



Australian Government
Department of Agriculture

Export regulation enabled by the *Horticulture Marketing and Research and Development Services Act 2000*

Regulation impact statement

Final Assessment (Office of Best Practice Regulation ID No 17518)

Horticulture Policy Section

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Summary

Commonwealth legislation (the *Horticulture Marketing and Research and Development Services Act 2000* (HMRDS Act) and subordinate regulations and orders) allow horticultural industries to apply to the government to request conditions be placed on horticultural produce exported from Australia. These arrangements are known as the export efficiency powers (EEPs).

This legislation was reviewed against the principles of National Competition Policy in 2012. In response to the review, the then government immediately revoked the orders that were in place covering exports of apples, pears and dried fruit. The then government agreed to a two-year transition to the full deregulation of citrus exports (the only retained use of the powers) effective 31 January 2015, when the licences issued by the export control body would cease, and the regulations and orders be revoked, subject to Ministerial approval in 2014, informed by advice from the department and consultation with Horticulture Innovation Australia Limited, the body that administers the EEPs, and Citrus Australia Limited, the national citrus industry peak body.

This regulation impact statement presents three options for the regulation of horticultural exports under the HMRDS Act for the Minister's consideration:

- 1) status quo (maintain the current EEP arrangements)
- 2) cease the current EEP arrangements by revoking the orders and the regulations
- 3) cease the current EEP arrangements by revoking the orders and the regulations and removing the head of powers from the HMRDS Act.

Option 2 is presented as the recommended option. The current uses of the EEPs impose measurable costs and deliver no measurable benefits. The current use of the EEPs may be delivering a range of non-measurable benefits and costs. However, these benefits could be obtained by commercial or industry arrangements that do not involve government regulation. Such voluntary arrangements are already in place in some horticulture industries, including citrus exports to some major export markets.

The implementation of this recommendation is expected to deliver net benefits of \$125 000 per annum from abolishing licensing fees payable by exporting businesses and reduced compliance costs for business.

There are no measurable transition costs from ceasing the current EEP arrangements. Non-measurable transition costs are expected to be small due to: the capacity of commercial or industry measures to deliver any benefits that the current uses of the EEPs may be delivering; major markets for citrus already being unregulated; and, there having already been a two-year transition to full deregulation, which was granted by the former government in December 2012.

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1 Background

1.1 Horticultural export efficiency powers

Commonwealth legislation (the *Horticulture Marketing and Research and Development Services Act 2000* (HMRDS Act) and subordinate regulations¹ and orders²) allow horticultural industries to apply to the government to request conditions be placed on horticultural produce exported from Australia. These arrangements are known as the export efficiency powers (EEPs).

The EEPs, which enable statutory export marketing arrangements for horticultural products, were established as part of a package of measures:

"introduced primarily to enhance the capacity of the horticultural industries to expand exports" (Jones, 1987).

The then government considered the horticulture industry was underperforming in terms of its export revenue, mainly due to an uncoordinated approach to exports and inadequate marketing, quality control, market research and promotion (Industry Commission, 1993).

The EEPs were originally administered by the Australian Horticultural Corporation (AHC). The EEPs were incorporated into the HMRDS Act that established the current industry services and export control body arrangements (through the merger of the AHC and the Horticulture Research and Development Corporation), in the form of Sections 19-26 of the Act and its associated regulations and orders.

The HMRDS Act provides for the Minister to declare a body to be the export control body and the Secretary of the Department of Agriculture to make orders to specify the products and markets to which the current EEPs, administered by the industry export control body, apply. The regulations allow the industry export control body to place broad ranging, potentially anti-competitive, conditions on horticultural exports. These conditions may include, but are not limited to:

- requiring the use of specific importing or exporting agents
- establishing quality, colour, shape or size standards for produce
- requiring exporting businesses to participate in an approved export program.

Horticultural industries can apply to the government to use the EEPs to impose conditions on exports of their produce. Since their introduction in 1987, the apple, pear, dried fruit, stonefruit and citrus industries have made use of the EEP arrangements. No new uses of the EEPs have been approved since the introduction of the HMRDS Act in 2000. Currently, the citrus industry is the only user of the EEPs, using them to maintain marketing programs for citrus to the United States and oranges to China. These committees establish minimum prices to be paid by

¹The Horticulture Marketing and Research and Development (Export Efficiency) Regulations 2002.

²Horticulture Marketing and Research and Development Services [Regulated Horticultural Products and Markets (Mandarins, Tangelos, Grapefruit, Lemons and Limes to the United States of America)] Order (No. 1) 2002 and the Horticulture Marketing and Research and Development Services [Regulated Horticultural Products and Markets (Oranges to All Export Markets)] Order (No. 1) 2002.

exporting companies to packing companies for products destined for those markets (see [Appendix A](#) for export conditions).

The EEPs were reviewed against the principles of National Competition Policy in 2012 (OBPR ID No. 2011/12936), as required by the Commonwealth's Statutory Funding Agreement with the then industry export control body, Horticulture Australia Limited (HAL³). The review found that the then uses of the EEPs did not conform with the principles of National Competition Policy and recommended they be discontinued. In response to the review, the then government:

- immediately revoked the orders regulating exports of apples, pears and dried fruit
- requested HAL to amend its licensing conditions to remove the condition for a single citrus importer to the United States and, as a transition to full deregulation in 2015, establish a citrus to the United States marketing program
- agreed in-principle that following this transition period export regulation under the HMRDS Act would cease effective 31 January 2015. This in-principle agreement was provided subject to Ministerial approval in 2014, informed by advice from the department and consultation with HAL, the industry export control body, and Citrus Australia Limited, the national citrus industry peak body.

These decisions by the former government were provided in writing to Citrus Australia Limited, leading to the need for the current government to make a decision on the matter.

1.2 The Australian citrus industry

Citrus production in Australia tends to be highly concentrated in the inland irrigation regions. The major citrus growing regions in Australia are the Riverina in New South Wales, the Riverland in South Australia and the Murray Valley/Sunraysia region in Victoria. These regions predominantly produce eating (navel) and juicing (valencia) oranges. In addition, the Central Burnett region in Queensland is a major production region for mandarins, lemons and limes.

Number and size of citrus growing establishments

In 2010–11 there were an estimated 1115 citrus growing establishments in Australia (ABS 2012). The Australian citrus industry is characterised by a relatively large number of small enterprises. In 2010–11, 437 (39 per cent) of the 1115 citrus fruit growing establishments were reported as having an estimated value of agricultural operation (EVAO) of less than \$100 000, with the majority of holdings (877 or 79 per cent) being less than 50 hectares.

