

CHINA- AUSTRALIA

FREE TRADE AGREEMENT



ChAFTA - Opening New Opportunities for Australian Products in China

ChAFTA gives innovative Australian medical products a leg-up

Highly advanced, Australian researched and designed medical devices such as **hearing aids** and **implantable medical devices** will benefit from the China-Australia Free Trade Agreement (ChAFTA).

- The 4 per cent tariff on hearing aids and implantable medical devices was eliminated on 20 December 2015
 - in 2017, Australian exports of these products to China were worth \$73 million, with total imports from the world into China worth \$4.3 billion
 - with elimination of the tariffs on these goods, there is great potential for Australia to grow its market share in China.

Export of kangaroo skins set to leap ahead with ChAFTA

Australia's already large trade in **hides, skins and leather products** with China, will benefit from ChAFTA.

- The 9 per cent tariff on kangaroo hides and skins and the 14 per cent tariff on kangaroo leather are being eliminated by 1 January 2019.
- More broadly, tariffs of up to 14 per cent on Australian hides and skins are being eliminated between 1 January 2017 and 1 January 2022
 - Hides and skins are a crucial agricultural export to China worth \$722 million in 2017
 - accounting for over 75 per cent of Australia's total hide and skin exports to the world and more than ten times larger than our next largest market for hides and skins
 - Australian hides and skins made up 10 per cent of China's total hide and skin imports in 2017, a market worth \$7.4 billion in 2017
 - Elimination of tariffs on these goods opens great potential for further growth of Australia's market share in China.

Australian opals ready to shine with ChAFTA

Australia's world renowned **opal products** will benefit under ChAFTA.

- The 3 per cent tariff on unworked opals was eliminated on 20 December 2015.
- The 8 per cent tariff on worked opals, and the 35 per cent tariff on related jewelry and articles are being eliminated by 1 January 2019
 - in 2017, exports of opals and other precious stones (excluding diamonds) to China were worth almost \$4 million. With total imports from the world into China worth \$398 million in 2017 there is great potential for Australia to grow its market share in China.



Quenching China's thirst for premium Australian whisky

Australia's boutique **whisky** industry is growing rapidly and is enjoying increasing success on the world stage, with a Tasmanian whisky voted the world's best in 2014. Under ChAFTA, Australian whisky producers can look forward to good outcomes to support growth in the Chinese market.

- Tariffs of 10 per cent on whisky are being eliminated by 1 January 2019
 - in 2017, exports of whisky to China were worth \$12.7 million
 - with the Chinese import market worth \$177 million in 2017, there is great potential for Australian whisky.

Australian deer velvet making tracks in China

Australia's growing **deer velvet** industry can look forward to great outcomes under ChAFTA.

- The 11 per cent tariff on deer velvet is being eliminated by 1 January 2019
 - this outcome will support an Australian share in the Chinese deer velvet industry, worth \$46 million in 2017.