

## **MEDIA RELEASE**

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## Australian Government to be congratulated for landmark United Kingdom Free Trade Agreement

The SunRice Group congratulates the Australian Government for securing a landmark market access outcome for Australian rice growers in the Free Trade Agreement (FTA) with the United Kingdom announced this evening.

The deal will include complete removal of all tariff and quota arrangements for short and medium grain rice varietals from the first day of the FTA coming into effect, with some tariff and quota arrangements remaining in place for long grain varietals.

The majority of Australian rice production is in high-quality short and medium grain varietals, although the industry also produces some premium long-grain Japonica varietals.

The market access outcome is in accordance with the Submission the SunRice Group made on behalf of the Australian rice industry<sup>1</sup>, seeking complete trade liberalisation for all Australian rice products given the lack of any agricultural rice production in the United Kingdom.

Access to the United Kingdom market is currently extremely restricted for Australian milled rice products because of tariff rate quota arrangements inherited from the European Union.

SunRice Chairman and Moulamein rice grower, Mr Laurie Arthur, said the deal was a significant outcome for Australian rice growers and the Riverina rice industry:

"We have been working closely with the Australian Government for the past 12 months as they sought to finalise this deal, and it is incredibly pleasing to see such a significant market access outcome for Australian value-added rice exports.

"While rice has unfortunately failed to benefit in any meaningful way from other recent Free Trade Agreements that Australia has negotiated, that is not the case with this deal.

"It is not an overstatement to say that this is the most significant market access outcome for Australian rice exports in any of the recent Free Trade Agreements that the Government has delivered.

"What this deal will deliver is another high-value market for our premium branded Australian rice products, which as we look to recover from the past two years of near-record low production provides cause for optimism for our growers.

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<sup>&</sup>lt;sup>1</sup> December 2020, SunRice Group, Submission to the proposed Australia-United Kingdom Free Trade Agreement, <a href="https://www.dfat.gov.au/sites/default/files/aukfta-submission-sunrice-group.pdf">https://www.dfat.gov.au/sites/default/files/aukfta-submission-sunrice-group.pdf</a>

"Currently, we are only able to export about 700 tonnes of Australian rice products to the United Kingdom before incredibly prohibitive tariffs kick in, which impacts on the commercial viability of increasing exports.

"However, the removal of these quota and tariff arrangements of short and medium grain varietals will drastically increase the attractiveness of the United Kingdom as an export destination for our Australian rice products.

"Our growers are the most water efficient rice producers in the world, with some of the highest yields and premium varietals that are valued by our consumers and customers in approximately 50 global markets.

"Our rice industry is a poster child of Australian agriculture – producing premium clean and green rice, and then processing that rice in SunRice's Riverina facilities into value-added high-value branded products which are then exported worldwide.

"This is a great result for the Australian rice industry and as there is no rice grown in the United Kingdom, it will have zero impact on any of our farming colleagues in the UK.

"The Australian Government is to be congratulated for delivering such a significant result for our rice growers and industry."

SunRice Group CEO, Mr Rob Gordon, said the immediate removal of tariffs and quotas for short and medium grain varietals would deliver benefits for the Australian rice industry:

"This deal will open up the United Kingdom market for potential increased exports of highquality branded Australian rice products, further diversifying the premium markets which are available globally.

"Given the similarities between the Australian and United Kingdom retail and food service markets, there is a significant opportunity for the SunRice Group to grow retail and food service sales with these more liberalised trade arrangements.

"I congratulate the Australian and United Kingdom Governments for delivering this deal largely in accordance with their goal of achieving trade liberalisation.

"The Australian Government, and in particular the Federal Minister for Trade, Tourism and Investment, Dan Tehan, are to be congratulated.

"Minister Tehan and the entire Australian negotiating team have done an outstanding job in not only securing such a significant market access outcome for rice, but also for getting the entire deal finalised so quickly. We appreciated the open and collaborative way in which they engaged with industry throughout the negotiations.

"We are hopeful that this deal can be ratified as quickly as possible, and look forward to continuing to work with the Australian Government to demonstrate that the remaining tariff and quota arrangements for long grain varietals should also be fully liberalised.

"We also look forward to continuing to work with Government in relation to other market access opportunities for Australian rice currently being progressed."

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