Production

Australia produced 400 554 tonnes of oranges and 91 101 tonnes of mandarins in 2012-13, with a gross value of \$345.9 million and \$137.3 million, respectively (ABS, 2014). Among citrus crops, mandarins and navel oranges contribute the largest proportion to the gross value of the industry (approx. 30 per cent each), with Valencia oranges and lemons and limes making lesser contributions (approx. 15 per cent each) and grapefruit and other citrus making minor contributions (approx, 5 per cent in total; based on ABS 2012).

³HAL was replaced by Horticulture Innovation Australia Limited (HIAL) as the industry export control body on 25 November 2014.

Table 1. Structure of the Australian citrus† industry based on categories of estimated value of agricultural operation (2011).

Less than \$100,000	\$100,000 to < \$200, 000	\$200,000 to <\$500,000	\$500, 000 to < \$1,000,000	\$1,000,000+	Total
Number of establishments					
437	185	237	121	133	1,115
Percentage of establishments					
39%	17%	21%	11%	12%	100%

†Orange, lemon, lime, mandarin, grapefruit or tangelo growing. Source: Australian Bureau of Statistics cat no. 7121.0 - Agricultural Commodities, Australia.

Trade

The Australian citrus industry has a strong export focus. In 2012-13, 164 401 tonnes of citrus were exported from Australia. This included 112 931 tonnes of navel oranges, with a gross value of \$112.9 million and 32 405 tonnes of mandarins, with a gross value of \$54.0 million. Major export markets for Australian citrus include Japan, Hong Kong and Malaysia (Table 2; those commodities and markets that are regulated under the EEPs are shown in bold).

Table 2 Australian orange and mandarin exports to major export markets 2011-2013.

	2011	2012	2013
Oranges (Navel and Valencia)		Tonnes	
Japan	23996	29724	32518
Hong Kong	18657	30152	29844
Malaysia	14127	11453	11606
United States†	8062	11185	10303
China†	172	2371	8525
Mandarins			
Indonesia	4532	5641	5060
United Arab Emirates	4844	3221	5004
China	325	1150	4371
New Zealand	3592	3437	4925
Japan	2315	1917	2374

Source: ABARES, based on Australian Bureau of Statistics, International Trade, Australia.

Citrus packing and exporting businesses

Approximately 75-85 businesses are licensed to export citrus from Australia (HAL, 2014). Some of these exporting businesses are part of vertically integrated businesses that also include packhouse facilities and orchards, whereas others are standalone horticultural exporting businesses. According to the department's statistics, 45 pack houses were registered to pack citrus for export to China, Korea, Thailand and Taiwan and 41 pack houses were registered to pack citrus for export to Japan in 2014⁴. Some pack houses are part of a vertically integrated business, others pack and export on behalf of a large number (up to 150) of citrus growers.

⁴These countries have export protocol agreements with Australia that require the department to provide the export list of pack houses.

2 Assessing the problem

The EEPs were introduced in 1987 as part of a package of measures designed to help increase exports by the Australian horticulture industry. The value and volume of horticultural exports from Australia have historically been less than the exports of other agricultural commodities, such as wheat and beef, and less than those of competing southern-hemisphere countries, such as New Zealand, Chile and South Africa.

The EEPs were designed to provide a mechanism that could potentially increase the value and volume of horticultural exports by:

- 1) regulating supply to meet the market demand of importing nations and thereby maximising prices to Australian exporters and the Australian industry more broadly
- 2) avoiding negative externalities (loss of market access; reputational damage to the entire Australian industry) resulting from the export of poor quality produce or failure to adhere to importing country requirements
- 3) addressing institutional realities, in which businesses in the supply chain (growing, packing, exporting) do not collaborate
- 4) creating incentives for importing businesses to invest in marketing Australian exports in importing countries.

The horticulture EEPs have been subject to a number of reviews since their introduction in 1987. These reviews have found that the EEPs could, in theory, deliver benefits to Australian horticultural industries, but only in a narrow range of circumstances. These reviews found that, in practice, the EEPs were imposing costs on industry, but not delivering any benefits.

The horticulture industry has remained strongly focused on supplying the domestic market and is regarded as not capitalising in the growth in the world market for horticultural products (Future Focus, 2008).

3 Objectives of Government action

The objective of the regulation of horticultural exports under the HMRDS Act and subordinate legislation is 'to ensure Australian horticultural industries fulfil their full potential in overseas markets' (*Australian Horticultural Corporation Act 1987*). This potential is generally fulfilled when the quality of the product is maintained, access to export markets is developed and maintained, supply commitments are consistently met, and importers endeavour to promote the interests of Australian industry, such as through effective product promotion.

Many of the objectives that the EEPs were originally intended to achieve can be achieved without the need for continued government intervention. This is partly due to the development of large packing-exporting businesses in the export supply chains of a number of horticultural commodities, including citrus, in the years since the EEPs were first introduced. These businesses have been able to provide outcomes that meet the original objectives of the export powers in other commodities and have the clear potential to meet the objectives of the last remaining uses of the powers (see pg 13 for further detail).

Any government action needs to comply with Australia's international trade obligations. This includes World Trade Organisation rules and free trade agreement obligations. Furthermore, government action should not impose unnecessary regulatory burdens on producers and exporters.

4 Options that may achieve the objective

Option 1. Status quo (maintain the current EEP arrangements).

The industry export control body, funded on a cost-recovered basis by application fees, would continue to administer the present scheme. The export control orders for citrus, which are scheduled to sunset on 1 October 2015, would be remade and the licensing conditions on citrus exports would be extended.

Option 2. Cease the current uses of the EEPs by revoking the orders and regulations.

The current orders and regulations are revoked. The capacity to draft export control regulations in the future, if needed, under the HMRDS Act, is retained.

Option 3. **Cease the current uses of the EEPs by revoking the orders and regulations and remove the regulatory head of powers from the HMRDS Act.**

In addition to abolishing current uses of the powers (Option 2), removing the regulatory head of powers from the HMRDS Act would prevent any new regulations being drafted under the Act in the future.

5 Consideration of the options

5.1 The evidence base

The evidence for this regulatory assessment has been drawn from a range of studies conducted over the last 20 years and other empirical evidence.

To inform the 2012 review of the EEPs, ABARES was commissioned to prepare an independent report assessing the EEPs against the principles of National Competition Policy (Moir et al., 2012). ABARES considered evidence on the benefits and costs of the EEPs presented to them in two periods of public consultation, in November 2011 and July 2012, and meetings with approximately 15 stakeholder organisations (see Section 6 for further detail).

The Industry Commission reviewed the EEPs in 1992 as part of its broader review of the effectiveness of the AHC at increasing the international competitiveness of the horticulture sector (Industry Commission, 1992). The Productivity Commission reviewed the single desk importing arrangement for citrus to the United States in 2002, which was enabled through the use of the EEPs, as part of its inquiry into citrus growing and processing (Productivity Commission, 2002).

