



Australian Government
**Department of Agriculture
and Water Resources**

International Strategy 2016–2019



Introduction

Australia exports around two-thirds of its agricultural production annually, which accounts for around 15 per cent of the total value of Australia's merchandise exports. Agricultural exports face average tariffs in our export markets that are significantly higher than those imposed on non-agricultural goods. Agricultural trade is also impacted by a range of technical and non-technical non-tariff measures (NTMs), such as government regulations and policy interventions.

Maintaining access to markets and negotiating new or improved access conditions is becoming increasingly complex and challenging. Many importing countries are implementing more stringent food safety and biosecurity requirements and adopting NTMs to develop their industries and safeguard their consumers. Changing import conditions can disrupt existing trade, requiring significant effort from the department to maintain or re-open markets.

Australian agricultural trade is also facing increased competition in some of our key markets. The department works with Austrade, industries and state and territory governments to reinforce Australia's reputation as a producer of reliable clean, green and safe premium products to maintain trade.

In this increasingly complex and ever-changing trade environment, the department engages in international activities to support the efforts of Australian governments, industries and farmers to build a strong, resilient and competitive agriculture sector.

This international strategy provides an overarching framework for the department's engagement in international activities, setting out the strategic focal points of our international engagement. The strategy is guided by the Agricultural Competitiveness White Paper 2015 and supports Portfolio Budget Statement outcomes 1, 2 and 3.

In 2016-19, the department's key international objectives, including for our overseas network, are:

Maintaining, improving and gaining market access underpinned by a strong biosecurity system – the department enables trade in agricultural goods and protects our strong biosecurity status by negotiating technical arrangements (related to food safety and biosecurity) for imports and exports.

Influencing the global agenda on agriculture, fisheries, forestry, food and sustainable resource management – the department engages bilaterally, plurilaterally and multilaterally to influence international policy priorities for agriculture, fisheries, forestry and food and sustainable resource management, in line with Australia's interests.

Reducing and removing international trade and production distortions – Australia's long term agricultural trade policy goal is to encourage countries to reduce or remove trade and production distortions to create a more open and equitable trading environment.

Strengthening agriculture through responsible global citizenship – the department works closely with our trading partners to build global agricultural sector capability and trade infrastructure. We share expertise and skills and help improve systems and protocols to achieve mutually beneficial outcomes for global agricultural trade and production.

Maintaining, improving and gaining market access and enhancing Australia's scientific risk-based biosecurity systems is the central focus for the department in 2016-19. The department will also engage in the broader trade agenda and will be flexible in applying resources to make the greatest gains in the national interest.

The department will deliver our international objectives through an evidence-based, strategic approach to international engagement and negotiations. The department will use data and analysis, meaningful collaboration with stakeholders, and strong global participation to ensure our international activities are coordinated and aligned with the national interest. The International Strategy is intended to be reviewed annually to reflect changes to priorities or strategic direction.

A high-level summary of the department's international business and the way we achieve our international objectives is at **Attachment A**.

Maintaining, improving and gaining market access underpinned by a strong biosecurity system

To maintain and improve existing market access arrangements, open new markets, and restore disrupted trade, the department will focus on:

- Prioritising, in the national interest, export and import technical market access requests in collaboration with industries, state and territory governments and trading partners. Key areas of focus include negotiating technical market access to support recent free trade agreements, progressing requests that are viable, supported and in the national interest, and technical market access to support emerging industries.
- Negotiating science-based, commercially viable conditions for prioritised Australian exports. Key areas include horticulture commodities, such as summerfruit, to China, fumigation requirements for grains and pulses to South Asian markets, and red meat shelf life standards within the Gulf Cooperation Council.
- Proactively advocating acceptance by trading partners of Australia's export inspection, verification and certification systems.
- Continuing to reform Australia's biosecurity system to maintain Australia's favourable pest and disease status. Key areas of reform are improvements to surveillance and analysis and modernising traceability systems. This work is supported by improving trading partners' understanding of Australia's biosecurity arrangements and the processes and procedures that support Australia's biosecurity status.

The department enables trade in agricultural goods by negotiating technical market access and implementing Australia's effective, streamlined, science-based biosecurity system through risk analysis and providing verification, certification and inspection services for both exports and imports.

The department negotiates technical market access for prioritised Australian exports through bilateral and multilateral trade agreements and technical market access protocols.

Free Trade Agreements (FTAs) provide export industries with tariff reductions and quota access, as well as streamlined trading rules. The department provides specialist advice and analysis to the Department of Foreign Affairs and Trade (DFAT) to ensure the broadest possible gains for agriculture, food, fish and forestry products through the negotiation of FTAs.

The department is implementing relevant components of FTAs with China, Japan and Korea. The Trans-Pacific Partnership will also be implemented, once ratified. Other FTAs currently being negotiated are Regional Comprehensive Economic Partnership, Pacific Agreement on Closer Economic Relations Plus, the Australia-India Comprehensive Economic Cooperation Agreement, the Australia-Gulf Cooperation Council FTA and the Indonesia-Australia Comprehensive Economic Partnership Agreement. The department is also exploring the implications for Australian agriculture of potential FTAs with the European Union and the United Kingdom.

