

# **THE AUSTRALIA-CHILE FREE TRADE AGREEMENT**

**Submission to the Joint Standing Committee on Treaties  
of the Parliament of Australia**

**On behalf of the Australian Horticulture Industry  
by Horticulture Australia Limited**

**Submission dated 25 September 2008**

## **1. Note on the Parties Supporting this Document**

The views on the Australia-Chile Free Trade Agreement (FTA) contained in this submission are those of the industry members of the Horticulture Market Access Committee (HMAC) which is a committee of Horticulture Australia Ltd (HAL). They are also supported by the horticulture industries which have addressed the issues during the course of the negotiations on the Australia-Chile FTA and which face potential future impacts as a result of the FTA's conclusion. These industries are table grapes, apple and pears, summerfruit, cherries, strawberries, blueberries, avocados, prunes, dried grapes together also with citrus, kiwifruit, rubus and ribes. A number of these horticultural industries have individually contributed to this submission.

## **2. Announcement of Finalisation of the Australia-Chile FTA Negotiations**

The Minister for Trade announced agreement between Australia and Chile on a Free Trade Agreement (FTA) on 27 May 2008. The Agreement was signed on 30 July 2008, and is expected to enter into force on 1 January 2009 following ratification in each country. Its full text was made public by the Department of Foreign Affairs and Trade (DFAT) during June 2008.

## **3. Some Background to the Australia-Chile FTA**

On 8 December 2006 it was announced that Australia and Chile had agreed in principle to commence a FTA negotiation process, with a view to developing a comprehensive agreement to strengthen and deepen the bilateral trade relationship. While FTA negotiations are usually preceded by a systematic discussion process between government and industry, in this case the process only took place after the announcement had been made. Once the decision was subsequently formally taken to commence, negotiations moved quickly, with four negotiating rounds held between August 2007 and April 2008, culminating in the announcement of 27 May 2008.

After the announcement of agreement in principle to proceed with negotiations and in response to DFAT's general call for submissions, the Horticulture Industry through HMAC made a submission to DFAT dated 9 February 2007 and entitled 'Position of Horticulture regarding an Australia-Chile Free Trade Agreement'. This

submission was subsequently further supplemented by a range of additional material provided to the government departments. Presentation of horticulture's position was aided during this period by access to various ministers, advisors, the negotiators and government departmental staff. The essence of horticulture's position then and now is repeated in this submission.

Note that horticulture trade is defined in this submission as covering HS Categories 06 (primary nursery), 07 (primary vegetables excepting leguminous vegetables), 08 (primary fruit and nuts) and 20 (further processed horticultural produce).

#### **4. Significance of Chile to International Horticulture**

Chile and Australia are global competitors in horticultural products, based on similar agricultural endowments and generally common seasons of production. Chile is a major producer and global trader of horticultural commodities such as table grapes, apples, avocados, kiwifruit, stonefruit, pears, berries and cherries. Chile's global horticultural exports in 2007 were valued at US\$3.2 billion, while those of Australia were valued at US\$ 800 million. Chilean horticulture has a labour cost base which is substantially below that of Australia. Labour comprises approximately 70% of the total domestic cost of production for the Australian horticulture industries mentioned in this submission. It is therefore anticipated that potentially Chilean produce will be able to enter Australia at below the Australian cost of production for the horticulture commodities here identified. This reality needs to be borne in mind as a background to any engagement with Chile in respect of horticulture.

#### **5. A Non-Trade Generating FTA for Australian Horticulture**

Industry's comments within this submission are consistent with the industry's stated approach to Trade Policy and in particular 'Horticulture's Policy Position on FTAs', a copy of which is provided in Attachment 3. The Horticulture Industry supports two-way trade generating FTAs. However horticulture trade potential under this FTA is only one way - from Chile to Australia. Australia's imports of horticultural produce from Chile were valued at A\$17 million in 2007, up by 108% over the previous 4 years, while Australia's horticultural exports to Chile were minimal at just over A\$300,000. It is not evident that there are any Australian horticultural export prospects of significance with Chile. For this reason the Australian horticultural industry strongly supports Australian FTAs with countries such as China, Japan, Korea, ASEAN, the GCC, Indonesia and India but does not support a FTA with Chile. All these markets are of considerably greater current and potential trade significance than Chile to Australia's horticulture industry.