The export of citrus to the United States and oranges to China are the only current uses of the EEPs. Therefore, empirical evidence of the costs and benefits of the current licensing provisions is restricted to evidence available from the citrus industry.

In addition to empirical evidence, the analysis is informed by substantial consultation undertaken with the citrus industry by the Department of Agriculture and by the citrus industry's own consultation and analysis (e.g. CDI Pinnacle Management, 2011) provided to the department in 2012 and 2014 (see Section 6: Consultation).

5.2 Impact group identification

The main stakeholders affected by the options considered in this RIS are:

- 1) those businesses that are currently affected by the export control powers (citrus growers, packers and exporters, Horticulture Innovation Australia Limited)
- 2) those businesses who could be affected by some future use of the powers
- 3) the Australian Government.

As the citrus industry is the only significant user of the EEPs, the consequences of the options considered in this RIS are analysed primarily with reference to this industry.

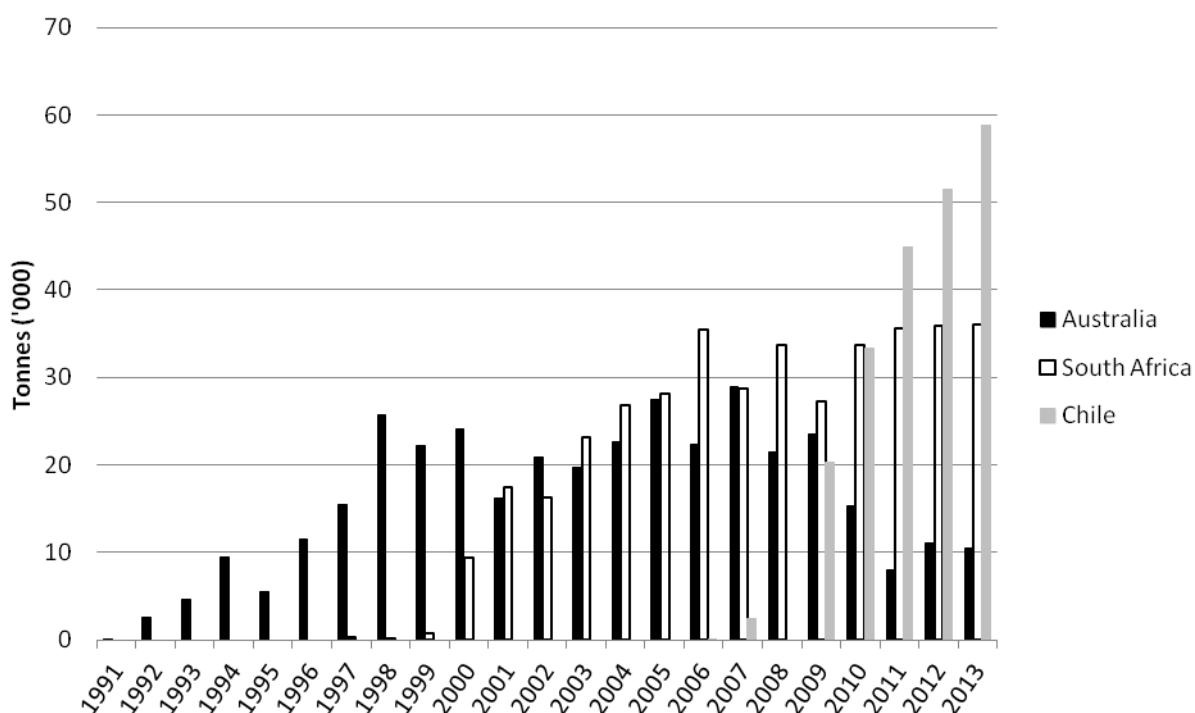
5.3 Option 1. Status Quo (maintain the current EEP arrangements).

5.3.1 Benefits (from the current uses of the EEPs).

ABARES (Moir et al., 2012) stated that it was provided with no evidence of any measurable benefits from the uses of the EEPs to regulate citrus exports, which at the time included a single desk importer arrangement for Australian citrus exported to the United States and a minimum price paid by exporting companies to packing companies for oranges exported to China.

Qualitatively, ABARES concluded that in the 1990s when Australia was the only country exporting citrus into the United States market (Figure 1; citrus is harvested during the cooler months. Australia exports to northern hemisphere countries during their summer months when their domestic citrus industries are not producing fruit), the establishment of a single importer to the United States under the EEPs may have yielded benefits to the citrus industry by allowing it to exercise market power to control export volumes, which might have increased prices and perhaps revenue. Similarly, the Productivity Commission (2002) noted that export licensing may be appropriate in certain, narrowly-defined market circumstances. For example, by restricting quantities exported, Australian growers may capture premiums in export markets where Australia has market power. However, the Productivity Commission went on to note that there are likely to be very few, if any, citrus markets around the world where Australia has any significant power – particularly in view of the emerging competition from other southern hemisphere suppliers.

Figure 1. Volume of United States orange imports from Australia, South Africa and Chile between 1991 and 2013.



(based on United States Department of Agriculture data)

The two markets in which the EEPs are used to regulate citrus exports (the United States and China) are supplied by a number of other southern hemisphere suppliers, their domestic citrus industries and other substitutable fruit industries.

The Productivity Commission (2002) observed that some of the benefits attributed by the citrus industry to the operation of the EEPs in the United States market were not caused by the EEPs. In particular, the high returns received by growers for sales in the United States market in the past, reflected the low exchange rate for the Australian dollar relative to the United States dollar at that time. It also reflected the willingness of United States consumers to pay relatively high prices for citrus in comparison to consumers in other export markets (Moir et al., 2012).

5.3.2 Costs

Maintaining the current EEP arrangements will impose measurable and non-measurable (or in-principle) costs.

HAL recovered its costs from administering the export control arrangements on citrus exports by charging citrus exporters a fee of \$1 500 for annual export licenses. HAL reported revenue from the sale of export licences of \$114 546 in 2013-14 and \$99 629 in 2012-13 (HAL, 2014). HAL's cost-recovery arrangements, in which citrus exporters were charged to administer the scheme, has provided little incentive to the broader citrus industry to consider the application of non-regulatory approaches that could achieve the same objectives.

In addition to direct costs from the payment of licensing fees, costs accrue to exporting businesses (85 businesses in 2014; long term average approximately 75) from completing and submitting an application form for the granting of an export licence. HAL has estimated that completing an application form is a relatively simple process, which takes about 15 minutes.

The government's Regulatory Burden Measure framework estimates the regulatory costs to business (total of all businesses) from the current uses of the EEPs arising from the need to apply for export licenses and participate in marketing committees at approximately \$10 000 per annum.

In total, the measurable annual costs from the current export efficiency arrangements, being from:

- licensing fees
- compliance costs for business

are estimated at approximately \$125 000 per annum.