To realise the benefits of improved trading conditions under FTAs, economically viable technical market access conditions must be agreed. Australia's objective for bilateral technical market access protocols is that they should be consistent with World Trade Organization (WTO) obligations by being as least trade restrictive as possible, scientifically justified, transparent and applied consistently. Our favourable animal and plant pest and disease status, largely due to our island nation status and our effective biosecurity policies, enables the department to negotiate access to export markets.

The department works with export industry groups and state and territory governments to prioritise technical market access requests in line with the broader national interest. Export industries need to demonstrate the viability of a particular market and its importance to the whole industry when requesting technical market access. For example, the citrus and table grape industries have developed detailed, evidence-based export strategies to demonstrate the viability of and potential benefits from their technical market access requests. Peak industry bodies in the red meat industry also have well-developed processes for identifying and progressing priorities.

Once technical market access is negotiated, the department certifies compliance of exported goods with importing country food safety and animal and plant health requirements. The export legislation that underpins these activities is

being revised to make it more streamlined and flexible. This reform is comprehensive and has been the subject of extensive consultation already. It will be a key deliverable over 2016-2019.

The department continues to advocate that trading partners recognise us as the competent certifying authority with the ability to approve individual establishments for export, and move to system recognition arrangements where these do not currently exist. Where certification is required, our preference is for electronic certification where feasible.

Hard won market access can be quickly lost through failure to meet importing country standards or changes to trading partners' policy settings. The department works with industry, state and territory governments and other Commonwealth agencies, including through our overseas network, to manage trade disruptions to maintain or restore Australia's market access. Key areas of change we are monitoring at this time include live animal exports to Indonesia and the Middle East, horticulture to Viet Nam, changes to food safety laws, changes to eCommerce arrangements, and implementation issues with FTAs in key Asian markets. The department is also monitoring structural reforms in agricultural markets in key trading partners and the implications of the United Kingdom's decision to leave the European Union.

Consistent with our WTO rights and obligations, Australia processes technical market access requests from trading partners as part of technical negotiations outside of FTAs. Australia has well-developed processes for assessing access requests to the Australian market. The department will continue to inform trading partners and industries about our processes and requirements for market access, be transparent when assessing market access requests, and implement our science-based import policies in a manner consistent with our international obligations.

Australia's science-based import policies are an essential element of our world-class biosecurity system, which aims to protect Australia's favourable pest and disease status. Biosecurity is the management of risks to the economy, the environment, and the community, of pests and diseases entering, emerging, establishing or spreading.

The department is continuing to reform the management of biosecurity within Australia so that our world-class system comprehensively manages risks across the biosecurity continuum – offshore, at the border and onshore. The department is pursuing improvements to surveillance and analysis to detect and manage biosecurity risks – preventing damage to farmers, the community, the environment and the economy, and growing the evidence base around our pest and disease status. The department is also modernising traceability systems to verify product integrity and enable efficient identification, containment and management of contamination issues.

These enhancements will strengthen Australia's position in technical market access negotiations, prove compliance with importing country requirements, and facilitate continuity or early restoration of trade potentially affected by biosecurity concerns.

The department's biosecurity management is now underpinned by the *Biosecurity Act 2015*, which came into effect on 16 June 2016 and replaced the *Quarantine Act 1908*. The *Biosecurity Act 2015* gives the department flexibility to recognise and manage the changing biosecurity risk environment and to improve collaboration on biosecurity across government and industry.

Influencing the global agenda on agriculture, fisheries, forestry, food and sustainable resource management

To promote Australia's national interests and policy priorities for agriculture, fisheries, forestry, food and sustainable resource management, the department will focus on:

- Maintaining coordinated and consistent engagement, including through the overseas counsellor network, in key international and regional forums addressing trade, standards and rules setting, and policy for agriculture, fisheries, forestry, and water – focusing on forums that deliver strong benefits for portfolio objectives. Where there are significant benefits to Australia and/or portfolio stakeholders, we will take a leadership role.

Key forums include establishing and maintaining relationships with bilateral partners and engaging in multilateral forums such as the Food and Agriculture Organization of the United Nations (FAO), the Organization for Economic Co-operation and Development (OECD), the WTO, the World Organisation for Animal Health (OIE), the International Plant Protection Convention (IPPC) and Codex Alimentarius Commission (Codex).

- Directing departmental resources to international fisheries organisations and agreements which have a direct bearing on Australia's long term access to fish stocks or the governance of fishing markets, particularly in the Pacific.

Key regional fisheries management organisations cover the Pacific and Indian oceans, as well as Southern Bluefin Tuna. Australia will work with other likeminded countries in the development of plurilateral agreement on fisheries subsidies.

- Providing advice and assistance to key partners in developing water management policies, consistent with Australia's national interest.
- Contributing to the development of international forest policies that improve the trade situation for legally-sourced and sustainably-produced forest products.

Key areas include promoting Australia's reputation as a provider of high quality, sustainably-produced forest products through productive bilateral arrangements with key timber trading partners; actively encouraging the trade in legally-sourced and sustainably-produced forest products; and working collaboratively through multilateral forestry forums, such as the United Nations Forum on Forests, the FAO's Committee on Forestry, the Montreal Process and the Asia Pacific Economic Cooperation (APEC) Experts Group on Illegal Logging and Associated Trade.

