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Indonesia boost for Australian exporters

Indonesia-Australia Comprehensive Economic Partnership Agreement will mean reduced tariffs and greater opportunities

Australian farmers will have tariffs reduced and be able to export more agricultural products including citrus to Indonesia, after the coalition government signed the Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA).

It gives producers and exporters the opportunity to grow their A$3.5bn share of the Indonesian market - indeed, Indonesia is Australi's fourth-largest agricultural export destination.

Minister for Agriculture and Water Resources David Littleproud said the coalition government continued to deliver farmers better access to more markets.

"This agreement improve access for industries which trade most to Indonesia, including our livestock, beef and sheepmeat, grains, sugar, dairy, citrus and horticulture," he said.

"Oranges and limes will get increased duty-free access while dairy, mandarins, potatoes and carrots will get reduced tariffs," he confirmed.

The conclusion of substantive negotiation of IA-CEPA was signed in Indonesia by Australian prime minister Scott Morrison.

Key agricultural outcomes of the IA-CEPA include immediate tariff cuts on mandarins from 25 per cent to 10 per cent for 7,500 tonnes per year, down to 0 per cent after 20 years for an unlimited volume, and duty free access for 10,000 tonnes of oranges per year, increasing 5 per cent each year, as well as duty free access for 5,000 tonnes of lemons and limes per year, increasing 2.5 per cent each year.

The agreement also means immediate tariff cuts for potatoes from 25 per cent to 10 per cent for 10,000 tonnes per year; after five years tariff further reduced to 5 per cent for 12,500 tonnes per year, increasing by 2.5 per cent per year, and immediate tariff cuts for carrots from 25 per cent to 10 per cent (from 25 per cent) for 5,000 tonnes per year; down to 0 per cent after 15 years for an unlimited volume.