In addition to the measurable costs of administering the current export control arrangements there are likely to be a number of non-measurable costs to the citrus industry, and through the citrus industry to the Australian community, that cannot be measured (Moir et al., 2012; Productivity Commission., 2002). These include:

- decreasing the incentive to innovate, for both members of the Australian supply chain and the importing country importers
- decreasing the efficiency in the Australian supply chain as a consequence of decreased competition

- decreasing the commercial flexibility in the citrus export trade with the United States and China
- decreasing trade (as minimum prices set for exports of citrus to the United States and oranges to China may prevent some trade that would take place with lower prices).

5.3.3 Assessment

Assessment of costs and benefits

The current uses of the EEPs deliver no measurable benefits and impose measurable costs of approximately \$125 000 per annum. The current uses of the EEPs may also deliver a range of non-measurable costs and benefits. However, any benefits that the current arrangements could be delivering, could also be delivered by voluntary industry or commercial arrangements (see section 5.4.1).

The floor price arrangements for the export of citrus to the United States or oranges to China deliver no additional benefits to the citrus industry compared to the unregulated operation of the market in those countries, because Australia has no price-setting power, in either the United States or the Chinese market, due to competition from other southern-hemisphere exporting countries that supply these markets. As a result, any benefits from an increased price for Australian citrus in the importing countries are offset by reductions in the volume of sales.

The maintenance of the EEPs would have no consequence for Australian consumers as the domestic market is not regulated under the EEPs and they have no measurable effect on the export trade.

Competition test assessment

The current uses of the EEPs, which are anti-competitive, impose measurable costs and deliver no measurable benefits. The current use of the EEPs could deliver a range of non-measurable benefits and costs. However, any such benefits could be obtained by commercial or industry arrangements that do not involve government regulation. As such, the current uses of the EEPs do not meet the competition test requirements of best practice regulation.

Beyond the current uses of the EEPs, it would be difficult to gather measurable evidence to prove that any other restriction of exports of Australian product to a particular market would deliver greater net benefits to the Australian community than unfettered trade.

Achievement of the policy objective

The EEPs have not achieved their original policy objective. Although the value of the Australian horticulture industry has increased significantly since 1990, the industry has remained largely focused on supplying the domestic market, in contrast to other Australian agricultural industries (Table 3). In 1990 the gross value of production for the horticulture industry (excluding wine grapes) was \$2447 million, with exports valued at \$411 million (or 17 per cent of production; Industry Commission, 1992). Between 2010-11 and 2012-13 the horticulture GVP was \$7031 million, with exports valued at \$957 (or 14 per cent of production; ABARES, 2014).

Table 3. Proportion of production exported for the Australia beef, wheat and horticulture industries in 1990 and the three-year average from 2010-11 to 2012-13 (ABARES 2014; ABARES unpublished).

	Gross value of production (\$m)	Gross value of exports (\$m)	Export share (%)
1990			
Beef	\$3806	\$2597	68
Wheat	\$1998	\$1710	86
Horticulture	\$2447	\$411	17
2010-13			
Beef	\$7145	\$4630	65
Wheat	\$6994	\$5471	78
Horticulture	\$7031	\$957	14

That the EEPs have not led to the achievement of the policy objective is not surprising given many economic and physical factors, beyond the influence of government action, act to lead the horticulture industry to focus on supplying the domestic market, in contrast to other export focused agricultural industries. These include:

- the perishable nature of many horticultural products, which limits their export potential
- labour intensive production and harvesting systems combined with high labour, handling and transport costs , which limit competitiveness in export markets
- the relatively small size of many enterprises, which limits their competitiveness
- the attractiveness of returns from the domestic market
- stringent import country biosecurity requirements due to Queensland and Mediterranean fruit fly, which limit trade (Industry Commission, 1993).

It is considered highly unlikely that any future use of export regulation enabled by the regulations, in their current form could conform with the government’s best practice regulation principles and/or with contemporary government policy in the areas of innovation and trade. The text of the regulations is largely based upon the text of the Australian Horticultural Corporation (Export Control) Regulations 1990. As such, the text of the regulations pre-dates Australia’s membership to the World Trade Organisation (1995) and the National Competition Policy reforms of 1995-2005.

The regulations, if they were to be retained, would require extensive revision to ensure they conform with contemporary government policy settings. In the absence of a clear policy objective, it would be no more administratively burdensome to abolish the regulations and establish new regulations in the future, if needed, once a policy objective is apparent.

Overall Assessment

Maintaining the current EEP arrangements does not assist Australian horticultural industries fulfil their potential in overseas markets. The current uses are restricted to the citrus industry and a number of reviews have found them to impose costs without any benefits. They do not meet the Australian Government’s guidelines for best practice regulation, because they restrict

Export regulation enabled by the *Horticultural Marketing and Research and Development Services Act 2000*

competition and deliver no net benefits. Any non-measurable benefits could be delivered by voluntary arrangements.

5.4 Option 2. Cease the current uses of the EEPs by revoking the orders and the regulations.

5.4.1 Benefits

The benefits of ceasing the current uses of the EEPs are the inverse of the costs of maintaining them (see Section 5.3.2).

The government's Regulatory Burden Measure framework estimates the deregulatory benefits to business (total of all businesses) from ceasing the current uses of the EEPs arising from removing the need to apply for export licenses and participate in marketing committees at approximately \$10 000 per annum (Table 4).

Table 4. Average annual deregulatory benefits from ceasing the current uses of the EEPs by revoking the orders and regulations.

Average annual regulatory costs (from business as usual)				
Change in costs (\$ million)	Business	Community organisations	Individuals	Total change in costs
Total, by sector	-\$0.01	\$0	\$0	-\$0.01
Costs offset (\$ million)	Business	Community organisations	Individuals	Total, by source
Agriculture	-	-	-	-
Are all new costs offset?				
<input type="checkbox"/> Yes, costs are offset <input type="checkbox"/> No, costs are not offset <input checked="" type="checkbox"/> Deregulatory – no offsets required				
Total (change in costs – cost offset) = -\$0.01 million				

In addition to reduced compliance costs for business, exporting businesses would no longer have to purchase export licences from HIAL, which would save each citrus exporting business \$1 500 per annum.

In total, the benefits of ceasing the current uses of the EEPs are estimated at approximately \$125 000 per annum.

In addition to the measurable benefits from ceasing the current arrangements, there may also be benefits which cannot be measured. These include

- increasing the incentive to innovate, for both members of the Australian supply chain and the importing country importers
- increasing the efficiency in the Australian supply chain as a consequence of competition among packers and exporters to deliver services at least cost and provide maximum returns to growers
- increasing the commercial flexibility in the citrus export trade with the United States and China by allowing exporters to determine prices based on importing country market conditions
- increasing trade by removing minimum prices set for exports of citrus to the United States and oranges to China, which could allow for trade that would take place with lower prices.

