



Australian Government

Department of Foreign Affairs and Trade

FACT SHEET – SUGAR

ASEAN is an important market for Australian raw and refined sugar, especially Malaysia and Indonesia, and is worth \$438 million in annual average exports, accounting for about 31% of global sugar exports. While some ASEAN countries (Indonesia, the Philippines, Cambodia and Thailand) have excluded sugar from tariff commitments, others (including Malaysia, Brunei, and Burma) will bind current zero or very low tariffs against increase. Laos will phase its 10% tariff to 0%, and Vietnam will reduce its tariffs. While Thailand has excluded sugar from AANZFTA's tariff commitments, it will be eliminating its tariffs as part of its commitments under TAFTA.

Australia's Exports to ASEAN

(Note: calendar 2008 export data is not yet available due to confidentiality restrictions)

Product (HS 1701)	Exports to ASEAN 3 Year Average (2005-2007) (\$A million)	Exports to ASEAN as Percentage of Australia's Total Exports of Each Product 3 Year Average (2005-2007) %
Raw cane sugar (HS 1701.11)	377.7 of which: Indonesia 197.1 Malaysia 180.6	28.4
Refined sugar (HS 1701.91- 1701.99)	59.9	74.8
Total	437.7	31.0

Summary of Outcomes

Australia

- Existing tariffs of 0% will be bound at entry-into-force (EIF).

Indonesia

- Sugar is excluded from Indonesia's tariff commitments.

Malaysia

- Existing tariffs of 0% will be bound at EIF.

New Zealand

- Existing tariffs of 0% will be bound at EIF.

Note: Australia already benefits from bound 0% tariffs under ANZCERTA.

Philippines

- Sugar is excluded from the Philippines' tariff commitments.

Singapore

- **All tariffs bound at 0% on EIF.**

Note: these commitments are the same as in SAFTA

Thailand

- Sugar is excluded from Thailand's tariff commitments.

Note: under TAFTA, tariff rate quotas will be liberalised and eliminated by 2020.

Vietnam

- **Raw cane and beet sugar:** subject to an MFN tariff rate quota with 30% in-quota tariff and 80% out-of-quota tariff. In-quota tariff phases to 0% by 2020 and out-of-quota tariff will reduce in one step to 50% in 2020.
- **Refined sugar:** subject to an MFN tariff rate quota with 40% in-quota tariff and 100% out-of-quota tariff. In-quota tariff phases to 0% by 2020 and out-of-quota tariff will reduce in one step to 50% in 2020.

Other ASEAN countries:

Brunei

- Existing tariffs of 0% will be bound at EIF.

Burma

- 2005 base tariff rates are 0.5%.
- **Raw cane and beet sugar:** will be bound at the existing tariffs of 0.5% at EIF.
- **Refined white sugar:** will be bound at the existing tariffs of 0.5% at EIF.
- The tariffs on all other tariff lines will be reduced to 0% in 2020 or 2024.

Cambodia

- 2005 base tariff rates are 7%.
- **Raw cane sugar:** is excluded from Cambodia's tariff commitments.
- **Refined sugar:** white sugar is bound at 7% at EIF and the tariff on other refined sugar is reduced to 5% in 2023.
- The tariffs on 2 lines will phase to 0% by 2020 commencing in 2019, and the remaining tariff line is excluded from Cambodia's tariff commitments.

Laos

- 2005 base tariff rates are 10%.
- All tariffs will phase to 0% by 2023 commencing in 2015.