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CPA Calls for action on 481 EU Grain Fed Beef Quota Access Challenge

Dr Paul Wright, Chair of Cattle Producers Australia (CPA) has called on the Government to take immediate action on the proposed changes to the 481 Grain Fed Beef Quota Access to the European Union (EU), which this week may go before a European Council Meeting in Brussels.

Dr Wright said, "this Quota is without doubt Australia's highest valued market and assists in holding a competitive price for our Australian livestock. Worth up to \$200 million, Australia has been a major supplier to this quota since 2010 with annual placement into the EU peaking at 17,000 tonnes".

The E U Agricultural Commissioner, Mr Phil Hogan, recently announced that the Commission had recommended that the EU Council vote on a mandate to increase the United States (US) quota. Market sources suggest the deal would hand 35,000 tonnes specifically to the US leaving only 10,000 tonnes to be shared amongst 4 countries. In reality, the commercial viability of utilising the remaining quota under this scenario would be useless to Australia.

Under World Trade Organisation (WTO) rules the EU cannot open a new quota for one country unless it's part of a Free Trade Agreement (FTA) which this is not. The legal requirement is that it must be open to all countries who qualify, and the Australian Government needs to hold firm on this point. Furthermore, any amendments to the quota requires the EU to talk to Australia and Australia be given the opportunity to agree to it, or otherwise. Both the EU and the US gave assurances to the WTO that this quota would remain non-discriminatory on a country of origin basis.

Dr Wright Said, "I find it astounding that Australia currently accepts, tariff free, an annual intake of 80,000 tonnes of EU subsidised pork, equating to 3 kg per person per year in Australia. This is at a huge cost to our domestic protein market, yet, when the EU seeks to reduce our beef quota, our representative organisations are silent".

CPA has an expectation that the Australian EU Red Meat Market Taskforce along with other industry representative bodies such as the Red Meat Advisory Council (RMAC) and Meat and Livestock Australia (MLA) will stand firm on this issue and press resolutely for the retention of the present quota arrangement as a minimal position. The Australian Government has a responsibility to ensure that the rules are adhered to and that the cattle industry is given the high priority it deserves and is not left languishing at the bottom of the priority list as it currently appears to be.

Dr Wright is calling on the Minister for Trade, Simon Birmingham to call it for what it is and to say to the EU, 'We damn well expect you are going to play by the rules!'. "Many Australian businesses, including our EU customers have invested heavily in the development of this market on the basis that the quota would be applied in a non-discriminatory and origin-neutral manner", he said.

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About Cattle Producers Australia

Cattle Producers Australia Ltd (CPA) is the new voice on issues that affect grass-fed cattle production businesses. We offer a new era of leadership in advocacy and governance for the grass-fed cattle industry. As a democratically elected organisation, all grass-fed cattle producer members have voting rights and equal opportunity to stand for election. Policy Advisory Councilors will be elected from 15 regions across Australia. Control of CPA will be directly in the hands of grass-fed levy paying cattle producers.

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