The potential for voluntary industry arrangements to deliver similar benefits to the citrus industry

ABARES (Moir et al., 2012) concluded that voluntary industry arrangements have the capacity to deliver many of the benefits delivered by the EEPs. Such voluntary arrangements appear to work well for Australian citrus in other export markets such as Japan, which has an unrestricted importing arrangement and is among the largest export markets for Australian citrus (Table 2) and for mandarin exports to China (only orange exports to China are regulated under the EEPs). They also appear to work well for the export of other Australian horticultural commodities, such as table grapes (total export value of \$227 million in 2013-14), which are not regulated under the EEPs.

ABARES report (Moir et al., 2012) noted that without the EEPs:

- Exporters could voluntarily agree to use one or a few importers in the United States and, potentially, in other importing countries. Many smaller exporters could use large packing exporting companies to coordinate their exports.
- Quality control, promotion and other actions to promote and protect a brand could be undertaken on a private proprietary basis or through a process administered by an industry body, without any legislative backing. Internal testing of quality for juice content, sugar and sugar-to-acid ratio, currently used for Australian domestic markets, could form part of a voluntary arrangement to certify the quality of produce under a unified brand.
- An industry organisation could provide accreditation to exporters that meet certain requirements and give undertakings as to their good standing to interested parties as required (similar to other industry associations that typically restrict their membership to those who meet certain standards). Additionally, it would be possible for the industry to develop an arrangement for compensating packers and growers who suffer as a result of default by an accredited exporter.
- The free rider problem associated with collecting information on export market volumes could be solved by information being shared only among contributors and being denied to those who do not contribute. This could occur through a voluntary agreement among exporters. Citrus Australia currently operates such a system, InfoCitrus, where access via the internet is made available only to contributors. The EEPs are not necessary or justified for collecting and sharing information among exporters and should not be used for this purpose.

5.4.2 Costs

The transitional costs (if any) to industry and the Australian community from the removal of the current uses enabled by the legislation is likely to be small because:

- the removal of the export regulation removes the statutory compulsion to establish citrus marketing committees for exports to the United States and China, but members of the citrus industry may still choose to voluntarily co-ordinate their exports if they see benefit in doing so
- the allocation of research and development funding to benefit the citrus industry that is currently enabled by the HRMDS Act will not be effected.

Aside from transitional costs (if any), it appears unlikely there would be any long-term costs from the implementation of this option to the citrus industry or to the broader horticulture industry (with the exception of the citrus industry, the EEPs have not been adopted by other horticulture industries).

Risks of deregulation

The risk of negative outcomes for the Australian citrus industry or the broader community as a result of ceasing the statutory regulation of citrus exports to United States and China is considered to be very low. Any benefits that arise from statutory regulation of citrus exports to the United States or oranges to China could equally be realised from a voluntary arrangement, as has been shown by the current operation of the voluntary arrangements for mandarins exported to China and oranges exported to Japan.

For example, Citrus Australia organised a voluntary ACCC Export Exemption Agreement in 2012 for a group of citrus (orange) exporters to Japan. This was established as a potential alternate to a regulated group structure such as the HAL oranges to China committee. The group represented around 96 per cent of Australian citrus exports to Japan. The group shared confidential weekly export volume and price information, and agreed on a minimum export price. However, some members of the industry believe that some exporters did not comply with their agreed minimum prices. Concerns about exporters not adhering to the statutory minimum pricing arrangement also exist (see Section 6: Consultation).

In addition, only two of Australia's export markets for citrus are regulated – the United States (all citrus) and China (oranges only). Many of Australia's largest export markets and the domestic market are not regulated under the EEPs (Table 2). In 2012-13 only 4 per cent of orange and mandarin industry gross value and 3 per cent of orange and mandarin production volume were exported under the EEPs to the United States and China. As such, any unmeasurable consequence from deregulating exports to the United States and China would be buffered by other export markets and the domestic market, which accept more than 95 per cent of production and would not be affected by deregulation.

The exports of citrus to the United States were partially deregulated in December 2012 when the then government agreed to abolish the single importer arrangement that was then in place for all Australian citrus exports to the United States. Subsequently, exports of citrus to the United States have operated under HIAL licensing and minimum-price arrangements (Appendix 1). The abolition of the single import desk arrangements for Australian citrus exported to the United States has not had a perceptible effect on the volume or value of citrus exported to the market or the prices received (Table 5).

A range of market factors affect the amount of Australian citrus supplied to the United States. In addition to the single importer arrangement being abolished, other factors include:

- the entry of Chile as a competing supplier of exports into the United States, starting in 2009-10, which led to a significant decrease in the supply of Australian citrus to the market in subsequent years (see Figure 2 and Table 5)
- the growth of China as a market for Australian citrus since 2012, which may have led some Australian exporters to favour the Chinese (and other closer Asian markets) over the United States market (Table 5)

- downturn in demand as a consequence of the global financial crisis of 2008
- the domestic United States citrus industry is extending its supply window into the April-June period, competing with imported citrus (citrus is harvested in the cooler months)
- other domestic United States fruit industries (table grapes, stone fruit, melons) becoming increasingly competitive with imported citrus.

The risk to the citrus industry from deregulation has been further reduced by a two-year period for the citrus industry to transition to full deregulation, which was granted by the then government in December 2012.

Table 5 Exports of Australian navel oranges and mandarins to the United States in the seasons before and after the partial deregulation of exports to that market.

Year	Quarter	Navel oranges			Mandarins		
		Tonnes	Value (\$ million)	\$/tonne	Tonnes	Value (\$ million)	\$/tonne
2009	April-June	3979	6.65	1671	866	2.10	2427
	July-Sept	19395	33.60	1732	2845	6.75	2372
2010	April-June	5949	10.01	1682	1194	3.10	2591
	July-Sept	9605	14.98	1560	1483	3.54	2384
2011	April-June	1513	2.19	1445	612	1.23	2004
	July-Sept	6509	9.75	1498	1612	3.42	2119
2012	April-June	4908	7.36	1499	1047	2.25	2154
	July-Sept	6277	8.96	1427	759	1.45	1905
Single importer arrangement abolished							
2013	April-June	3310	4.60	1389	788	1.21	1541
	July-Sept	6982	10.12	1449	562	0.81	1439
2014	April-June	2857	5.36	1877	770	1.39	1801
	July-Sept	3180	5.65	1778	222	0.41	1840

Source: ABARES, based on Australian Bureau of Statistics, International Trade, Australia. Navel oranges and mandarins represented 97.5% of Australian citrus exports by volume to the United States during the period 2009-10 to 2013-14.