- Promoting international acceptance of, and enhanced consumer confidence in, Australia's national food safety system. Where possible, we will seek to establish mutual recognition arrangements with trading partners.
- Assessing the potential impacts to portfolio industries of global issues, including water, food insecurity and climate change, and develop and contribute to whole-of-government responses.
- Working with DFAT and others to ensure global efforts to combat food insecurity do not distort global agricultural trade.
- Developing portfolio policies and providing advice on natural resource management activities including those pursued by other agencies that relate to the portfolio's activities, such as water policy and programmes, managing the marine environment, environmental forest policies and participating in international environment meetings.

The department participates in bilateral, plurilateral and multilateral activities to influence the global agricultural policy dialogue, press for change, promote knowledge-sharing and transparency, and support the sustainable management of resources, in line with Australia's interests.

The department, including through the overseas counsellor network, focusses our plurilateral and multilateral engagement on key influential forums that help us to achieve portfolio objectives, in particular:

The FAO: The department leads Australia's membership of the FAO. FAO membership is one of the most substantial investments made in the portfolio each year, as this organisation allows the department to influence essential standard setting and the international policy and technical debate on agriculture.

The WTO: The department has a key role in the WTO Committee on Sanitary and Phytosanitary (SPS) Measures and supports Australia's participation in the WTO Committees on Agriculture and Technical Barriers to Trade. We also monitor developments of direct relevance to portfolio industries in other WTO forums (for example, the Dispute Settlement Body, Rules, and Anti-dumping). The department will continue to engage in the development of the WTO post-Doha negotiating position to ensure that portfolio industries positions are addressed in any forward WTO negotiating work programme.

The OECD: The department leads Australia's engagement on agricultural matters in the OECD. The OECD develops an evidence basis for science-based agricultural policy, undertakes comparative analysis of countries' agricultural and trade policies, and interrogates the agricultural production and supply chain for efficiency gains through policy reforms. Engaging with the work of the OECD informs Australia's agriculture and trade policy reforms and helps us demonstrate the benefits of trade liberalisation in international forums, such as the WTO and G20.

Other international and regional forums: The department also collaborates with DFAT and other partner agencies in forums such as APEC and G20, and supports industry groups in forums such as the Cairns Group Farm Leaders and World Farmers Organisation. These forums give the department and key stakeholders the valuable opportunity to engage with key regional and international decision-makers and stakeholders on important issues affecting portfolio priorities.

As well as engaging on broad-ranging agriculture policy development and international standards setting, the department leads Australia's international engagement on specific policy issues – sustainable water management, forestry matters, and fisheries governance and management.

Water resources: The department is responsible for international engagement on water issues, particularly sustainable water management. There are six key areas of focus for international engagement on water – whole of basin planning and policy, water markets, investment in water infrastructure, waterway health, urban water management and water quality management.

The department has formal bilateral relationships with China, the United States and India to discuss water policy and expects to sign a new bilateral Memorandum of Understanding with Indonesia during 2016-17.

The department also contributes to multilateral engagement on water policy through various international entities including the United Nations (UN), the UN High Level Panel on Water, the OECD Environment Policy Committee, the World Water Forum, the FAO, and the G20. This engagement promotes Australia's standing on sustainable water management and global leadership in water policy and management, and enhances the development and implementation of domestic water legislation, policies and programmes.

Forestry: The department is the government's lead agency on forestry matters and is engaged in international efforts to foster the sustainable management of forests, and combat illegal logging and associated trade. The department manages a number of bilateral forestry arrangements and contributes to regional initiatives and multilateral processes through the UN Forum on Forests, the FAO, the International Tropical Timber Organisation, the Montreal Process and APEC.

Fisheries: The portfolio's international fisheries efforts aim to improve fisheries governance and management, including promoting sustainable fisheries practices, stopping illegal fishing, setting sustainable catch limits, and clarifying fisheries access entitlements on high seas. The department leads Australia's engagement in regional fisheries management organisations (RFMOs) and other regional and global fisheries bodies.

Australia is a member of six RFMOs, five fisheries treaties and a regional fisheries agency, and contributes to ongoing work to fight illegal, unregulated and unreported fishing and strengthen international trading rules relating to fisheries. Participation and allocation of resources is directed to key forums where Australia can derive maximum benefit, including long term access to fish stocks and the establishment of effective ecosystem-based fisheries management. The department also participates in forums dealing with biodiversity and marine conservation and undertakes a role in building fisheries governance and management capacity in developing countries.

The department also supports and contributes to whole-of-government efforts on a number of global issues relating to agriculture, including:

Food safety: Food safety is becoming increasingly important to a number of key trading partners. The department is part of a comprehensive regulatory system to ensure food safety, with the Department of Health and Aged Care, Food Standards Australia New Zealand and state and territory governments. The department provides export certification to accompany export consignments, including attestations that Australian exports meet importing country requirements. The department also ensures imported food meets Australian quarantine requirements.

