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## Australia

### Trade Policy Monitoring

### New Import Risk Analysis Reports Released

### 2004

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**Report Highlights:**

Australia released three important Import Risk Analysis (IRAs) documents for pig meat, fresh apples from New Zealand and fresh bananas from the Philippines on February 19, 2004. The U.S. appears ready to gain access to Australia for certain treated pork products. Access for fresh apples from New Zealand has positive implications for future U.S. access.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Canberra [AS1]  
[AS]

## **New Import Risk Analysis Reports Released – Pork, Apples and Bananas**

Australia released three important Import Risk Analysis (IRAs) documents on February 19, 2004, including a final IRA report for pig meat, and draft IRA reports for fresh apples from New Zealand and fresh bananas from the Philippines. The final IRA for pig meat is expected to provide access to Australia for certain pork products from the United States. The draft apple and banana IRAs could potentially open the Australian market to imports from New Zealand and the Philippines, respectively. Access for New Zealand apples to Australia would be a favorable development for potential access for U.S. apples. Australia's quarantine restrictions on imports of pig meat, apples and bananas have been major trade irritants.

In releasing the IRAs, Australian Agriculture Minister Warren Truss announced that his department would commission economic assessments of any impact of new pork, apple and banana imports on Australian industries. Domestic representatives of these industries have complained that the potential for competition from imports, or increased competition from imports, of these products will have negative impacts on producers. The potential for introducing damaging pests and diseases has also been highlighted by domestic interests. In the case of pork, current access is restricted to certain treated product from Canada, Denmark and New Zealand. Imports of fresh apples and bananas are essentially banned from all sources.

### **Final Pig Meat IRA**

The final generic pig meat IRA report provides quarantine requirements for importation of pig meat from a number of potential suppliers, including Brazil, Canada, Chile, EU member states, Hungary, Korea, Mexico, New Zealand, South Africa, Taiwan, and the United States. The report describes procedures to identify and assess the quarantine risks associated with imports and presents recommendations in relation to quarantine measures.

The final IRA will be open to appeal for 30 days (until March 22). Appeals can be lodged on one or both of the following grounds: 1) there was a significant deviation from the process set out in the IRA Handbook that adversely affected the interests of a stakeholder, 2) a significant body of scientific information relevant to the outcome of the IRA was not considered. Appeals will be considered and reported within 45 days of the closing date for appeals. The full final IRA report – about 1,000 pages -- is available at [www.daff.gov.au/BiosecurityAustralia](http://www.daff.gov.au/BiosecurityAustralia).

The release of the final IRA caps off an IRA process that began in 1998. Following considerable delay, a detailed, draft IRA report was released by Biosecurity Australia on August 12, 2003. The draft IRA was subject to a public comment period for 60-days following its release. Some responses received during the comment period were incorporated into the final IRA report.

Under current policy, uncanned, uncooked pig meat may be imported from the South Island of New Zealand, Canada and Denmark. Pig meat from Canada and Denmark must be imported deboned and be cooked on arrival in Australia in order to address the quarantine risk associated with various disease agents, which reportedly do not occur in Australia. Pig meat cooked in Canada prior to export is also permitted. Pig meat may be imported from any country if the meat is canned and all portions of the contents have been heated to at least 100 degrees C.

Currently, Canada and Denmark are the major suppliers of imported pig meat, with a 60 percent and 35 percent share, respectively. The balance is imported from New Zealand and canned pig meat imports from various countries.

Access to the Australian pork market has been a concern of a number of countries. In March 2003, the EU announced they were calling for formal World Trade Organization (WTO) consultations with Australia on its quarantine system for imports of agricultural products, specifically noting delays in outstanding requests for access to the Australian market for fresh pork. A panel was subsequently formed to rule on the EU complaint.

The U.S. pork industry is also interested in gaining access to Australia for pork. The new quarantine requirements outlined in the final IRA would likely permit access to Australia for certain pork products from the United States. U.S. pork will likely have to be cooked or cured with the bones removed, or be imported bone-out and cooked or cured in Australia.

