

**Voluntary Report** – Voluntary - Public Distribution

**Date:** April 17,2020

**Report Number:** AS2020-0012

**Report Name:** Australian Government Provides Logistical Support to Exporters

**Country:** Australia

**Post:** Canberra

**Report Category:** Agriculture in the News, Policy and Program Announcements

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**Report Highlights:**

In response to the reduction in commercial flights as a result of COVID-19 and the impact this is having on exports of Australian agriculture and seafood products, the Government of Australia announced an AU\$110 million program (currently about US\$70 million) to help exporters get their products to international markets. Eligible products include premium red meat, dairy, horticulture, and seafood. Australian shipments of agricultural and seafood products via air has grown in recent years, reaching US\$3.6 billion in 2019.

## **Australian International Freight Assistance Mechanism Supports Agriculture and Seafood Exports to Key Markets**

In response to the reduction in commercial flights as a result of COVID-19 and the impact this is having on exports of Australian agriculture and seafood products, the Government of Australia announced an AU\$110 million program (currently about US\$70 million) to help exporters get their products to international markets. Eligible products include premium red meat, dairy, horticulture, and seafood. The program is focused on high-value perishable high-value products, and not for products that could be shipped by sea. Markets that are currently part of this mechanism are China, Hong Kong, Singapore, and UAE (which represent Australia's top four markets for agricultural and seafood products by air), as well as Japan (the 8<sup>th</sup> largest market). The fact sheet on the program explains that this list of destinations could be enlarged in the future.

This fact sheet can be found

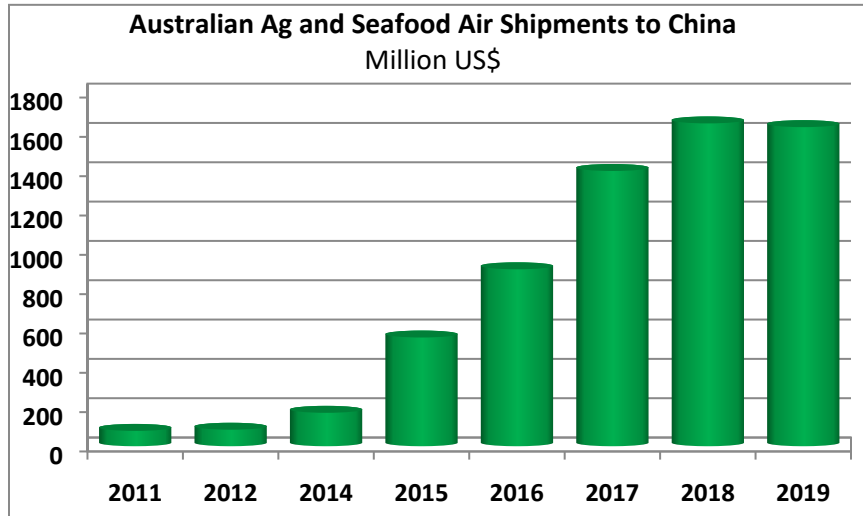
at: [https://minister.infrastructure.gov.au/sites/default/files/documents/fact\\_sheet\\_-\\_air\\_freight\\_assistance.pdf](https://minister.infrastructure.gov.au/sites/default/files/documents/fact_sheet_-_air_freight_assistance.pdf)

### **Background**

Australian shipments of agricultural and seafood products via air has grown in recent years, reaching US\$3.6 billion in 2019. This is equal to about 10 percent of total Australian exports of these products. China is by far Australia's largest market for air shipments of agricultural and seafood products, accounting for about 45 percent of the total last year. The growth in these shipments to China via air has been extremely rapid, rising nearly 10x between 2014 and 2019 and reaching over US\$1.6 billion

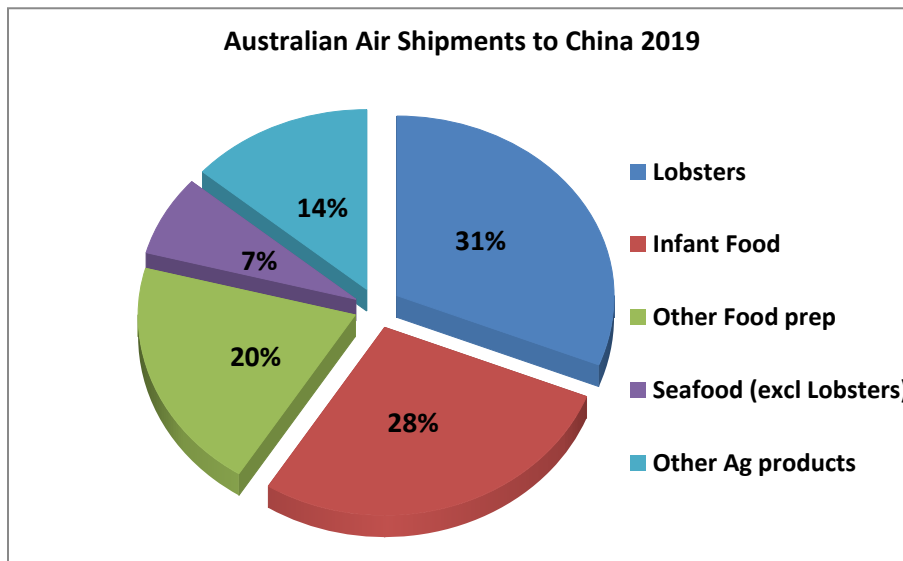
<b>Market</b>	<b>2019 Value of Australian Ag and Seafood Exports by Air – Million US\$</b>
China	1,622
Hong Kong	390
Singapore	199
UAE	144
Qatar	125
United States	107
New Zealand	105
Japan	92
Other	680

Source: Trade Data Monitor



Source: Trade Data Monitor

Seafood is the largest product category air shipped to China, with lobsters accounting for 31 percent of the total last year, and seafood in general reaching 38 percent. Infant formula/food and other food preparations are also major export categories (although according to the program announcement these types of goods are unlikely to be included in this program). Other products which would be eligible include beef, dairy, and fresh fruit – each equaling about 2-3 percent of total shipments (between US\$40-50 million) in 2019.



Source: Trade Data Monitor

**Attachments:**

No Attachments.