The department actively seeks to establish mutual recognition arrangements with trading partners with similar science and risk-based food safety systems which achieve the same public health outcomes as the Australian system. These efforts promote international acceptance of, and enhanced consumer confidence in, Australia's national food safety systems while also reducing the regulatory impost that could result from overly prescriptive and burdensome food safety requirements of trading partners.

The department coordinates Australia's technical and policy input to the development of international food standards through the work of Codex. Australia plays a strong leadership role in the development of Codex standards, ensuring that international standards, guidance documents and principles for food trade are based on sound science.

Food Security: The department collaborates with DFAT and other Commonwealth agencies to promote Australia's comprehensive approach to food security in relevant multilateral forums, particularly the FAO. Australia's approach aims to: address under-investment in agricultural productivity growth, and research and development, in developing countries; reform global agricultural markets; and strengthen social protection in countries dependent on food imports.

Sustainability and environment policy: The department will remain engaged in whole-of-government discussions on sustainability and environmental policies to guide, encourage and facilitate sustainable use of natural resources globally. The department works to ensure relevant international sustainability and diversity agreements are consistent with the UN's Sustainability Development Goals and WTO rules and are not used as forms of domestic protectionism. The department will continue to lead Australia's obligations under the FAO's International Treaty on Plant Genetic Resources for Food and Agriculture, which facilitates the exchange and conservation of crop genetic resources amongst member nations and the fair sharing of benefits arising from their use, as this is significant for agricultural productivity in Australia.

Adaptation and emissions reduction in a changing climate: The department provides advice to DFAT and the Department of Environment and Energy on the implications of international climate change commitments under the UN Framework Convention on Climate Change for portfolio industries. In addition, the department pursues portfolio interests in relevant international forums and initiatives that focus on climate change, such as the FAO climate change strategy.

Strengthening global and regional ties helps Australia achieve objectives in international forums and contributes to regional stability facilitating international trade. While these results emerge over long timeframes these multilateral organisations form an important foundation to improving the trading environment for our agricultural industries.

Reducing or removing international trade and production distortions

The department's work to reduce or remove international trade distortions will focus on:

- Developing and implementing a plan to identify and address NTMs, including in existing markets, in collaboration with states, territories and industries. The department's focus is on reducing or removing measures that are not transparent, are applied arbitrarily, or are overly trade restrictive. The department is doing additional work across Australian governments and industry to identify and address significant NTMs that impact broadly on a number of Australian agricultural exports or key markets.

- Making submissions and representations, including by commenting on WTO notifications and trade concerns, on NTMs that are not transparent, are applied arbitrarily, or are overly trade restrictive – acting as barriers to trade for Australian agricultural exports. The department will be focusing on measures where the impacts on Australian exports are greatest and the likelihood of change is high.

Key issues include advocating for removal of Indonesia's restrictions on horticulture imports, alignment of import conditions for processed plant products with international phytosanitary standards, and changes to EU agricultural chemical regulation.

- Pursuing a coordinated and consistent science-based agricultural trade policy agenda, advocating for policy reform and influencing international standard setting through relevant plurilateral and multilateral forums.

Key areas include food safety (Codex), plant health (IPPC), animal health (the OIE), chemical reform (OECD), and transboundary diseases, as well as broader policy advocacy at the OECD.

- Analysing the potential impacts of overseas trading partners' and competitors' agricultural support policies and provide input to DFAT's advocacy efforts.
- Ensuring that the department's domestic policy initiatives are developed in accordance with our WTO obligations.
- Providing specialist input, advice and analysis on issues relevant to portfolio industries for trade (including FTA and WTO negotiations) and participating in key agricultural negotiations.

Agriculture is one of the most protected sectors in international markets. Many governments have historically sought to maintain the livelihoods of their rural communities, and ensure domestic agricultural production and food supply, through a range of price and non-price market interventions. Australia's long term agricultural trade policy is to encourage countries to reduce or remove these trade distortions to create a more open and better functioning trading environment.

The Australian Government pursues an ambitious free trade agenda to ensure a level playing field for Australian producers. Through bilateral and regional free trade agreements, Australia negotiates WTO-plus arrangements for Australian goods and services, which is aimed at achieving market access outcomes and maintaining competitiveness. The department supports DFAT's trade negotiations by providing specialist advice and analysis on portfolio issues in order to ensure the broadest possible gains for agriculture, food, fish and forestry products.

Realisation of the benefits of improved arrangements in FTAs is hindered by the increasing application of NTMs to agricultural trade by trading partners. NTMs include technical measures (i.e. biosecurity and food safety standards, government regulations) and non-technical measures (i.e. licensing, price controls, subsidies, quotas).

The department is strengthening our focus on reducing or removing measures that are not transparent, are applied arbitrarily, or are overly trade restrictive. Collaboration across Australian governments and industries is critical to successfully addressing NTMs. The department is leading collaborative work to identify significant, broad-ranging NTMs and quantify their impact on agricultural trade and related services. The department pursues the reduction or removal of agriculture-specific NTMs through bilateral and plurilateral negotiations, including FTA committees, high-level dialogues and technical market access protocol meetings.