#### **6. Risk to Industry Viability from Chilean Access to Australia**

The historical picture of Chilean horticultural exports to Australia is characterised by a small but appreciable range of horticultural products, mainly of dried, frozen or further processed nature. This reflects the historical situation where phytosanitary access for Chilean fresh horticultural products into Australia has not existed or been minimal.

However it is understood that there are a number of requests from Chile for phytosanitary access into Australia, covering apples, avocados, blackberry, blueberry, kiwifruit, raspberry, red and black currant, stone fruit, strawberry and sweet corn seed. Chile is a major global exporter of most of these lines.

**It is the firm expectation of the Australian Horticulture Industry that signing of the Australia-Chile FTA will bring considerable pressure for Australia and Chile to negotiate and subsequently grant phytosanitary access for Chilean fresh horticultural produce into Australia. This view is supported by direct advice provided by the Chilean horticultural industry and traders.**

The following are examples of the expected impacts on Australian horticultural industries. These provide a context for why FTAs with two way trade are strongly supported and why any FTA with only one way trade, such as with Chile, is not supported.

- While quarantine access has been achieved recently in the case of Chilean **table grapes**, it is expected that the impact on the Australian market could be significant in future. The table grape industry (1,200 grower production base with a GVP of A\$300 million) understands that the current access protocol for Chilean table grapes is uncommercial and that this is currently constraining imports from Chile. However, were the table grape protocol to be re-negotiated, to achieve commercial viability for access of the Chilean produce, Chilean table grapes could over time significantly reduce the domestic market share for Australian growers by up to 40% and also reduce domestic prices through an oversupply situation. The Chileans would directly compete on the Australian domestic market as their harvest is exactly the same as Australia's.
- Additional future quarantine access for fresh Chilean horticultural produce is likely to have the same result of significant impact on our domestic markets. The following examples are ball park but they provide a best estimate and consistent picture:
  - **The apple and pear industry**, with 1 400 grower base and a GVP of approximately A\$450 million, considers that if Chile were granted quarantine access to the Australian market, there would be a significant negative impact on price returns to Australian growers. This impact could result in the loss of up to 40% of the domestic market as Chilean production occurs in the same season as Australia. Chile is a substantial global producer, heavily geared to export markets with the key advantages of cheap labour and water.
  - **The summerfruit industry**, with 1,500 grower base with a GVP of A\$300 million, and an industry which currently is also effected by loss of access to Taiwan, considers that, were Australia to grant quarantine access for Chilean summerfruit into Australia, a significant share of the domestic market, perhaps 40% or more, could be lost to the Chileans particularly for plums and nectarines;
  - **The strawberry industry**, with a 650 grower base and a GVP of A\$200 million, notes that Chilean strawberries have a season identical to the local industry and with the cost of production much

less. 90% of Australian strawberry fruit is consumed domestically and the industry has faced reducing export revenues in recent years. Chilean strawberry imports would seriously undermine any efforts of the Australian industry to improve grower profitability with the potential to create a domestic oversupply position.

- **The avocado industry**, with a 1100 grower base with a GVP of A\$120 million, considers that, were Australia to grant quarantine access for Chilean avocados into Australia, a significant share of the domestic market, perhaps 25% or more, could be lost to the Chileans. Chilean avocados have a much lower cost of production than Australia and at times of the year have large spikes in production that have trouble moving into the US and Europe and could find a market in Australia.
- **The cherry industry**, with a grower base of approximately 3,000 and a GVP of \$50 million, expresses opposition to a FTA with Chile should it result in Chilean pressure for quarantine access which, if it were to eventuate, would seriously impact their domestic market share and price structure.
- **The blueberry industry**, with a 150+ grower production base with a GVP of A\$40 million, considers that, were Australia to grant quarantine access for Chilean blueberries into Australia, a significant share of the domestic market, perhaps 40% or more, could be lost to the Chileans. Chilean blueberries have a much lower cost of production than Australia and their season clashes with the Australian peak season. There is also clear evidence that Chilean production will materially increase in the next 4 to 5 years, with a corresponding requirement to move product beyond their traditional markets. Access for Chilean blueberries into Australia would result in materially lower market returns significantly impacting on the profitability of Australian growers.
- **The kiwifruit industry**, a smaller horticultural industry with a GVP estimated at around A\$10 million, observes that Chile is a major low cost producer of kiwifruit and, if quarantine access were granted, would be able to land CIF below Australia's domestic production cost. The Australian season is identical to the Chilean and would compete directly with domestic production. Chilean kiwifruit imports would have the potential to seriously undermine the economics of domestic production and the domestic pricing structure which is supported by NZ imports, and the current efforts of the industry to grow.
- **The rubus industry**, covering raspberries and bramble berries, with a GVP of approximately A\$10 million and supplied by approximately 120 growers, advises that currently no fresh rubus fruit is imported into Australia because of the potential entry of exotic pests and diseases of rubus. Should the quarantine status change, Chilean fresh rubus imports could significantly impact the local industry. Chilean growers have a much lower cost of production and the season is identical to the production season in the largest growing regions. Chilean rubus imports would take market share, perhaps

as much as 40%, and affect the profitability of what is currently a viable but competitive industry of family businesses.

