a further 20% in the next few years to 90,000 tonnes, the industry is aiming to improve exports to Asian markets and the Almond Board of Australia of Australia is investing funds raised from the industry's \$20 per tonne voluntary marketing levy for market development in this region.

The Almond Board of Australia fully supports the ratification and finalisation of the Japan-Australia Economic Partnership Agreement.

Yours sincerely

Ross Skinner
Chief Executive Officer