Where NTMs affect trade beyond agriculture, fisheries, forestry and food, the department works with Austrade and DFAT to negotiate a whole-of-market solution and contributes to Australian Government advocacy efforts. Where NTMs are wholly a commercial matter, the department seeks industry leadership and action.

The department also invests significant effort to reduce the impact of agricultural trade distortions and seek market liberalisation through multilateral engagement, with key standard setting bodies, technical committees and policy development forums. The department makes a strong contribution to international standard setting, developing guidelines on the implementation of WTO agreements, removing trade-distorting policies, and the plurilateral and multilateral development of scientifically-based trade policy.

Contributing to the development of international standards and rules reduces unnecessarily restrictive and sometimes costly requirements on Australia's market access, but still affords Australia the opportunity to implement biosecurity policies that adequately protect our favourable pest and disease status. The department ensures that international standards are based on science through active engagement in the WTO SPS Committee, and international standard setting bodies – the OIE, Codex, and the IPPC. The department also ensures that our production and regulatory systems are consistent with international standards.

The department uses our lead role in many international commodity organisations, including on grains, cotton, sugar, and wine, to promote improved market transparency and determine least trade-restrictive international standards for product labelling, safety and marketing.

The department is committed to ongoing WTO negotiations and the outcomes of the 10th Ministerial Council meeting in December 2015, where members agreed to eliminate export subsidy entitlements. Australia is also exploring pathways with other WTO members for progressing agriculture reforms across three pillars—improvements in market access, reductions in trade-distorting domestic support, and export competition.

The WTO also provides formal and informal processes through which the department can address trade conditions that may be contrary to WTO agreements. Use of the WTO dispute settlement system has resulted in improved market access. Australia's profile as a trading nation means we have a strong interest in ensuring that the international trading regime of the WTO is open, equitable and enforceable. Australia regularly engages with WTO members bilaterally in WTO forums to resolve technical market access issues.

The department will target our multilateral activities to support industries' priorities, progress the department's international objectives, and ensure consistency with Australia's trade policy objectives.

Strengthening agriculture through responsible global citizenship

To ensure strong relationships with international trading partners and contribute to global growth in agriculture and agricultural trade, the department will focus on:

- Managing key cooperation programmes, including the Australia-China Agricultural Cooperation Agreement, the Agricultural Trade and Market Access Cooperation Programme, the Indonesia-Australia Partnership on Food Security in the Red Meat and Cattle Sector, and the Australia Indonesia Partnership for Emerging Infectious Diseases.
- Maintaining active involvement in relevant regional and multilateral organisations and promoting outcomes favourable to Australia's trade and biosecurity interests, taking leadership roles where there is a strong business case.

Key forums for cooperation activities include the FAO and APEC. In particular, the department is currently supporting the University of Adelaide in undertaking a project under APEC's Agricultural Technical Cooperation Working Group called: "Developing Smallholder Inclusive Food Value Chain Models for Local and Global Markets". The department also informs and promotes science-based SPS and food safety policies through the WTO and international standard setting bodies.

- Facilitating ministerial and guest-of-government overseas visits to achieve valuable returns for portfolio industries.
- Ensuring outcomes from international cooperation activities and incoming and outgoing delegations contribute directly to portfolio policy, market access and biosecurity objectives.
- Supporting Australian government agencies, state and territory governments and industries delivering capability development or international aid programmes with agricultural objectives.
- Encouraging state and territory governments and industries to undertake capability development that supports and promotes the department's international objectives. The department works with the Primary Industries Trade and Market Access Development Task Group to identify key joint activities.
- Working with DFAT and others to leverage international aid programmes and activities to complement our trade and biosecurity objectives, where appropriate.
- Engaging with research and development organisations to understand the full extent of Australian cooperation with trading partners and regional partners.

Australia's agricultural trade and biosecurity efforts are bolstered by cooperation. The department continues to build and maintain robust bilateral, regional, plurilateral and multilateral relationships that support us in achieving our international objectives, by helping to promote agricultural sector stability, growth and trade.

Cooperation and capability development activities deliver benefits under at least one of four key areas:

- opening up or maintaining market access opportunities
- managing the risks associated with market access
- developing capability to manage "offshore" biosecurity risks to assist in managing biosecurity across the continuum to protect Australia's favourable pest and disease status
- meeting our international obligations (such as commitments under the WTO SPS Agreement).

The department is involved in a range of mutually-beneficial, bilateral economic and technical agricultural partnerships, which boost growth in market opportunities, support integration into global value chains, and improve the efficiency of trade. The department shares expertise and skills with trading partners and helps improve their systems and protocols which can benefit our own biosecurity, reduce trade barriers and showcase Australian agriculture, including:

- initiatives to improve the management of natural resources

- assisting countries with the adoption of animal welfare practices which are consistent with international standards
- biosecurity training, equipment and funding to improve trading partners' pest and disease surveillance, testing or management, and enhance their understanding and implementation of SPS and technical measures.