- **The ribes industry**, covering red and black currants, is a very small, niche producer of fresh berries. Ribes have a very short cropping season that is identical to the Chilean season. Imports of fresh Chilean currants would result in a glut and the subsequent low prices have the potential to decimate the Australian industry. Ribes complements rubus production for many berry producers.

The conclusion of the above is that any such future access developments, in the form of new or revised phytosanitary access conditions, would potentially seriously impact on these Australian horticulture industries. In addition there would not be any offsetting trade opportunities for horticultural exports from Australia to Chile.

## **7. Foreseeable Use of Chile FTA to Promote Phytosanitary Access**

Chapter 6 of the Australia-Chile FTA text covers Sanitary and Phytosanitary Measures. This chapter is written in general terms, with both parties affirming their rights and obligations under the SPS Agreement. It provides for consultations on any matter arising from the Chapter. It provides that Each Party's Contact Point shall:

- a) Coordinate requests for technical assistance and capacity building programs on SPS matters;
- b) Review progress on addressing SPS matters that may arise between the parties;
- c) Communicate SPS priorities between the parties;
- d) Facilitate the consideration of requests for information and clarification of issues with the other Party;
- e) Facilitate communication between relevant experts when the consideration of scientific or technical issues requires such contact;
- f) Promote and facilitate cooperation on SPS issues between the Parties;
- g) Perform any other activities that facilitate transparency in the implementation of SPS measures, and
- h) Ensure that all relevant government agencies participate in the above activities as appropriate and arrange meetings between relevant experts of each Party on these activities when required.

**The potentially impacted Australia horticulture industries do not support this Chapter of the FTA being used by Chile to argue that Australia has an obligation to advance Chile's horticulture phytosanitary access requests.**

## **8. Implications for Horticulture of Phytosanitary Access for Chilean Produce**

This report indicates potentially serious impacts on Australian horticultural industries from phytosanitary access for Chilean horticultural produce which are expected to be encouraged by the existence of an Australia-Chile FTA. The Australian horticultural industry, as described in terms of the industries mentioned in this submission, views these potential developments with concern and urges the Australian government agencies to commit further resources and

efforts to the achievement of additional and much needed phytosanitary access for Australian produce into currently closed export markets as a counterweight to such future developments as are foreseen by the industry in this submission.

## **9. Observations on Tariff Outcomes Under the Chile FTA**

Under the FTA, Chilean horticultural tariffs which are currently all at 6% will be reduced to zero for Australian produce on entry into force of the Agreement. Unfortunately due to the limited horticultural exports prospects from Australia to Chile, any benefits of this tariff reduction will not be realisable.

All Australian horticultural tariffs, where they currently exist at 5% or 4%, will reduce to zero on entry into force of the Agreement. The exceptions are the 5% tariffs on fresh and dried grapes (HS codes 08061000 and 08062000 respectively) which reduce to zero in year 6. Imports of Chilean dried grapes into Australia in 2007 were valued at A\$1.1 million. There were no imports of fresh grapes from Chile in 2007 (see previously). The Australian prune industry requested that their tariff (HS code 08132000) be retained but, as the Australian tariff will be immediately reduced to zero, this request was unsuccessful. Imports of Chilean prunes into Australia in 2007 were valued at A\$250,000, down from a peak of A\$1.9 million in 2005.