5.4.3 Assessment

Assessment of costs and benefits

Ceasing the current uses of the EEPs will deliver a benefit of approximately \$125 000 per annum and impose no costs on the citrus industry. Any risk to the citrus industry that may be created through deregulation (if any) is very small compared to risks created by the operation of normal market forces (i.e. such as competition from competing southern-hemisphere exporters). Any non-measurable benefits that the current use of the EEPs are delivering could be delivered by voluntary industry or commercial arrangements.

Ceasing the current uses of the EEPs would have no consequence for Australian consumers as the domestic market is not regulated under the EEPs and they have no measurable effect on the export trade.

Competition test assessment

This option decreases regulation and increases competition and as such conforms to the competition test requirements of best practice regulation.

Achievement of the policy objective

The achievement of the policy objective for Australian horticultural industries to fulfil their potential in overseas markets is largely for the private sector. Ceasing the current uses of the EEPs does not impede the private sector from achieving this objective.

Supply chain business arrangements have matured significantly since the EEPs were first introduced in 1987. In particular there has been an expansion in the provision of large-scale commercial citrus packing and exporting services in many growing regions. These centralised pack house and exporting facilities provide a useful mechanism for supply co-ordination and allow growers of a range of scales of production to supply products into export markets. Similar co-ordinated packing/logistics businesses have developed in other horticultural industries including onions, avocados and apples to co-ordinate supply to domestic and export markets.

Overall assessment

Ceasing the current EEP arrangements applied to the citrus industry decreases cost to industry, increases competition and decreases unnecessary government regulation. This option meets the Australian Government's guidelines for best practice regulation.

5.5 Option 3. Cease the current uses of the EEPs, revoke the orders and the regulations and remove the regulatory head of powers from the HMRDS Act

5.5.1 Benefits

The benefits are the same as those for Option 2. The government's Regulatory Burden Measure framework estimates the deregulatory benefits to business (total of all businesses) from ceasing the current uses of the EEPs and removing the regulatory head of powers from the HMRDS Act arising from removing the need to apply for export licenses and participate in marketing committees at approximately \$10 000 per annum (Table 6).

In addition to reduced compliance costs for business, exporting businesses would no longer have to pay to purchase export licences from HIAL, which would save each citrus exporting business \$1 500 per annum.

In total, the benefits of ceasing the current uses of the EEPs and removing the regulatory head of powers from the HMRDS Act are estimated at approximately \$125 000 per annum.

Compared to ceasing the current uses of the EEPs but retaining the head of powers in the HMRDS Act (Option 2), removing the power to regulate horticultural exports from the HMRDS Act delivers no additional benefits. In the absence of regulations or orders, the head of power itself imposes no additional costs on horticulture industry businesses.

Table 6. Average annual deregulatory benefits from ceasing the current uses of the EEPs by revoking the orders and regulations and removing the regulatory head of powers from the HMRDS Act.

Average annual regulatory costs (from business as usual)				
Change in costs (\$ million)	Business	Community organisations	Individuals	Total change in costs
Total, by sector	-\$0.01	\$0	\$0	-\$0.01
Costs offset (\$ million)	Business	Community organisations	Individuals	Total, by source
Agriculture	-	-	-	-
Are all new costs offset?				
<input type="checkbox"/> Yes, costs are offset <input type="checkbox"/> No, costs are not offset <input checked="" type="checkbox"/> Deregulatory – no offsets required				
Total (change in costs – cost offset) = -\$0.01 million				

5.5.2 Costs

The transitional costs are the same as those for Option 2.

This option introduces additional non-measurable opportunity costs, by restricting the potential for the government to make use of the EEPs, if needed, in the future. Although the HMRDS Act provides for the introduction of a wide range of conditions on the export of horticultural products from Australia, only a small subset of all possible uses of the EEPs have been implemented to date.

ABARES (Moir et al., 2012) assessed a range of potential uses to which the EEPs could be applied and determined that the objectives giving rise to the majority of these alternative uses could be achieved without the need for government intervention. ABARES concluded that there were two possible policy objectives that the EEPs could assist in delivering, which would require government intervention. These were the administration of import quotas and the establishment of a national food safety certification scheme for horticultural exports.

Ordered response to import quotas imposed by importing countries

The Industry Commission (1993) considered that the only valid case for opening new markets for export licensing would be where a potential importing country required Australia to restrict exports to its market. While WTO obligations now impose strong obligations on quantitative restrictions, it is conceivable that such a requirement could arise with respect to an existing market, such as under a tariff-rate-quota system. Export licensing may be an appropriate instrument in these circumstances (Moir et al., 2012; Productivity Commission, 2002).

Food safety certification

The EEPs could be used to establish a food safety certification scheme, which would enable the Australian Government to certify the food safety of fresh produce exports should importing countries change their policies to require such a certification.

There is an emergent trend for Australia's trading partners to seek verification of Australia's food safety control systems. This follows a significant outbreak of food-borne illness in Germany in 2010 associated with fenugreek sprouts that affected approximately 4000 people and killed 50. Similar outbreaks associated with spinach and salad vegetables in the United States contributed to the introduction of the Food Safety Modernisation Act (US Government) in 2011.

It is proving increasingly difficult for Australia to provide this verification for its horticultural exports owing to the federated nature of Australia's food safety system and the dispersed and small-scale of operation of some horticultural producers and exporters. Loss of export market access, caused by factors that could be covered by the HMRDS Act, has already occurred, on occasions. Trade to Japan for mangos stopped in 2011 due to residue levels above the Japanese agri-chemical Maximum Residue Levels. As discussed in Section 3, maintaining access to export markets is one of the objectives for government in regulating horticultural exports.

5.5.3 Assessment

Assessment of costs and benefits

Ceasing the current uses of the EEPs and removing the capacity for the introduction of any uses in the future will deliver a benefit of approximately \$125 000 per annum and impose no costs on the citrus industry. Any risk to the citrus industry that may be created through deregulation (if any) is very small compared to risks created by the operation of normal market forces (i.e. such as competition from competing southern-hemisphere exporters). Any non-measurable benefits that the current use of the EEPs is delivering could be delivered by voluntary industry or commercial arrangements.

Ceasing the current uses of the EEPs and removing the capacity for the introduction of any uses in the future would have no consequence for Australian consumers as the domestic market is not regulated under the EEPs and they have no measurable effect on the export trade.

Competition test assessment

This option decreases regulation and increases competition and as such conforms to the competition test requirements of best practice regulation.

Achievement of the policy objective

Although many aspects of the policy objective are for the private sector to achieve, some aspects may require government action. If this option were implemented the government would no longer have the opportunity to regulate horticultural exports to address emergent policy issues affecting horticultural exports from Australia (a form of opportunity cost arising from deregulation). Uses of the EEPs that are consistent with the government's original objective, and which may require government action, such as the need for food safety certification or quota administration, can be foreseen.