The department is committed to a large number of cooperation agreements on many issues, including water policy, specific commodities and biosecurity. There are a number of substantial cooperation programmes in the portfolio:

- The Australia-China Agricultural Cooperation Agreement programme provides funding for cooperation activities designed to develop Australia's agricultural trading relationship with China.
- The Agricultural Trade and Market Access Cooperation programme provides funding for cooperation activities that open, improve and/or maintain access to overseas markets for Australian agricultural products by building stronger relationships with trading partners, neighbouring countries and international organisations.
- The Indonesia-Australia Partnership on Food Security in the Red Meat and Cattle Sector aims to develop a competitive, efficient and sustainable Australia-Indonesia red meat and cattle industry as part of a globally competitive supply chain.
- The Australia Indonesia Partnership for Emerging Infectious Diseases (Phase II 2015-2018) aims to strengthen Indonesian government systems for integrated preparedness and rapid response to animal health and public health emergencies; strengthen Indonesian government animal health information and public health surveillance systems, and ensure the effective use of that information; and enhance institutional and individual performance in leadership, management and evidence-based decision-making.

In some cases, capability development activities are categorised as international aid and we work with DFAT to support these activities, consistent with the Australian Government's *Strategy for Australia's aid investments in agriculture, fisheries and water* (February 2015). This identifies three priorities for aid in these sectors: strengthening markets; innovating for productivity and sustainable resource use; and promoting effective policy, governance and reform.

Australia's trading partners are direct and frequent in their requests to Australia for cooperation and capability development. However, cooperation activities require ongoing departmental resources and there is a limit to how much cooperation is possible.

High-level visits, including ministerial, trade, and senior officials delegations, can also advance portfolio interests. The department facilitates regular and meaningful engagement between Australian ministers and their counterparts to generate goodwill, provide intelligence on the international agricultural policy environment and its implications for Australia, and expose visiting representatives to Australian agricultural practices and policy. High-level visits help elevate discussions on key issues, break through deadlocks in negotiations, and reinforce the importance of a bilateral relationship.

The department also contributes to plurilateral and multilateral efforts to develop agriculture expertise and capability around the globe. Australia often works closely with regional trading partners to implement regional and international programmes and systems to improve global biosecurity standards or standardise regulation.

For example, in support of the ASEAN-Australia-New Zealand Free Trade Agreement, the department is delivering a project to enhance the capacity of ASEAN countries to identify plant pests and diseases and promote regional networking of this capacity. Improved diagnostic capacity will contribute to a sharper appreciation of regional biosecurity risks, strengthen understanding of quarantine measures and border practices, remove unwarranted SPS barriers to trade, and improve trade. The project involves the national plant protection organisations of all ASEAN countries and diagnostic experts from Australia, New Zealand, Indonesia, Malaysia and Thailand.

Through our participation in the FAO, Australia has opportunities to broaden our cooperation activities, provide policy advice to members and influence treaties, agreements and international norms. The work undertaken through the FAO is counted as valuable cooperation by trading partners.

Delivering the department's international objectives

To deliver our international objectives, the department will focus on:

- Developing and using high-level scientific, economic and intelligence analysis of the policies and practices of key agricultural markets to guide and support the department's international work, including the development of country trade strategies and export strategies with industries.
- Applying departmental resources flexibly to focus on international activities that will facilitate the greatest gains in the national interest.
- Strengthening engagement with portfolio stakeholders, other portfolios and state and territory governments to ensure international policies are coordinated, support industries' activities and direction, and are in the national interest.
- Maintaining a dynamic overseas counsellor network, using an evidence-based decision-making framework, to ensure the distribution and skills of counsellors are best-placed to meet portfolio needs.
- Increasing our capacity to connect all aspects of agricultural relationships with trading partners to guide strategic engagement and capture high-return export opportunities.
- Developing stronger links between the department's international policy and analytical areas and DFAT and Austrade to better target advice, research, analysis and effort.
- Strengthening mechanisms for sharing information and coordinating international and market access activities.

The department is strengthening our strategic approach to international engagement and negotiations to maximise the return to industry and the Australian community. Improved use of data and market analysis, consistent and open collaboration with stakeholders, and targeted global participation will drive this strategic approach.

The department is improving the use of data and market analysis to facilitate market access and inform international engagement and negotiations in key markets. We have established a diverse market analysis function which can provide agriculture-specific: political and economic analysis; trade trends and statistical analysis; intelligence analysis; and evidence-based review of trade policy and technical market access priorities, activities and barriers, for key overseas markets.

The department will pursue consistent and open collaboration with stakeholders to present a unified Australian approach to trading partners and maintain constructive working relationships. The department regularly liaises with members of the Australian agriculture, food, fishing and forestry industries on international matters, including market access requests and responding to trade disruptions. These partnerships help to ensure that the department's activities are focused on delivering commercial benefits for portfolio stakeholders.

The department also works collaboratively with state and territory governments and industries on technical market access priorities and, in partnership with Austrade and DFAT, on trade development issues. Senior officials groups, including the Primary Industries Technical Market Access and Trade Development task group and the Agriculture-Austrade Steering Group, are central to driving a coordinated and united approach to market access and trade policy.