## **10. Some General Observations on the FTA**

As far as horticulture is aware, rigorous analysis of the national (net) benefits to Australia from an Australia-Chile FTA does not appear to have been conducted. It is noted that:

- Chile is not a major trading partner for Australia. For example in 2007 Australia's exports of goods to Chile totaled A\$200 million, making Chile the 45<sup>th</sup> goods export market in size for Australia. Australia's goods imports from Chile in the same year were valued at A\$341 million, making Chile the 42<sup>nd</sup> import source in size for Australia.
- With two way goods trade valued at A\$541 million, and total two way trade worth A\$856 million in 2007, presumably non-goods trade is worth the difference which is A\$315 million.
- The major Australian export to Chile in 2007 was coal at A\$94 million. The comment has been heard that the removal of the 6% Chilean tariff on this item will be significant, equating to \$5.6 million.
- The major Australian goods imports from Chile in 2007 were unrefined copper and copper anodes for electrolytic refining at A\$96 million and chemical wood pulp at A\$57 million. Other significant imports were copper waste and scrap at A\$43 million and ferroalloys at A\$21 million. These items already enter Australia under a zero tariff.
- Australia's service exports to Chile are valued at A\$120 million in 2007.
- Chile is also described as an investment base for over 70 Australian or Australian affiliated companies, mainly mining technology and services, gas distribution and power generation. Australia is described as the fourth largest foreign investor in Chile, with around \$3 billion of direct investment.

However the Australian Horticulture Industry views that in the absence of a rigorous analysis the precise relationship of the FTA to the above economic descriptors and to the Australia-Chile relationship in terms of net national benefits is unclear.

In addition, the Australian Horticulture Industry is also unconvinced that there are broader benefits that might flow from this FTA- both in terms of further involvement with wider Latin America or as a model for other APEC economies as they work towards deeper economic integration.

## **11. Note on the Horticultural Market Access Committee**

HMAC is a committee administered by Horticulture Australia Ltd and is the major coordinating body of the Australian horticulture industry for market access issues. Its responsibilities cover the consideration, prioritisation, promotion and communication of those market access issues which are significant to the horticulture industry and the development of strategies for key identified industry priorities. The Committee undertakes these responsibilities in consultation with industry associations and their members, government agencies, the research community and others who are instrumental in promoting and achieving market access outcomes. It seeks, through collaborative activities with these stakeholders in the market access process, to maximise trade access for Australian horticultural producers into new and existing markets under commercially viable conditions. The committee includes experienced persons and representatives from industry. The views within this submission are those only of the industry members of the committee.

## **12. Enquiries**

Enquiries regarding this paper and contact on the issues raised may be addressed to:

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Attachments:

1. Chile as a Trader in Horticultural Products
2. Chile as a Competitor in Horticultural Products
3. Horticulture Trade Policy Statement

## Chile as a Trader in Horticultural Products

### 1. Global trade

The following table compares Chile and Australia as global traders in horticultural products in 2007.

**Table 1: Global Horticultural Trade of Australia and Chile (2007, US\$M)**

	HS06	HS07	HS08	HS20	Total
Exports					
Chile	33	102	2,585	464	3,184
Australia	15	120	486	216	837
Imports					
Chile	6	18	69	83	176
Australia	31	194	416	523	1,164

Source: World Trade Atlas

Note: HS Categories 06 (primary nursery), 07 (primary vegetables but excluding leguminous vegetables), 08 (primary fruit and nuts) and 20 (further processed horticultural produce)

Table 1 indicates that Chile is a much more substantial exporter of horticultural products than is Australia, exporting products worth US\$3.2 billion in 2007 or around 3.8 times the export value of Australia's horticultural exports in that year.

Chilean exports of horticultural products at US\$3.2 billion in 2007 are dominated by exports of table grapes to the USA (US\$428 million) and to the EU (US\$154 million); of apples to the EU (US\$115 million), to the USA (US\$70 million), to Venezuela (US\$45 million), to Taiwan (US\$37 million) and to Columbia (US\$37 million); of avocados to the USA (US\$93 million) and to the EU (US\$39 million); of stonefruit to the USA (US\$115 million); of kiwifruit to the EU (US\$72 million) and of fresh berries to the USA (US\$84 million).

Chilean imports of horticultural products at US\$176 million in 2007 are below those of Australia, even allowing for the relatively smaller population of Chile (16 million). Chile's horticultural imports are dominated by imports of bananas from Ecuador (US\$38 million), followed by frozen orange juice from Brazil (US\$9 million), prepared frozen potatoes from Argentina (US\$8 million) and almonds from the USA (US\$8 million).

### 2. Bilateral Trade

Chile is not an important trading partner for Australian horticulture. In fact Australian horticultural exports to Chile have been zero or close to zero for many years. As shown in Table 2, at its peak Australia has exported only A\$324K of horticultural products to Chile in 2007, of which the largest item is 'bulbs/tubers' at A\$187K.



