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## **Fresh milk deals into China highlight FTA opportunity: ADF**

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**For immediate release**

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Recent farmer-driven moves to export fresh milk to Asia highlight the scale of the opportunity presented by a potential Free Trade Agreement with China, Australian Dairy Farmers (ADF) said today.

ADF President, Noel Campbell, said the announcement by farmer-owned co-operative, Norco, Dairy Connect NSW, and international exporting company, PGS, of a fresh milk export trial to China as well as moves by Queensland dairy farmers to explore milk exports to Asia were positive steps for the industry.

“At a time when growth opportunities are constrained domestically, it will be key international markets like China that will ultimately offer a way forward for Australian dairy,” Mr Campbell said.

“The industry has the potential to grow and create additional jobs in the food manufacturing and processing sector, however before we can do this, we need more and better access into markets such as China.

“That’s why an Australia – China FTA that opens up markets and delivers significant commercial opportunities for dairy is such an important priority for our industry.”

Mr Campbell said the fresh milk export trial with China broke new ground for the industry by putting in place a quarantine clearance agreement that will bring down the delivery time for fresh milk into that market from between 14 to 21 days to within 7 days.

“This sets an important precedent for the industry, and if replicated on a larger scale would significantly increase the range and volume of Australian dairy exports into China,” he said.

Queensland dairy farmer and Norco supplier, Craig Sellars, said boosting export growth was critical to the industry’s future survival and growth.

“Reduced margins have squeezed farmers and hindered the industry’s ability to grow, and that’s why we’re increasingly looking to markets like China as an alternative destination for our product,” Mr Sellars said.

“As dairy farmers and as an industry we can again grow and prosper with the right access to the right markets.”

Mr Campbell said the dairy industry seeks an FTA with China the equal, if not superior, to the agreement New Zealand achieved with China in 2008.

“After achieving an FTA with China, New Zealand has seen a six-fold increase in the total volume (tonnes) dairy exports to that country, while Australia has experienced only modest export growth over the same period,” he said.

“For the sake of our farmers and the industry as a whole, the China FTA must be the dairy deal.”

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