The department's international efforts are facilitated in key markets by a targeted overseas network of departmental officers and locally engaged staff at Australian diplomatic missions. The overseas network will progress technical market access matters, tackle immediate trade problems for our exporters, foster relationships with industries and governments in markets, gather intelligence to inform trade deliberations, and spot emerging opportunities and issues, as well as representing Australia's interests in the OECD and FAO to better inform our market access deliberations and influence global agricultural policy setting.

Department of Agriculture and Water Resources International Strategy 2016-2019



What we do

Negotiate technical market access

Market maintenance and improvement

New market access

Trade Advocacy

Multilateral

Regional/bilateral

Promote and uphold scientifically-based international trade standards and policy

Manage a world class biosecurity system

Promote sustainable resource management, including water resources

Build and maintain strong international partnerships

Outcomes

More sustainable, productive, internationally competitive and profitable Australian agricultural, food and fibre industries

Safeguard Australia's animal and plant health status to maintain overseas markets and protect the economy and environment from the impact of exotic pests and diseases

Improve the health of rivers and freshwater ecosystems and water use efficiency through implementing water reforms, and ensuring enhanced sustainability, efficiency and productivity in the management and use of water resources.

Objectives

Maintaining, improving and gaining market access underpinned by a strong biosecurity system

Influencing the global agenda on agriculture, fisheries, forestry, food and sustainable resource management

Reducing or removing international trade and production distortions

Strengthening agriculture through responsible global citizenship

Mechanisms

Overseas Agriculture Counsellor network

Industry engagement

State and territory engagement

Bilateral meetings and negotiations on priority market access issues

Targeted and coordinated participation in multilateral negotiations, and rules and standard setting forums – WTO, Codex, OIE, IPPC, APEC, FAO

FTA negotiations

Import risk assessments

Verification, certification and inspection systems and services

Capacity-building and knowledge sharing

Sustainable production programmes

Country trade strategies

Intelligence analysis

Statistical analysis

International Strategy Committee

How we work

Evidence-based trade policy and technical market access negotiations

Use evidence, intelligence and science to plan and prioritise our work, take advantage of opportunities and focus on activities that provide the best return for effort.

Consistent, collaborative and open stakeholder engagement

Coordinate and share information with Commonwealth, state and territory agencies and industries to present a team approach.

Take a shared, market-based approach to planning, prioritising and resourcing the department's international business.

Strong global participation

Influence international policy, standards, practice and research through bilateral and multilateral engagement in line with Australia's trade and national interests.

International Strategy – Key Objectives and Actions

Maintaining, improving and gaining market access underpinned by a strong biosecurity system

To maintain and improve existing market access arrangements, open new markets, and restore disrupted trade, the department will focus on:

- Prioritising, in the national interest, export and import technical market access requests in collaboration with industries, state and territory governments and trading partners. Key areas of focus include negotiating technical market access to support recent free trade agreements, progressing requests that are viable, supported and in the national interest, and technical market access to support emerging industries.
- Negotiating science-based, commercially viable conditions for prioritised Australian exports. Key areas include horticulture commodities, such as summerfruit, to China, fumigation requirements for grains and pulses to South Asian markets, and red meat shelf life standards within the Gulf Cooperation Council.
- Proactively advocating acceptance by trading partners of Australia's export inspection, verification and certification systems.
- Continuing to reform Australia's biosecurity system to maintain Australia's favourable pest and disease status. Key areas of reform are improvements to surveillance and analysis and modernising traceability systems. This work is supported by improving trading partners' understanding of Australia's biosecurity arrangements and the processes and procedures that support Australia's biosecurity status.

Influencing the global agenda on agriculture, fisheries, forestry, food and sustainable resource management

To promote Australia's national interests and policy priorities for agriculture, fisheries, forestry, food and sustainable resource management, the department will focus on:

- Maintaining coordinated and consistent engagement, including through the overseas counsellor network, in key international and regional forums addressing trade, standards and rules setting, and policy for agriculture, fisheries, forestry, and water – focusing on forums that deliver strong benefits for portfolio objectives. Where there are significant benefits to Australia and/or portfolio stakeholders, we will take a leadership role.

Key forums include establishing and maintaining relationships with bilateral partners and engaging in multilateral forums such as the Food and Agriculture Organization of the United Nations (FAO), the Organization for Economic Co-operation and Development (OECD), the WTO, the World Organisation for Animal Health (OIE), the International Plant Protection Convention (IPPC) and Codex Alimentarius Commission (Codex).

- Directing departmental resources to international fisheries organisations and agreements which have a direct bearing on Australia's long term access to fish stocks or the governance of fishing markets, particularly in the Pacific.

Key regional fisheries management organisations cover the Pacific and Indian oceans, as well as Southern Bluefin Tuna. Australia will work with other likeminded countries in the development of plurilateral agreement on fisheries subsidies.

- Providing advice and assistance to key partners in developing water management policies, consistent with Australia's national interest.
- Contributing to the development of international forest policies that improve the trade situation for legally-sourced and sustainably-produced forest products.

Key areas include promoting Australia's reputation as a provider of high quality, sustainably produced forest products through productive bilateral arrangements with key timber trading partners; actively encouraging the trade in legally-sourced and sustainably produced forest products; and working collaboratively through multilateral forestry forums, such as the United Nations Forum on Forests, the FAO's Committee on Forestry, the Montreal Process and the Asia Pacific Economic Cooperation (APEC) Experts Group on Illegal Logging and Associated Trade.