**Table 2: Australian Horticultural Exports to Chile (2003 to 2007 AS\$K)**

	2003	2004	2005	2006	2007
Exports	8	134	28	14	324

Source: World Trade Atlas

Some of the factors influencing this export performance are:

- Poor communication links, particularly in respect of sea freight, between Australia and Chile discourage Australian exporters.
- Suppliers from north and south America dominate Chile's imports. Chile is a member of several trade agreements covering the Americas.

Australia does however import horticultural imports from Chile, valued at A\$16.9 million in 2007, making Chile Australia's 16<sup>th</sup> import source for horticultural products in that year. The detail of these imports is described in the following Table 3.

**Table 3: Australian Horticultural Imports from Chile (2003 to 2007 AS\$K)**

		2003	2004	2005	2006	2007
Imports		8,177	13,946	12,726	10,900	16,984
Principle imports:						
Berries*, frozen	081120	3,485	5,413	4,316	4,458	4,892
Fruits nesoi, frozen	081190	136	422	782	571	3,029
Tomato paste	200290	31	2	0	0	2,112
Olives p/p inedible	071120	409	1,807	1,472	231	1,663
Grapes, dried	080620	1,041	1,321	921	1,411	1,101
Grape juice, nesoi	200969	557	1,218	275	661	953
Single juice, nesoi	200980	541	865	1,309	684	777
Others		1,977	2,898	3,651	2,884	2,457

Source: World Trade Atlas

Note: \* blackberries & raspberries

As described by Table 3, principal horticultural imports from Chile over recent years have been primary or further processed rather than fresh products. This situation would change in future years following any approvals for fresh produce phytosanitary access. Chile is a major global producer and exporter of fresh fruit, as the following Appendix 2 describes.

## Attachment 2

### Chile as a Competitor in Horticultural Products

The following Table 4 shows principal Chilean horticultural global exports in 2007 in greater detail and in comparison with Australian exports of the same commodities. In summary Chile is a much greater exporter of these commodities than is Australia. The table does not fully show the extent of third country market export competition. However the following lines of export competition are worth noting. The Chile FTA will not affect positions in third markets. This information is however provided to indicate the size and strengths of the Chilean horticulture industry.

**Table 4: Comparison of Major Chilean Horticultural Exports with Australian Exports for the Same Commodity (2007 US\$M)**

Commodity	HS Code	Global Exports Chile (US\$M)	Major Chilean Markets (US\$M)	Global Exports Australia (US\$M)	Major Australian Markets (US\$M)
Table Grapes	080610	774	USA 428 Netherlands 58 UK 54	75	Hong Kong 21 Indonesia 12 Singapore 8
Apples	080810	489	USA 70 Venezuela 45 Taiwan 37	6	UK 2 Indonesia 1 India 1
Avocados	080440	137	USA 93 Netherlands 16 Spain 10	3	Singapore 0.9 Thailand 0.5 UAE 0.3
Kiwifruit	081050	132	Italy 23 USA 15 Netherlands 15	0.8	Belgium 0.2 NZ 0.1 N. Caledonia 0.1
Jams, fruit jellies	200799	112	Russia 26 Venezuela 20 Mexico 15	8	NZ 2 Russia 0.6 Singapore 0.5
Berries, fresh *1	081040	109	USA 84 UK 13 Netherlands 9	6	Japan 4 UK 1 Hong Kong 1
Berries, frozen *2	081120	106	USA 37 France 13 Netherlands 11	0.3	HK 0.1 Netherlands 0.1
Prunes, dried	081320	93	Mexico 16 Germany 15 Russia 12	0.5	NZ 0.3 Canada 0.1
Cherries	080920	91	USA 38 Taiwan 12 Hong Kong 8	11	HK 2 Taiwan 2 Thailand 1
Plums	080940	88	USA 30 Netherlands 10 UK 7	9	HK 3 UK 2 Singapore 1
Grapes, dried	080620	87	USA 17 Mexico 11 UK 7	11	Germany 4 UK 3 NZ 1
Peaches/ Nectarines.	080930	81	USA 46 Mexico 7 Netherlands 5	11	HK 5 Singapore 1 Taiwan 1
Pears	080820	75	USA 12 Netherlands 12 Venezuela 10	4	NZ 1 Canada 1

Tomato paste	200290	70	Mexico 10 Venezuela 10 Costa Rica 8	2	NZ 1
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Source: World Trade Atlas

Note: \*1 Cranberries, blueberries \*2 Raspberries, blackberries





## HORTICULTURE TRADE POLICY

### A. Significance of International Trade to Horticulture

Australian horticultural exports, covering primary and processed horticultural goods, generate some \$1 billion per annum. The maintenance and expansion of export trade is essential for the Horticulture industry's future. However global trade remains far from open, and is constrained and distorted by a range of barriers. In this environment, horticultural industries seek further access to export markets through a free and fair world trading system.

