



Australian Government
Department of Foreign Affairs and Trade

**TECHNICAL WORKSHOP:
INTERNATIONAL MERCHANDISE TRADE STATISTICS
(IMTS) –
GOODS TRADED UNDER PREFERENTIAL TRADE
AGREEMENTS**

27 February 2018

CONTEXT:

- DFAT is Australia's lead agency responsible for FTA/PTA negotiation and implementation
- Australia is an active supporter of international rules-based system and the World Trade Organisation
- Australia has sought to expand our export markets through PTAs

AUSTRALIA'S PTA NETWORK:

- Australia has ten in-force FTAs/PTAs, with 16 partner economies
 - NZ, ASEAN, US, Thailand, Chile, Malaysia, Singapore, China, Japan, Korea
- FTAs/PTAs agreed but not yet in-force
 - Peru, PACER Plus, TPP11
- FTAs under negotiation
 - RCEP, Indonesia, India, Pacific Alliance, Hong Kong, Gulf Cooperation Council

WHY IS PTA DATA IMPORTANT:

- Underpins preference utilisation analysis
- Provides accurate measure of tariff treatments for PTA-eligible trade
- Facilitates measuring change in PTA utilisation over time
- Helps inform PTA implementation and review
- PTA advocacy

WHY IS PTA DATA IMPORTANT: (CONTINUED)

- Joint Parliamentary inquiry into business experience in utilising FTAs (July 2015).
- IMTS PTA data provides robust information on PTA utilisation
 - vacuums may be filled by inferior data
- Reciprocity – data sharing facilitates two-way utilisation analysis

ABS IMPORT CLEARANCES DATA PARAMETERS

- Partner country
- HS 8-digit commodity identifier and descriptor
- Preference (PTA, GSP, Z)
- Nature of tariff (Government, Normal, Reduced)
- Treatment
- Statistical rate
- Value, duty, quantity

PTA UTILISATION ANALYSIS

- Analysis of FTA utilisation rests on import not export data
- FTA Utilisation Rate = Proportion of trade entering under an FTA preference, where an FTA preference exists
- ‘Margin of Preference’ concept
- We can calculate ‘headline’ FTA Utilisation Rates
- We can also calculate and analyse FTA Utilisation Rates for individual products/products groups
 - to target possible under-utilisation

