

23rd December 2025

Department Foreign Affairs & Trade
South East Asia FTA Review
Via Email: FTAModernisation@dfat.gov.au

RE: Southeast Asia FTA Consultation

Dear SEA FTA team,

Thank you for the opportunity to provide input to the review of FTAs across southeast Asia (SEA). In terms of formal submission, we would like to draw your attention to the comprehensive set of recommendations for modernising FTAs across SEA that Grain Trade Australia (GTA) have developed through the project being undertaken as part the *Southeast Asia Free Trade Agreements Modernisation Grant Program*. Our draft report has been submitted but we are still undertaking some work around prioritisation in response to feedback from the Grant Program team. However, we would like to highlight some key elements and ask that our **recommendations** in the “*Unlocking the Opportunity – SEA Feed Grain Market*” be included in your consultation feedback.

SEA is a very important market for the Australian grains industry and whilst our trade today is largely based on imports for the food milling sector, there is a **substantive opportunity** for Australian grains to also be used in the **feed milling** sector. Our report identifies a goal for Australia to supply an **additional 10 million tonnes** plus by 2040. The report also highlights the role for industry and Government to work together to address barriers and invest in activities to position Australian grains favourably to access this opportunity.

Australia, and the grains industry in particular, has a strong and enduring relationship with SEA which is reflected in the number of regional initiatives that Australia is part of, the range of free trade agreements in place and the many shared capacity building and cooperation activities. However, despite the preferential access in relation to tariffs that has resulted from these agreements, there continues to be **barriers** to effective **implementation** of FTAs in some markets and a growing number of **non-tariff measures** (NTMs).

We recognise the varying attitude to imports across the economies and the desire for food security, however, believe that there is an opportunity to develop a more favourable environment for imports through promoting the mutual benefits of trade. Our focus is on a relationship that is built on **complementarity**, collaboration and contribution which will not see Australian imports will not displace local production, but rather complement and improve the productivity of local livestock industries that will support both domestic food security through access potentially to more affordable and nutritious food and export of value-added products.

The grains industry is seeking a **consistent approach** to technical and operational elements of **market access** for grain trade across the targeted SEA markets through modernisation of trade agreements. It is important to position Australian agriculture as complementary, not competitive, to the SEA food system and supportive of SEA’s food security goals.

The grains industry faces a number of challenges to accessing opportunities across SEA including:

1. Lack of alignment around economic resilience and food security which give rise to domestic support policies that can restrict access to imports
2. Implementation issues with existing FTAs
3. Lack of alignment around existing and emerging areas of regulation which can result in NTMs

The **recommendations** for **improvement** and **modernisation** centre on:

1. Addressing specific issues limiting implementation of existing FTAs

2. Engaging with Governments to remove existing market access restrictions
3. Reviewing the potential for new bilateral agreements and/or regional agreements
4. Engaging with trading partners to promote the positive role of trade in achieving economic resilience and food security
5. Addressing emerging issues and/or update text/disciplines in relation to areas of regulation to provide an improved pathway to removing NTMs and/or prevent NTMs occurring

We will forward you the **prioritised list of recommendations** once our report is finalised but a couple of key priorities to note are:

- Addressing on-going **barriers** to the **implementation** of the **IA-CEPA feed grain quota**– while this is a positive outcome in the agreement, there has **not** been any grain shipped against this quota due to barriers that appear to be from the Indonesian Government. We encourage the Australian Government to ensure the provisions of the IA-CEPA as related to the feed grains quota are implemented and prioritise activities to support Indonesia to deliver improved market access for Australian feed grains and canola meal
- Resolve **feed wheat restriction** in the **Thai** market to enable trade to occur on a commercial basis (currently importers are required to purchase 3 tonnes of domestic corn at a minimum price for every one tonne of imported feed wheat purchased). This is a very large and growing market and we encourage Australian Government to prioritise advocacy to remove this restriction
- The **Philippines** is another potentially large market and Australian grain exports have been growing to this market. We would encourage the Australian Government and the grains industry to investigate the potential of **an FTA** with the Philippines to maintain and enhance Australia's market position
- Grains industry and Australian Government should develop improved narrative around the **mutual benefits** of trade and actively utilise the opportunity through trade agreements, including their implementation phases to promote the mutual benefits of trade
- Work with the industry to develop enhanced positions in FTAs on existing and emerging issues such as SPS, **sustainability**, biotechnology and **gene editing** and digitalisation. These are detailed in our report.

Thus, we would appreciate it if you considered our Grant report and its recommendations as part of your consultation.

Thank you for your consideration of the above and we are happy to discuss any aspects of the above with you.

Yours faithfully,



Pat O'Shannassy
CEO