



20 April 2018

Committee Secretary
Joint Standing Committee on Treaties
PO Box 6021
Parliament House
Canberra ACT 2600

Via email: jsct@aph.gov.au

Peru-Australia Free Trade Agreement (PAFTA)

I am writing on behalf of the Australian red meat and livestock industry¹ in response to the Joint Standing Committee on Treaties inquiry into the Peru-Australia Free Trade Agreement (PAFTA) - as tabled in the Australian Parliament on 26 March 2018.

PAFTA will offer new red meat export opportunities for Australian beef, sheepmeat and goatmeat with all tariffs being eliminated within 5 years following entry into force (EIF) - a welcome improvement on the previously agreed Trans-Pacific Partnership outcome, which involved a 10 year phase out of tariffs on beef.

PAFTA will see the current tariffs of 11-17% on beef (dependent on tariff line) being eliminated either on EIF of the agreement or within five years; the 9% tariff on sheepmeat and goatmeat being eliminated on EIF; the tariffs applicable to live animal exports and edible offals bound at 0% and the elimination of tariffs for further processed meat products either on EIF or within 5 years.

To date there has been no red meat trade between Australia and Peru due to a lack of import protocols. However, with dialogue already underway between Australian and Peruvian government authorities to establish these protocols, coupled with the removal of the aforementioned tariffs, our industry will soon be in a position to respond to potential inquiries from the expanding Peruvian retail and foodservice sectors.

PAFTA also represents a useful step in securing closer economic relations with the Pacific Alliance group of countries that includes Chile, Columbia, Mexico and Peru.

Based on the PAFTA text and accompanying tariff elimination schedule, the Australian red meat and livestock industry recommends that the Joint Standing Committee on Treaties endorse PAFTA and that binding treaty action be taken without delay.

Yours sincerely


Andrew McCallum
Global Manager - Trade & Market Access
Meat & Livestock Australia
amccallum@mla.com.au

¹ Red Meat Advisory Council: Australian Livestock Exporters' Council; Australian Lot Feeders' Association; Australian Meat Industry Council; Cattle Council of Australia; Goat Industry Council of Australia; Sheep Producers Australia