

10 November 2017

Sugar trade door opens as Peru deal is sealed

Sugarcane farmers' organisation CANEGROWERS is congratulating the Federal Government and Australia's negotiators on the successful outcome for the sugar industry in the Peru Australia Free Trade Agreement.

Chairman Paul Schembri said Peru has agreed to market access for Australian raw sugar under terms it had never granted to any other country.

"The inclusion of sugar in the deal with Peru sends a clear message that sensitive commodities, which have been excluded from some past Australian trade agreements, can and should be included," Mr Schembri said.

"80% of the raw sugar produced from our cane is exported so every market door that is opened is welcome as it increases the demand for Australian sugar."

The new access for Australian raw sugar to Peru is 30,000 tonnes per year from the first year of the agreement increasing to 60,000 tonnes in year six and 90,000 tonnes in year 18.

"While the initial amounts of raw sugar that Peru may purchase are small compared to our annual production of more than 4.5 million tonnes, the FTA will enable Australian exporters to establish and grow commercial relationships with refiners in Peru which has one of Latin America's fastest growing economies," said Mr Schembri, who is also the Chairman of the Trade Committee for the Australian Sugar Industry Alliance, which involves the milling and growing sectors.

Media comment:

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