- Promoting international acceptance of, and enhanced consumer confidence in, Australia's national food safety system. Where possible, we will seek to establish mutual recognition arrangements with trading partners.

- Assessing the potential impacts to portfolio industries of global issues, including water, food insecurity and climate change, and develop and contribute to whole-of-government responses.
- Working with DFAT and others to ensure global efforts to combat food insecurity do not distort global agricultural trade.
- Developing portfolio policies and providing advice on natural resource management activities including those pursued by other agencies that relate to the portfolio's activities, such as water policy and programmes, managing the marine environment, environmental forest policies and participating in international environment meetings.

Reducing or removing international trade and production distortions

The department's work to reduce or remove international trade distortions will focus on:

- Developing and implementing a plan to identify and address NTMs, including in existing markets, in collaboration with states, territories and industries. The department's focus is on reducing or removing measures that are not transparent, are applied arbitrarily, or are overly trade restrictive. The department is doing additional work across Australian governments and industry to identify and address significant NTMs that impact broadly on a number of Australian agricultural exports or key markets.
- Making submissions and representations, including by commenting on WTO notifications and trade concerns, on NTMs that are not transparent, are applied arbitrarily, or are overly trade restrictive – acting as barriers to trade for Australian agricultural exports. The department will be focusing on measures where the impacts on Australian exports are greatest and the likelihood of change is high.

Key issues include advocating for removal of Indonesia's restrictions on horticulture imports, alignment of import conditions for processed plant products with international phytosanitary standards, and changes to EU agricultural chemical regulation.

- Pursuing a coordinated and consistent science-based agricultural trade policy agenda, advocating for policy reform and influencing international standard setting through relevant plurilateral and multilateral forums.
Key areas include food safety (Codex), plant health (IPPC), animal health (the OIE), chemical reform (OECD), and transboundary diseases, as well as broader policy advocacy at the OECD.
- Analysing the potential impacts of overseas trading partners' and competitors' agricultural support policies and provide input to DFAT's advocacy efforts.
- Ensuring that the department's domestic policy initiatives are developed in accordance with our WTO obligations.
- Providing specialist input, advice and analysis on issues relevant to portfolio industries for trade (including FTA and WTO negotiations) and participating in key agricultural negotiations.

Strengthening global agriculture through responsible global citizenship

To ensure strong relationships with international trading partners and contribute to global growth in agriculture and agricultural trade, the department will focus on:

- Managing key cooperation programmes, including the Australia-China Agricultural Cooperation Agreement, the Agricultural Trade and Market Access Cooperation Programme, the Indonesia-Australia Partnership on Food Security in the Red Meat and Cattle Sector, and the Australia Indonesia Partnership for Emerging Infectious Diseases.
- Maintaining active involvement in relevant regional and multilateral organisations and promoting outcomes favourable to Australia's trade and biosecurity interests, taking leadership roles where there is a strong business case.

Key forums for cooperation activities include the FAO and APEC. In particular, the department is currently supporting the University of Adelaide in undertaking a project under APEC's Agricultural Technical Cooperation Working Group called: "Developing Smallholder Inclusive Food Value Chain Models for Local and Global Markets". The department also informs and promotes science-based SPS and food safety policies through the WTO and international standard setting bodies.

- Facilitating ministerial and guest-of-government overseas visits to achieve valuable returns for portfolio industries.
- Ensuring outcomes from international cooperation activities and incoming and outgoing delegations contribute directly to portfolio policy, market access and biosecurity objectives.
- Supporting Australian government agencies, state and territory governments and industries delivering capability development or international aid programmes with agricultural objectives.
- Encouraging state and territory governments and industries to undertake capability development that supports and promotes the department's international objectives. The department works with the Primary Industries Trade and Market Access Development Task Group to identify key joint activities.
- Working with DFAT and others to leverage international aid programmes and activities to complement our trade and biosecurity objectives, where appropriate.
- Engaging with research and development organisations to understand the full extent of Australian cooperation with trading partners and regional partners.

Delivering the department's international objectives

To deliver our international objectives, the department will focus on:

- Developing and using high-level scientific, economic and intelligence analysis of the policies and practices of key agricultural markets to guide and support the department's international work, including the development of country trade strategies and export strategies with industries.
- Applying departmental resources flexibly to focus on international activities that will facilitate the greatest gains in the national interest.
- Strengthening engagement with portfolio stakeholders, other portfolios and state and territory governments to ensure international policies are coordinated, support industries' activities and direction, and are in the national interest.
- Maintaining a dynamic overseas counsellor network, using an evidence-based decision-making framework, to ensure the distribution and skills of counsellors are best-placed to meet portfolio needs.
- Increasing our capacity to connect all aspects of agricultural relationships with trading partners to guide strategic engagement and capture high-return export opportunities.
- Developing stronger links between the department's international policy and analytical areas and DFAT and Austrade to better target advice, research, analysis and effort.
- Strengthening mechanisms for sharing information and coordinating international and market access activities.

Document control

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Version	Date of issue	Author	Reason for change
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