Overall assessment

Ceasing the current EEP arrangements applied to the citrus industry decreases cost to industry, increases competition and decreases unnecessary government regulation. It meets the Australian Government's guidelines for best practice regulation.

However, removal of the head of powers from the HMRDS Act would limit the options available to government should it need to intervene in the future to address issues that limit export market access for Australian horticulture products.

6 Consultation

6.1 The 2011-12 review of EEPs

The EEPs were reviewed against the principle of National Competition Policy in 2011 and 2012. The Chairman and secretariat for the review was provided by the then Department of Agriculture Fisheries and Forestry (DAFF). DAFF convened an inter-departmental committee (IDC) of officials from the Department of Finance and Deregulation, Department of Foreign Affairs and Trade and Department of Industry, Innovation, Science, Research and Tertiary Education to guide the review.

To inform the review, two periods of national public consultation were undertaken.

6.1.1 The November-December 2011 and March 2012 Consultation- input to the review process

On 17 October 2011 the chair of the IDC wrote to 70 stakeholder groups and individuals seeking input to the review. A two-tiered approach was taken, targeting national peak industry bodies of most horticultural commodities, but also approaching state and regional citrus representative and marketing groups and large citrus growing, packing and exporting businesses. In addition, advertisements were placed in regional newspapers in major citrus-growing regions seeking input from individual citrus producers. This period of written consultation closed on 16 December 2011.

Thirteen written submissions were received containing a range of views, particularly about the single importer arrangement for citrus to the United States, which was abolished in 2012. ABARES met with the authors of many of the submissions in March 2012 to clarify the views they expressed in their earlier written submissions.

For HAL's citrus to China program, one person submitted that the minimum prices were too high to justify his company exporting to that market.

Some members of the citrus industry would like to see quality standards imposed on the quality of exported fruit under the EEPs. They submitted that a few shipments of sour fruit could damage the reputation of all Australian citrus even if, under different arrangements, brand names of individual producers were used more prominently.

Several respondents suggested that, if the then uses of the EEPs were to be discontinued, this should initially be trialled for a year or two, to allow them to be reintroduced or for new or revised arrangements to be introduced.

6.1.2 The July 2012 Consultation-a request for comments on the ABARES draft report and its recommendations

On 4 July 2012 the chair of the IDC wrote to 80 stakeholder groups and individuals inviting comments on the ABARES report and its recommendation that the EEPs be discontinued. In particular, the Chair invited stakeholders to bring forward new data and information on the costs and benefits of the EEPs and also to provide comments on any transitional issues that

should be considered in the event the government decided to abolish the EEPs. The consultation was advertised in *The Australian* and in newspapers in major citrus-growing regions. The report was also advertised through “secondary” outlets including industry newsletters and the ABC rural radio. This period of written consultation closed on 6 August 2012.

Fourteen written and three verbal submissions were received, with the majority coming from members of the citrus industry. The submissions contained little new data or information and largely confirmed the views provided during the earlier consultation period. Some members of the citrus industry submitted that discontinuing the current arrangements, as recommended by ABARES, would have a significant negative effect on citrus producers. They contended this would be brought about by increased competition among Australian exporters (price undercutting), which would reduce prices paid for Australian citrus in the United States market (as noted in 5.3.1, it is not clear that the Australian citrus industry now has any price-setting power in the market following the entry of South Africa and Chile).

Stakeholders raised a number of transitional issues if the government decided to abolish the EEPs. Several stakeholders supported abolishing the EEPs well in advance of the start of the 2013 export season (May-October). Citrus Australia Limited (the national citrus industry peak body) proposed an interim suspension of the EEPs for two years followed by the consideration of the long term future of the arrangements. Citrus Australia Limited also advocated greater government support to expand export market access for citrus during the two years in which the EEPs are suspended. HAL expressed the view that should the government decide to abolish the EEPs, this should be given effect by revoking the Orders, but leaving the Regulations and Act unchanged.

During further consultation in late 2012, Citrus Australia Limited supported removing the condition for a single citrus importer to the United States and, as a transition to full deregulation in 2015, the establishment by HAL of a Citrus to the United States marketing program for 2013 and 2014.

The ABARES report and stakeholder feedback collected during the drafting of that report formed the basis of a RIS (ID No. 2011/12936) which, in late 2012, informed the then government’s decision on the continued regulation of exports under the EEP arrangements.

6.2 The September 2014 Consultation-a request for input into a future decision on the future of the horticulture EEPs

On 4 September 2014 the Minister for Agriculture, the Hon. Barnaby Joyce MP, wrote to Citrus Australia Limited, Horticulture Australia Limited and the Australian Horticultural Exporters’ Association (AHEA; the national horticulture importing and exporting business peak body) seeking input to inform his decision on the future of export regulation under the HMRDS Act. This targeted approach to consultation was adopted in recognition of:

- the extensive consultation on the matter that was undertaken relatively recently as part of the 2012 review

- there has been no significant change in the structure of major stakeholder industries since the 2012 review
- the large majority of responses received from horticulture industry stakeholders consulted in the 2012 review came from members of the citrus industry
- the likelihood that the three organisation held the majority of useful information and represented the majority of views on the EEP arrangements.

Industry stakeholders were not provided with a copy of a draft of this RIS during the process of targeted consultation, but were aware of the findings and recommendations made by the previous RIS (ID No. 2011/12936).

The AHEA, which claims to represent companies responsible for 85 per cent of horticultural exports, consulted broadly with its members at its AGM and responded that it does not support the continuance of the Horticulture Marketing and Research and Development Services (Export Efficiency) Regulations 2002 and the two export control orders relating to citrus. AHEA stated that it considered the current arrangements to be:

inefficient, commercially disconnected with exporting, cumbersome, expensive to industry, and biased towards the views of the levy payers, i.e. certain growers groups.

AHEA noted that the floor price for exports to the United States had discouraged one exporter from supplying the market.

AHEA further stated in its submission that it did not support licensing for export unless it is undertaken by an independent body, and has the statutory background and legal powers to administer the program [i.e. the Department of Agriculture].

Citrus Australia Limited responded that it supported the extension of the orders regulating the export of citrus to the United States and oranges to China for a further two years. Citrus Australia Limited's position was informed by an on-line survey of citrus growers, packers and exporters (71 responses), which indicated support for continuing the regulations and orders for citrus.

- 79 per cent of respondents felt minimum export pricing is important to the industry
- 66 percent of respondent felt it has a positive effect over the past two seasons
- 29 per cent had some level of confidence that minimum prices set by HAL committees were adhered to
- 71 per cent of all respondents were in support for the continuation of minimum export pricing for citrus
- 65 per cent of respondents were in favour of expanding minimum pricing to other export markets.

Citrus Australia Limited indicated that the extension of the current arrangements for a further two years would allow it to work with the industry export control body to improve the effectiveness of the current arrangements and allow the industry to better develop its own voluntary arrangements operating for the Japanese market and for the export of mandarins to China.

