

## Data request on exports to Indonesia and the Philippines.

Presented below is the key data as it applies to the contentious tariff rates on vegetables to Indonesia and on vegetable lines to the Philippines where significant tariffs will still be in place in 2020 and beyond.

A key plank of the strategic development plan for the vegetable industry (VegVision 2020) is to grow export markets. Australian vegetable growers face major cost disadvantages compared to other countries in Asia. Continuing tariff barriers make it difficult to expand our export markets and places Australian growers at a competitive disadvantage.

Amongst ASEAN nations Malaysia and Singapore have traditionally been more important markets than the other ASEAN nations. Exports to Indonesia and the Philippines have been much smaller.

### Indonesia

Exports of fresh, frozen and processed vegetables for consumption totalled \$4,695,000 in calendar year 2008. In addition there were exports of non edible vegetable products, mainly seeds, totalling \$1,668,000. Frozen and processed vegetable exports to Indonesia are small. Frozen vegetable exports in total were \$334,000 and processed \$185,000. The major exports of fresh vegetables to Indonesia are presented in the table below.

Vegetable	Value (\$A)
Lettuce	1,212,000
Carrots	557,000
Potatoes	371,000
Cabbages	319,000
Onions	265,000
Tomatoes	215,000
Broccoli	126,000

The following is the value of Australian exports in calendar years of the three lines where negotiated tariff rates exceed most favoured nation rates. Tariffs on potatoes, carrots and shallots remain at 25% until 2024 before falling to 18.5% in 2025 for potatoes and 12.5% for carrots and shallots. These are above the existing MFN rates of 20% in 2009 and 10% in 2010. Australian export data shows no exports of shallots into Indonesia.

Vegetable (\$A rounded to nearest \$1000)	2003	2004	2005	2006	2007	2008
Potatoes	501,000	821,000	1,372,000	1,203,000	389,000	371,000
Carrots	472,000	418,000	817,000	869,000	897,000	557,000
Shallots	1,000	0	0	0	0	0

Looking at Indonesian customs data for imports there has been growth in imports of potatoes into Indonesia and in recent years an explosion in imports of carrots. Potato imports have come mainly from Canada and the increase in carrot imports from China. Australia's share of trade in potatoes and carrots into Indonesia has declined in recent years as shown in the table below.

<b>Vegetable</b> (Australian % Share)	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Potatoes	42.5	37.5	87.1	60.9	19.4	28.4
Carrots	32.2	23.2	27.7	23.2	10.6	6.3

### **The Philippines**

Trade with the Philippines has declined significantly since the earlier part of this century due largely to the loss of the frozen vegetable export trade. Fresh, frozen and processed vegetables totalled less than A\$1m in calendar year 2008 at \$869,000. The major fresh vegetable exports were potatoes worth \$324,000 and lettuce worth \$123,000. There were some exports of inedible vegetables, namely seeds, totalling \$627,000.

The table below provides details on calendar year Australian vegetable exports to the Philippines where the tariff rate will still be exceptionally high in 2020 and beyond. The in quota and out of quota tariff on potatoes will remain at 40% until 2019 and still be 32% in 2020. Tariffs on carrots remain at 40% until 2019 reducing to 32% in 2020. Tariffs on lettuce, broccoli and cauliflower remain at 25% to 2019 and are still at 20% in 2020. Tariffs on celery remain at 20% until 2019 reducing to 16% in 2020. These tariff imposts remain extraordinarily high relative to competitor nations.

<b>Vegetable</b> (A\$ rounded to nearest \$1000)	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Potatoes	834,000	1,334,000	1,126,000	1,020,000	826,000	324,000
Lettuce	515,000	373,000	308,000	199,000	161,000	123,000
Broccoli	395,000	412,000	337,000	188,000	182,000	87,000
Cauliflower	87,000	65,000	54,000	52,000	63,000	9,000
Celery	50,000	60,000	61,000	53,000	70,000	12,000
Carrots	25,000	32,000	38,000	9,000	0	0