

AUSTRALIAN SUGAR INDUSTRY ALLIANCE MEDIA RELEASE

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Tariff news from Jakarta gives Aussie sugar a boost

Australia is poised to benefit from an imminent tariff reduction on our sugar exports to Indonesia.

“We look forward to Indonesia being restored as a major export destination for our raw sugar,” said Paul Schembri, Chairman of the Australian Sugar Industry Alliance and chair of the joint industry group’s Trade Committee.

“A 3% tariff cut is a good outcome for Australian farmers and millers and for Indonesian refiners who want access to our high-quality product at a competitive price.”

Australia was put at a disadvantage in 2015 when Indonesia granted Thailand a 5% tariff on sugar while Australia’s stayed at an effective 8%.

“We went from supplying around a third of Indonesia’s sugar imports to almost nothing,” Mr Schembri said.

“The final steps are now being taken to level the playing field and reduce the tariff on Australian sugar to 5%.”

Trade Minister Steven Ciobo is in Jakarta today, securing the imminent implementation of an agreement reached between Prime Minister Malcolm Turnbull and the Indonesian President Joko Widodo in February.

“We thank the Prime Minister, Trade Minister and their officials and representatives for their hard work on our industry’s behalf,” Mr Schembri said.

“This provides the opportunity to increase our exports to Indonesia to more than 1.25 million tonnes from their present level of 350,000 tonnes - that’s worth AU\$500 million.

“Removing a barrier to trade with our nearest neighbour is a great outcome for the Australian sugar industry and our Indonesian customers.”

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CANEGROWERS and the Australian Sugar Milling Council are founding members of the Australian Sugar Industry Alliance.