### **Draft Apple IRA**

A revised draft IRA report on the importation of apples from New Zealand, released on February 19, 2004, outlines a set of conditions for the importation of apples from New Zealand. The revised draft IRA recommends that importation be permitted subject to certain conditions. Comments on this revised draft IRA report will be accepted within 60 days of the publication of the report (from February 19, 2004.)

In the revised draft IRA, Australia proposes the following steps for fire blight: 1) New Zealand to provide assurance that apples are sourced from areas free of disease symptoms, 2) chlorine treatment of the fruit, and 3) cold storage treatment. The revised draft IRA also highlights other pests of quarantine concern, and proposed mitigating measures. The revised final IRA report can be viewed at: [www.daff.gov.au/BiosecurityAustralia](http://www.daff.gov.au/BiosecurityAustralia).

Australia released an initial draft IRA on the importation of New Zealand apples for public comment in October 2000. After evaluating stakeholder comments and on the recommendation of a Senate Committee, Biosecurity Australia established an IRA panel in October 2001 to progress the IRA.

Australia currently bans fresh apple imports, except for Fuji apples from Japan, because of diseases and insects that are of quarantine concern. Of principal concern for Australia is fire blight, a plant pathogen that is present in most apple producing countries, but reportedly not in Australia. Australia has banned apple imports from New Zealand since 1921, largely due to concerns associated with fire blight. In recent years, New Zealand made formal applications to Australia to allow apple imports, first in 1989 and again in 1995. Both applications were rejected by concerns about fire blight.

In January 1999, New Zealand again made a formal application to Australia to consider the importation of apples. In Australia's October 2000 draft IRA for New Zealand apples, a concern with fire blight was highlighted and a proposed series of conditions under which access could be granted was outlined. New Zealand argued that the conditions outlined weren't based on available scientific evidence that indicates fire blight cannot be transmitted via trade in mature, commercially produced apples free from trash.

In July 2003, a WTO dispute settlement panel ruled on a case brought by the United States on Japanese import restrictions on apples because of fire blight. In this case, the panel concluded that Japan's quarantine measures for fire blight were inconsistent with the WTO Agreement on Sanitary and Phytosanitary Measures and that on the information presented, there is not sufficient scientific evidence that apple fruit are likely to serve as a pathway for the entry, establishment or spread of fire blight within Japan. An appeal of the panel findings filed by Japan was unsuccessful.

The revised draft IRA for apple imports from New Zealand has potential ramifications for U.S. access to Australia for fresh apples. Based on the revised draft IRA, fire blight would likely be a major pest of concern for fresh apples from the United States. Presumably, once the New Zealand market access issue is finalized, U.S. apple access could be addressed through a policy change. Thus, another comprehensive IRA for U.S. apples would probably not be necessary.

### **Draft Banana IRA**

Australia released a revised draft IRA report on the importation of fresh bananas from the Philippines on February 19, 2004. Australia initially initiated an IRA on Philippine bananas in June 2000. In June 2002, Biosecurity Australia released a draft IRA report for stakeholder comment. Based on subsequent submissions and reports, a determination was made that changes were needed to the June 2002 IRA. The newly revised draft IRA can be viewed at: [www.daff.gov.au/BiosecurityAustralia](http://www.daff.gov.au/BiosecurityAustralia).

The Philippines has been seeking access to the Australian market for fresh fruit and vegetables. In July 2003, the Philippines requested the establishment of a WTO dispute settlement panel regarding certain measures restricting the importation of fresh fruit and vegetables, including fresh bananas from the Philippines. The request for a WTO panel followed a formal Philippine request for consultations with Australia in October 2002.

### **Recent GAINS Reports of Interest**

Report #AS4003, Livestock Annual Report, 02/19/04

Report #AS4001, Fresh Deciduous Fruit Annual, 12/29/03

Report #AS3025, Draft Quarantine Changes for Pork Imports, 08/15/03

Report #AS3011, EU Challenges Australia's Quarantine System, 04/24/2003