The Horticulture industry pursues a trade access and development policy which:

- ◆ Supports a position that world trade reform - through both multilateral negotiations such as the Doha Round and bilateral negotiations such as Free Trade Agreements (FTAs) - be pursued in such a way as to produce trade-generating outcomes.
- ◆ Supports a smooth functioning of the quarantine access process in place under the WTO's Sanitary and Phytosanitary (SPS) Agreement, and the reform of sanitary and phytosanitary barriers which are based on poor science or non-scientific policy considerations.
- ◆ Supports the commitment of adequate resources to the achievement of the above by the government agencies involved, and in full consultation and coordination with the Horticulture industry.
- ◆ Supports the effective pursuit of all channels to achieve improved trade outcomes. Ultimately, improved trade liberalisation and the movement to freer trade is a package over time, involving the Doha Round, FTAs, and other channels (such as SPS access as governed by WTO arrangements).

This paper provides the headline points of Horticulture's Trade Policy as it covers each of the Doha Round and Free Trade Agreements (FTAs).

### B. Policy Position for Horticulture on the Doha Round

#### B1. Significance of the Doha Round

(This section is removed here for reasons of space and relevance)

## C. Policy Position for Horticulture on FTAs

### C1. Significance of FTAs

The Horticulture industry supports world trade reform through multi- and bilateral negotiations based on the standards set by the GATT and more recently the WTO. Free trade agreements (FTAs) are a primary means of bilateral trade liberalisation. FTAs recently concluded and currently under negotiation cover the major global markets for Australian horticulture.

FTAs focus on those areas which can be negotiated bilaterally rather than multilaterally. As they target free trade, they will invariably achieve superior outcomes than multilateral negotiations such as the Doha Round. However they are limited to the trade and related arrangements negotiable between the parties. Therefore they do not address the full range of inequalities in global trade, particularly those which can only be handled at the multilateral level such as under the Doha Round.

Ultimately improved trade liberalisation and the movement to freer trade is a package over time involving multilateral negotiations such as the Doha Round, FTAs, and other channels such as phytosanitary access as governed by WTO arrangements.

### C2. Position on FTAs

The Horticulture industry's position is that negotiation of FTAs by government agencies should:

- ◆ Consult with the Horticulture industry at all stages of the negotiations.
- ◆ Generate and expand trade in horticultural commodities.
- ◆ Cover all horticultural commodities.
- ◆ Target the least trade restrictive outcomes for horticulture, for example:
  - 1) Result in zero tariffs, either at the time the FTA comes into effect or at as early a date as possible;
  - 2) Achieve tariff outcomes at least as favourable as we offer;
  - 3) Achieve tariff outcomes at least as favourable as those achieved by competitors into our markets;
  - 4) Eliminate 'behind the borders' barriers to trade;
  - 5) Eliminate other trade distorting programs and activities.
- ◆ Support and accelerate, but not negotiate, the science-based sanitary and phytosanitary (SPS) system, to facilitate scientifically and commercially sound SPS protocols.
- ◆ Recognise the importance of horticulture to Australia's agricultural economy by not utilising horticultural products as 'bargaining chips'.
- ◆ Recognise any special circumstances of anticipated free trade outcomes to the Horticulture industry.

## **D. Industry Structure and Process for Trade Negotiations**

The industry body with primary responsibility for working with the government agencies in the negotiation of FTAs is the Horticultural Market Access Committee (HMAC).

### **D1. Horticulture Market Access Committee (HMAC)**

HMAC seeks to:

- ◆ Liaise with Horticultural industries through their associations on their requirements for trade outcomes and on progress in trade negotiations;
- ◆ Develop negotiating positions and supporting material in advance of the appropriate negotiation rounds;
- ◆ Develop both primary and fall back positions;
- ◆ Receive industry mandates to make decisions on the ground where necessary.

### **D2. Industry contact on Trade Issues**

Primary contact point for the Doha Round is the Horticultural Market Access Coordinator, Stephen Winter on tel: 03.98320787 or [market.access@horticulture.com.au](mailto:market.access@horticulture.com.au)