'HEADLINE' FTA UTILISATION RATES CY2016

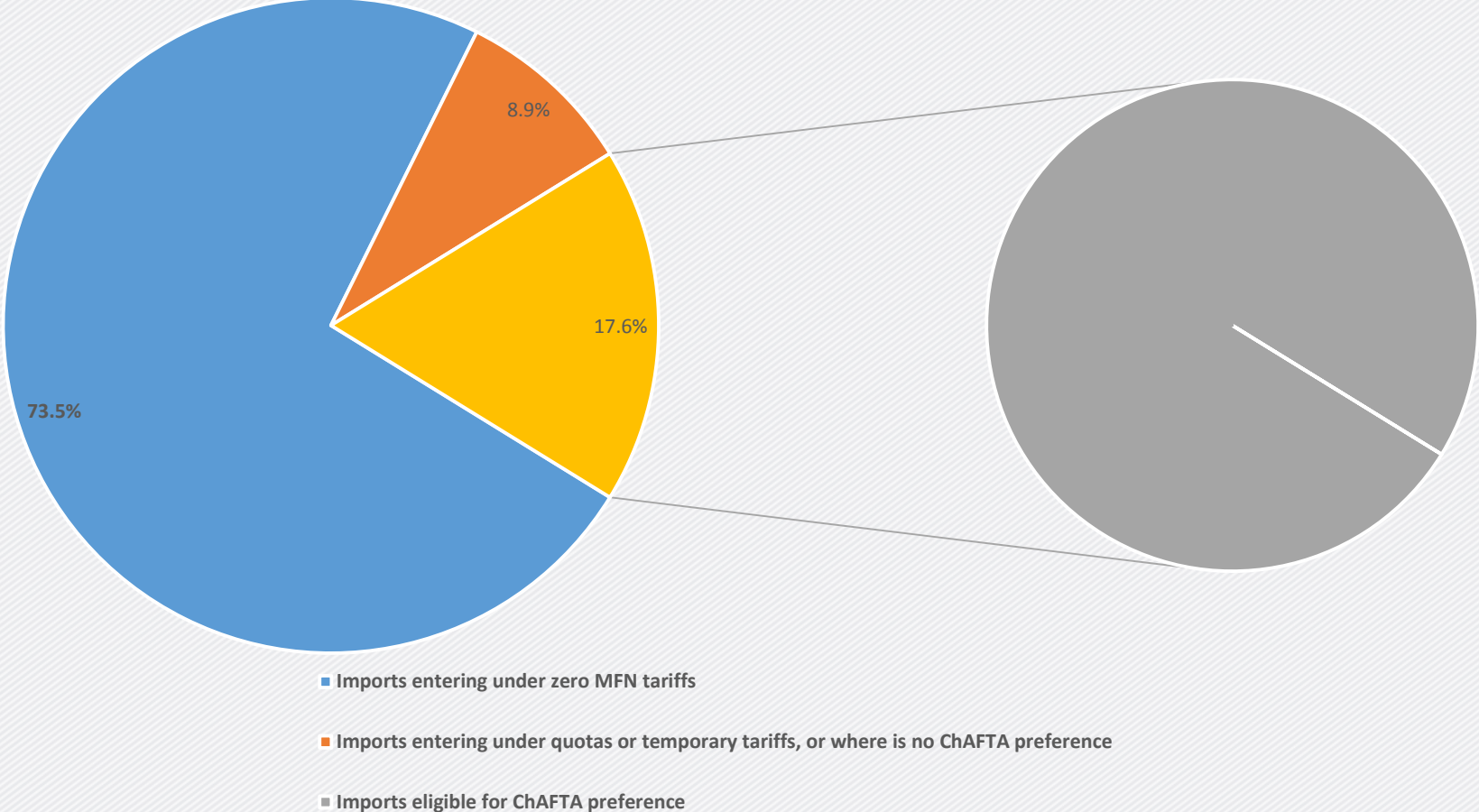
IMPORTS FROM AUSTRALIA

- China - 86%
- Japan – 94%
- Korea – 'over 80%'
- US – 94%

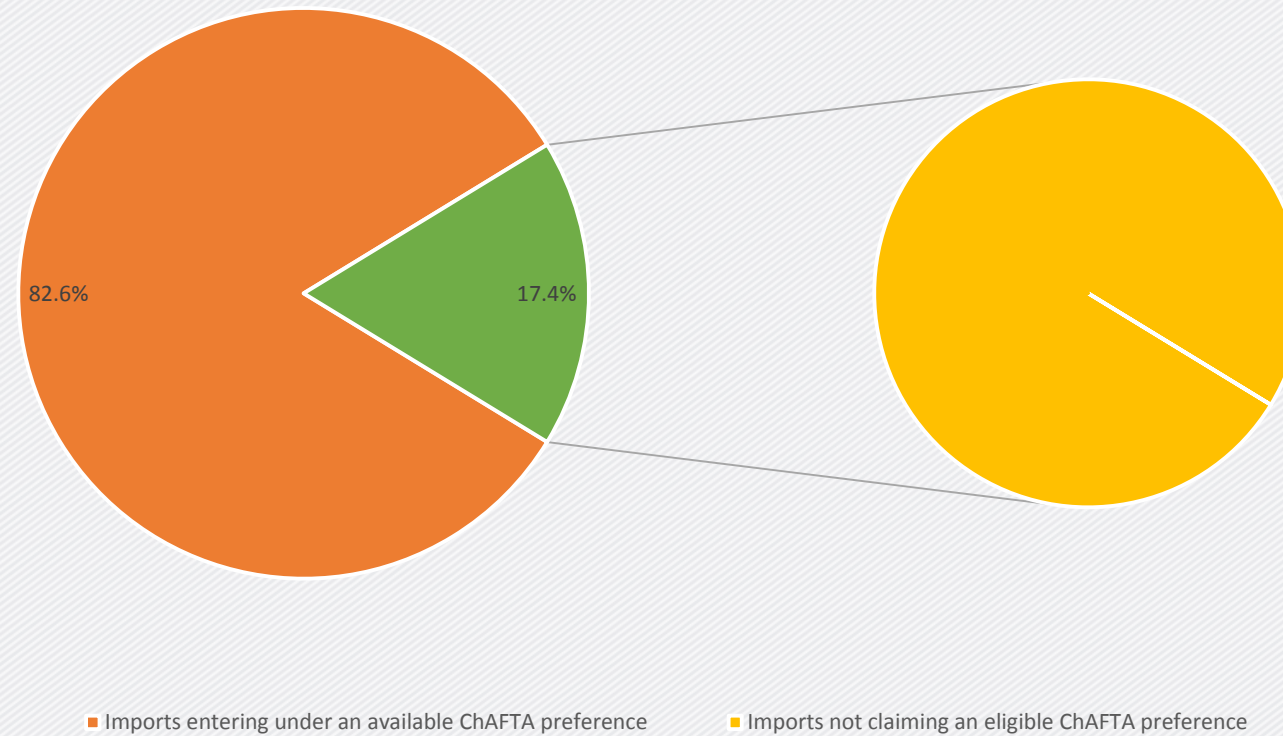
IMPORTS TO AUSTRALIA

- China - 86%
- Japan – 92%
- Korea – 94%
- US – 78%
- NZ – 98%
- Chile – 95%
- Malaysia – 89%
- Thailand – 94%
- SAFTA – 82%

