

CHATTO CREEK

TRADE REPORT

A COMPLIMENTARY NEWSLETTER ON TRADE ISSUES IN ASIA PACIFIC

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WTO PANEL FOR AUSTRALIAN SUGAR COMPLAINT: The WTO is to establish three dispute panels to consider complaints by Australia, Brazil and Guatemala that India's sugar subsidies breach global trade rules. India drew further criticism when it declined to agree to one panel considering all three complaints.

AUSTRALIAN BEEF TRIGGERS TARIFF HIKE: China this week enacted higher tariffs on a range of Australian beef categories. This followed imports exceeding an annual tariff preference quota of 170,000 tonnes under the China-Australia FTA. Australian beef imports will pay an MFN tariff of 12% for the rest of 2019.

MALAYSIAN MINISTER VISITS AUSTRALIA: Trade Minister Leiking led a trade mission to Australia this week. In Adelaide he co-chaired with Australian Trade Minister Birmingham an 18th Joint Trade Commission meeting between the economies where ways to update the bilateral FTA were discussed.

PM TALKS TRADE IN VIETNAM: Australian Prime Minister Morrison was in Hanoi this week for an official visit where he sought to broaden trade and investment opportunities between the two economies. Trade between Australia and Vietnam is growing rapidly and was worth \$14.5 billion in 2018.

US & MEXICO INITIAL TOMATO TRUCE: Mexican growers avoided a 25% dumping tariff this week on \$2 billion of annual tomato exports when the US Commerce Department initialled a draft agreement with Mexico to suspend a dumping investigation. The agreement involves a range of reference price hikes.

BANK PREDICTS BIG HIKE FOR BEEF: A Rabobank report suggests Australia's exports of grain-fed beef could increase by 65% to 500,000 tonnes by 2030. While a grass-based production system would continue to be the industry backbone, China would drive strong growth in the global demand for grain-fed beef.

KOREA SEEKS NEW MARKETS: Trade Minister Yoo has urged top government officials to actively seek out new free trade agreements this year to help diversify markets for Korea's exports amid growing external uncertainties including recent export curbs against Korea by Japan.

UK CONTINUES PURSUIT OF CPTPP: New Trade Secretary Truss is continuing the UK's pursuit of participation in the Trans-Pacific Partnership (CPTPP). She raised the issue with Japan's Economy Minister Seiko this week and plans to visit Tokyo before October 31 for further bilateral trade discussions.

AUSTRALIAN UNIVERSITIES FACE FOREIGN RISK: A Centre for Independent Studies report by adjunct scholar Salvatore Babones says Australian universities are taking massive financial risks by their heavy reliance on foreign student income, particularly from China. He called for action now to mitigate the risk.

NEW ZEALAND WARNS OF EMAIL SCAM: The Ministry of Primary Industries this week warned of a scam where phishing emails with the subject line "2019 MPI Exporters Policy Statement" were being distributed. The email did not come from the ministry. It should be deleted and no attachments opened

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