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## **Australian seafood has a bright future in China!**

Australia's seafood industry is definitely one of the winners from the China Australia Free Trade Agreement signed today. The agreement means that tariffs on Rock Lobsters and Abalone, Australia's highest value seafood exports, will be phased to zero in four steps. Other seafood sectors will benefit through more immediate tariff reductions to zero.

"This FTA will help us to be more competitive in the world's largest seafood market. Currently the rock lobster and abalone industries contribute \$1.2 billion in GDP and through this FTA we are confident that the value of our export market in China will grow significantly" said Nathan Maxwell McGinn, Rock Lobster and Abalone exporter and Chair of the Seafood Trade Advisory Group (STAG).

"Benefits will be felt immediately as the agreement provides a much needed boost to confidence in the industry in terms of investment. Importantly those benefits will accrue to Australia's regional and coastal communities where these industries provide an estimated 8500 jobs" he added.

Jayne Gallagher, General Manager Trade and Market Development with the Australian Seafood Cooperative Research Centre, highlighted the seafood industry as one of Australia's secret success stories

"The industry has been working quietly and consistently spearheading Australia's reputation in China as a source of premium, high quality food," said Ms Gallagher.

"With the successful conclusion of the China FTA, the industry will increase its market development efforts and focus on building preference for Australian seafood products - we will be able to compete on a more level playing field. The winners from the FTA include the consumers in China who will be able to purchase Australia's premium quality seafood at a more affordable price" said Ms Gallagher.

Wayne Haggard, STAG Deputy Chair commended the Australian government for concluding the negotiations with China to achieve this outcome for seafood.

"Many people have been working for a long time to achieve improved trading arrangements with China. It is fantastic to see it come to fruition" he said.

Ross Hodge, Executive Officer with Australian Southern Rock Lobster Ltd stated that recent Seafood CRC research had rated China as the number one market to target for future trade. The research also investigated opportunities in second and third tier cities in China and found that as the supply chain infrastructure improves and consumer incomes increase so does the potential for developing significant markets in those cities.



“The China FTA will enable exporters of Australian Southern Rock Lobster to leverage from these research findings and work collaboratively to substantially expand our market presence in China,” Mr Hodge said.”

Dean Lisson, Abalone quota owner and diver and Executive Chair of the Abalone Council Australia said that the China FTA will make a real difference.

“The Australian Wild Abalone program is designed to differentiate and create preference for our product against some stiff competition. While we have had success with our efforts, the conclusion of the China FTA will provide the platform for us to maintain the momentum and secure the future of our industry as exporters of premium seafood. It is that important to us!” said Mr Lisson.

The members of the Seafood Trade Advisory Group looks forward to working in partnership with the government to realizing the economic potential through these improved trading arrangements with China.

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*The Seafood Trade Advisory Group (STAG) was formed to investigate and address complex trade and market access issues facing the Australian seafood industry and to support intergovernmental negotiations concerning the export of our premium seafood products.*

*The STAG has been examining the potential economic benefits to Australia from more liberalised trade of Australian seafood. As the seafood industry is largely regionally based, positive outcomes and achieving greater market access gained through the China FTA as well as the Japan EPA and the Korean Free Trade Agreement signed earlier this year will mean the benefits will flow to regional Australia including opportunities for economic growth.*