China's imports from Australia - CY2016 (US\$60 billion)



ChAFTA Utilisation - China's imports from Australia CY2016



CY2016 DATA AT LEVEL 2 GROUPINGS - JAPAN

Product	Japan imports from Australia under tariff lines that were potentially eligible for JAEPA preference (¥ '000, Aus CY2016)	Japan imports from Australia that received JAEPA preference (¥ '000, Aus Cy 2016)	Utilisation Rate (%)
Beef (0201, 0202, 0206.1 - 0206.2, 0210.2)	156,653,628	156,500,112	99.9%
Cane or beet sugar and chemically pure sucrose, in solid form (1701)	30,705,025	28,930,710	94.2%
Barley (1003)	16,169,226	16,169,226	100.0%
Fish and fish meat (0302 - 0305)	13,222,966	12,577,254	95.1%
Fruit (0803 - 0814)	8,327,876	7,122,615	85.5%
Alumina (2818)	5,866,662	5,866,662	100.0%
Nickel (75)	4,917,743	3,226,059	65.6%
Ferro-alloys (7202)	4,625,628	4,622,114	99.9%
Wine (2204)	4,418,255	3,998,451	90.5%
Crustaceans (0306)	3,695,749	3,193,632	86.4%
Tree nuts (0801 - 0802)	3,418,574	2,896,746	84.7%
Vegetables	3,090,859	3,072,068	99.4%
Tubes, pipes and hoses, and fittings therefor, of plastics (3917)	3,058,775	3,031,134	99.1%
Sauces, condiments and mixed seasonings; mustard flour, meal and prepared mustard (2103)	2,212,454	2,205,390	99.7%
Wheat and meslin, milled (1101, 1103.11, 1103.20.20, 1104.29.10, 1108.11, 1109)	2,155,307	2,154,719	100.0%
Live bovine (0102)	1,970,051	1,970,051	100.0%
Titanium dioxide (3206.1)	1,612,543	1,612,543	100.0%
Albumins albuminates and other derivatives (3503)	1,603,364	1,194,996	74.5%
Coke and semi coke of coal (2704)	1,550,929	1,550,929	100.0%
Fruit juice (2009)	1,241,112	1,239,467	99.9%
Albumin (3502)	1,240,154	1,234,069	99.5%
Articles of natural or cultured pearls, precious or semi-precious stones (natural, synthetic or reconstructed) (7116)	1,207,413	0	0.0%
Oats, milled (1103.19.20, 1104.12, 1104.22)	1,147,922	1,147,922	100.0%
Soups and broths; homogenised composite food preparations (2104)	1,090,090	143,305	13.1%
Horticultural preparations (20)	1,034,591	983,905	95.1%
Molluscs (0307)	913,279	909,774	99.6%
Bombs, grenades, torpedoes, mines, missiles and similar munitions of war and parts thereof; cartridges and other ammunition and projectiles and parts thereof, including shot and cartridge wads (9306)	839,596	0	0.0%
Prepared meat and seafood (16)	735,650	710,335	96.6%
Cereal preparations (19)	659,458	374,869	56.8%
Polyacetals, other polyethers and epoxide resins, in primary forms; polycarbonates, alkylid resins, polyallyl esters and other polyesters, in primary forms (3907)	586,182	582,833	99.4%

AUSTRALIA'S EXPORTS TO CHINA IN 2017 COMPARED TO 2015 (BEFORE CHAFTA)

- **whole and skim milk powders** exports grew 113 per cent to \$222.6 million
 - as the tariff fell from 10 per cent to 6.7 per cent now
- **live, fresh and chilled abalone** exports more than tripled (up 377 per cent to \$61.5 million)
 - as the tariff fell from 14 per cent to 2.8 per cent
- **table grapes** (up eight-fold to \$148.2 million)
- **fresh oranges** (up 137 per cent to \$89.0 million)
- **fresh cheese** (up 71 per cent \$59.7 million)
- **fresh lobster** (up over 10 fold to \$200.8 million)
- **cosmetic skin care products** (up 162 per cent to \$50.4 million)

QUESTIONS?