

SADA UPDATE

Friday 9 March 2018

What is the Trans-Pacific Partnership ... and why do we need one?

The Comprehensive and Progressive Agreement for Trans-Pacific Partnership CPTPP was signed today. The CPTPP agreement will deliver an improvement in Australian dairy market access arrangements into Japan, Australia's largest cheese export market.

Australia already has a trade agreement in place with Japan however, the market access provided under CPTPP delivers improvements in some areas that were excluded under the Japan Australia Economic Partnership Agreement (JAEPA).

Importantly Australian dairy will maintain its competitive position into the CPTPP markets and will continue to be a key supplier into CPTPP member countries as well as an important player in dairy supply chains across the region.

The CPTPP has been resurrected from the former TPP agreement which appeared to reach a dead end when the United States announced that it would withdraw from the agreement in early 2017.

In particular, the CPTPP provides preferential access to Mexico and Canada for beef, dairy, grain, seafood, sugar and wine for the first time. These markets have been effectively blocked to Australia until now.

The CPTPP is a regional trade agreement between Australia, Brunei, Chile, Malaysia, New Zealand, Peru, Singapore, Japan, Vietnam, Mexico and Canada. For this reason it is sometimes referred to as TPP-11

Don't you love acronyms.