In addition to aggregate level statistics, Citrus Australia Limited made the comments of all survey respondents available to the department. Consistent with the AHEA submission, some respondents to the survey indicated that the minimum prices were serving as a barrier to trade in some instances or prevented the exporters from adopting more flexible price setting approaches in response to market conditions.

HAL, the then industry export control body, responded that it did not consider that it was appropriate for the industry export control body function to be administered by HIAL (the new industry services body under the HMRDS Act) due to the governance and legal risks that HAL considered such an arrangement could create. HAL's response related to the reform of the horticulture industry export control and industry services body functions under the HRMDS Act (which was underway at the time) and does not relate directly to the matters being considered by this RIS.

It is intended that this final RIS, once assessed by OBPR as conforming with best practice, will be provided to inform the Minister's decision without further stakeholder consultation.

7 Conclusion and recommended option

The current uses of the EEPs impose measurable costs and deliver no measurable benefits. A range of non-measurable benefits and costs may be delivered by the current use of the EEPs. However, these benefits could be obtained by commercial or industry arrangements that do not involve government regulation. Such voluntary arrangements are already in place in some horticulture industries and for citrus exports to some markets.

Although the EEPs provide wide ranging powers to the industry export control body, they have never been widely implemented. The current uses of the EEPs are restricted to the setting of minimum prices paid to packers by exporters of oranges to China and citrus to the United States. Submissions from Citrus Australia Limited and the Australian Horticultural Exports Association contained differing views on the merits of the current arrangements. Nevertheless, both submissions contained views suggesting that rather than increasing trade as intended, the current uses of the EEPs were decreasing trade by reducing the ability of Australian exporters to compete with exporters from other countries in importing markets.

The current uses of the EEPs restrict competition and deliver no net benefits. As such they do not meet the competition test requirements of the government's regulatory policy. **It is recommended the Orders be revoked.**

The Horticulture Marketing and Research and Development (Export Efficiency) Regulations 2002 grant HIAL the power to place conditions on horticultural exports very similar to the power originally granted to the AHC in 1987. As a consequence, some possible uses of the EEPs would not conform to contemporary government regulatory, innovation or trade policies. **It is recommended the Regulations be revoked.**

The *Horticulture Marketing and Research and Development Services Act 2000* grants powers to regulate exports to the industry export control body (currently HIAL). Although the current use of these powers is not supported, it is possible that in the future these powers could be used to address emergent issues affecting horticultural exports, consistent with the government's original intent in establishing the powers and which are not covered by the *Export Control Act 1982*. **It is recommended that the clauses in the Act (Part 4-Export Control) be retained.**

The implementation of this recommendation is expected to deliver measurable benefits of \$125 000 per annum from: abolishing licensing fees payable by exporting businesses and reduced compliance costs for business.

There are no measurable transition costs from ceasing the current EEP arrangements. Non-measurable transition costs are expected to be small due to: the capacity of commercial or industry measures to deliver any benefits that the current uses of the EEPs may be delivering; major markets for citrus already being unregulated; and, there having already been a two-year transition to full deregulation, which was granted by the former government in December 2012.

8 Implementation and review

Two pathways to the implementation of the preferred option are considered:

- 1) Cease the export licensing arrangements for citrus exports and revoke the orders, with effect from 31 January 2015 and revoke the regulation in due course.
 - This approach reflects the in-principle decision of the former government and that the current arrangements deliver no benefits, only costs.
- 2) Allow the current export licensing arrangements for citrus exports to continue for the majority of the 2015 export season, but permit the orders to sunset, as scheduled, on 1 October 2015.
 - This approach is based on input from Citrus Australia Limited (See Section 6), which sought an extension to the current arrangements for a further two years. The approach provides for the regulation of citrus exports for a further season, during which the industry can further prepare for full deregulation.
 - Citrus Australia Limited's request that the current arrangements continue for another two years is not supported. At Citrus Australia Limited's request the former government granted a two-year phase out of the arrangements in 2012 to provide the industry with time to make the necessary adjustments to a fully deregulated market. The industry is already well advanced in its preparations and operates a voluntary committee on exports of oranges to Japan. The arrangements embed costs, but provide no measurable benefits and the continuation for any longer than required is not supported.

There is, in effect, only a small difference between these two approaches. A final decision on the approach to implementation will need to take into account stakeholder views, together with the government's trade and regulatory policy objectives.

The Minister for Agriculture is required to agree to a change in policy. The Secretary of the Department of Agriculture has the power under the HMRDS Act to revoke the current orders. The process that the Secretary must follow to revoke an export control order is described in Clause 20 of the HMRDS Act. The revocation of the orders would cease all current uses of the EEPs. The department will then arrange for the Horticulture Marketing and Research and Development (Export Efficiency) Regulations 2002 to be repealed.

The development of future Regulations under the HMRDS Act will be guided by the Australian Government's requirements for best-practice regulation. Any future government regulation of horticulture exports would also need to be consistent with Australia's WTO and free trade agreement obligations.

Appendix A HAL's current export licence conditions

Licence Conditions Document

Effective: 1 February 2013 until 31 January 2015



Horticulture Australia

1. Licence Conditions for export trading of Citrus¹ to the United States

- 1.1 All exports of citrus must comply with the Citrus to United States Marketing Program. Prices paid to a packer by an exporter for citrus destined for the United States must not be less than the minimum price set by HAL as recommended by the Citrus to United States Sub-Committee.

2. Licence Conditions for export trading of Oranges

2.1 All destinations

The exporting of oranges is prohibited other than from Horticulture Australia Limited licensees in accordance with requirements of these conditions.

2.2 Peoples Republic of China

All exports of oranges must comply with the Citrus to China Marketing Program.

Prices paid to a packer by an exporter for oranges destined for China must not be less than the minimum price per grade set by HAL based on the price per grade recommended by the Citrus to China Sub-Committee.

¹ Citrus comprises of oranges, mandarins, tangelos, grapefruit, lemons and limes

Glossary

EEPs	Export Efficiency Powers.
Export Efficiency Powers	Powers to place conditions on the export of horticultural products from Australia which have legal basis in the <i>Horticulture Marketing and Research and Development Services Act 2000</i> and subordinate legislation under that Act.
HAL	Horticulture Australia Limited.
Horticulture Australia Limited	An industry-owned company formed under the <i>Corporations Act 2001</i> which was declared under the <i>Horticulture Marketing and Research and Development Services Act 2000</i> as the horticulture industry services and export control body from 2000 until 3 November 2014.
HAL	Horticulture Innovation Australia Limited
Horticulture Innovation Australia Limited	Declared as the industry services and export control body under the <i>Horticulture Marketing and Research and Development Services Act 2000</i> effective from 25 November 2014.

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