



8 March 2016

Committee Secretary
Joint Standing Committee on Treaties
PO Box 6021
CANBERRA ACT 2600

Via email: jsct@aph.gov.au

Dear Sir/Madam,

Trans-Pacific Partnership Agreement

The Australian Sugar Milling Council (ASMC) supports the Trans-Pacific Partnership (TPP) Agreement tabled in Parliament on 9 February 2016.

The Australian Sugar Milling Council (ASMC) is the peak industry organisation for raw sugar milling in Australia. The ASMC represents some 95 per cent of Australian raw sugar production. There are 24 sugar mills in Australia, producing raw sugar, which is either directly exported or refined in four Australian refineries. With around 80 per cent of raw sugar being exported, Australian sugar is priced on the global market. The Australian industry's ongoing viability and sustainability is reliant on its competitiveness in this global marketplace and on access to key markets.

The TPP represents significant opportunity for Australian sugar to continue to grow access to key markets, particularly Japan and the United States. The TPP builds on the JA-EPA, eliminating Japan's tariff and reducing the levy for low pol sugar, delivering an additional market advantage of \$25 per tonne. This is very timely, with raw sugar exports expected to double for the 2015/16 season. The TPP represents a 75 per cent gain on existing access to the US market with an additional 65,000 tonnes, worth \$13 million per year depending on the US price versus the global price.

The TPP also helps to secure additional market access in Canada, Mexico, Vietnam and Malaysia and to maintain access to other TPP Parties.

One of the other important elements of the TPP which will develop with implementation is the supply chain benefits for product sales across the TPP countries, and associated reduction in red tape. Regulatory and red tape costs are always a significant issue for trade and market viability, and efforts to free product movement and reduce the cost burden through the TPP are welcome.

Yours sincerely

A handwritten signature in black ink, appearing to read "Dominic V Nolan".

Dominic V Nolan
Chief Executive Officer