

Horticultural Market Access Committee

HMAC

Market Access Process
for the Australian
Horticulture Industry



Horticulture Australia

Introduction

Horticulture (fresh fruit and vegetables, nuts, cut-flowers and nursery production) is a significant and growing contributor to the Australian economy. Value of horticultural exports is expected to rise from \$855 million in 2002 to approximately \$1.5 billion in 2008. Highlighting the opportunities for horticultural exports are the strong growth of demand in export markets and growth of domestic production increasing at a faster rate than domestic demand.

This situation backs the need for industry, government and other stakeholders to work together to open export markets by improving market access, including achieving maximum commercial benefits from access. We must identify our industry's market access priorities and establish market access strategies focusing on achieving access over as short a period as possible and gain commercial benefits to our industry.

Your enquiries to our market access team at HAL are welcome.

John Webster
Chairman HMAC,
Managing Director, HAL

1. What is Market Access?

Market access refers to new or improved trade entry into markets where terms and conditions of access need to be negotiated on an inter-governmental basis with those authorities responsible for the control of import, health and safety regimes.

This broad definition of market access covers phytosanitary (quarantine), sanitary (contaminants eg pesticides) and non-quarantine (eg exclusion, duties, quotas, tariffs, licenses) requirements which need to be addressed through the established channels for authorising access. The definition is usually extended to reference other influences on trade, for example government sponsored industry production or export support arrangements, or matters of national and interstate quarantine as they may relate to international quarantine rules.

At the international level, the World Trade Organisation's established phytosanitary, sanitary and other agreements offer mechanisms and opportunities to improve market access in respect of quarantine barriers. The WTO's current multi-lateral Doha Round offers mechanisms and opportunities to improve market access in respect of non-quarantine barriers. Bilateral negotiations occur both independently and as part of the above arrangements.

At the national level, the Australian Government holds responsibility for negotiation of new market access, maintenance of existing market access and inter-governmental resolution of market access issues. The Horticultural Market Access Committee (HMAC) is essentially the channel between these official agencies and their activities and our horticulture industry stakeholders interested and involved in market access.

2. What is HMAC?

HMAC is a committee which holds responsibilities on behalf of the Australian horticultural industry to consider, prioritise, promote and communicate all market access issues which are of industry significance. The committee undertakes these responsibilities under arrangements and in consultation with industry associations and their members, government agencies, the research community and others who are involved and instrumental in achieving market access outcomes.

Since its formation in 1989 HMAC has been active in the promotion and achievement of market access for the Australian horticultural industry. Recently, the Committee commissioned a review of its own structure, role, operations and effectiveness and of the market access process more widely. This Review was completed in 2002. The Committee has accepted a range of recommendations from the Review, resulting in revisions to some principal features of its own operations and of those of the market access process.

HMAC has an objective, through collaborative activities with other stakeholders in the horticultural market access process, to maximise trade access for Australian horticultural producers into new and existing markets over targeted time frames and under commercially viable conditions.



3. HMAC's role

As described within its Terms of Reference HMAC is required on behalf of horticulture to:

Focus:

- Drive progress and outcomes for market access priorities
- Undertake a leadership role and proactive approach to market access
- Act as a focal point for market access issues

Strategy:

- Identify global and individual market impediments to market access
- Develop industry level policy and strategic positions and initiatives on market access
- Determine new market access priorities
- Develop and report against the horticulture industry's Market Access Strategic Plan
- Establish a market access target program with each of the main government market access agencies

Process:

- Consider and process market access applications for acceptance as market access priorities
- Encourage and assist industries to submit applications in accordance with the Guidelines
- Utilise expert individuals to assist the committee to make judgements on priorities
- Review technical, R&D and other problematical issues during the course of the market access process

Communication:

- Develop and monitor individual product/issue Market Access Action Plans
- Encourage discussion and dissemination of information on market access to the horticulture industry
- Link to the research community for market access related R&D matters
- Industry capacity to monitor progress on each market access issue on HAL website www.horticulture.com.au
<<http://www.horticulture.com.au/>>

4. HMAC's management

The chairmanship and overall management of the committee is held by Horticulture Australia Limited (HAL) which is the industry's service and support organisation. Operational management of the committee is achieved through the National Horticultural Market Access Coordinator who acts as the committee's coordinator and secretariat and is appointed by HAL. The committee meets formally around three times a year and reports bi-annually to the HAL industry forum prior to the HAL AGM. The committee is funded by a pro rata committee membership charge against industries' levy payments. The committee may also levy an annual membership fee where industry levy payments are unavailable.

5. HMAC's membership

The HMAC's core membership currently consists of six individuals who become members of the committee as a result of a selection on the basis of individual expertise, through a process which is managed by HAL. Other committee members are representatives of the major government market access agencies, namely Biosecurity Australia (BA) and the Australian Quarantine and Inspection Service (AQIS) from the Department of Agriculture, Fisheries and Forestry – Australia (AFFA), and the Department of Foreign Affairs. Additional committee members represent the Australian Horticultural Exporters Association (AHEA), the Horticultural Export Consultative Committee (HECC) and the National Horticultural Research Network (NHRN), as well as HAL.

Expertise available to the Committee covers areas such as international trade policy formulation; market access negotiation and trade development; growing, packing and exporting horticultural products; plant quarantine and other SPS measures; tariffs, quotas and trade analysis; issues management and industry Communications; link to the research community for market access related R&D matters.



The Market Access Process

An encompassing and coordinated Market Access Process is needed to achieve and support market access outcomes.

The Process enables horticulture as a multi-sector industry to effectively prioritise its requirements and optimise use of time and resources of the market access service providers.

The Process pursues market access initiatives to final outcomes. This can be a lengthy process over several years, whether for resolutions on quarantine or non- quarantine barriers. In this context the Process identifies outcomes which are achievable sooner rather than later and are of greater rather than lesser commercial benefit.

The Process addresses limitations of government and industry resources for pursuit of horticultural market access, by directing resources to areas of maximum benefit from the viewpoint of horticultural market access outcomes.

The following are major operational features.

Application

Applicants are requested to complete a Market Access Proposal (MAP) Form available on the HAL website at www.horticulture.com.au or from the National Horticultural Market Access Coordinator.

The purpose of an application is for HMAAC to assess an identified horticultural product into an identified market as an accepted market access priority. There is no restriction on the type of party or parties who may apply. They may be growers or other members of the supply chain.

Decision

The application is considered by HMAAC, usually at one of its regular meetings. The basis for HMAAC's decision is the combination of factors highlighted in the Application. These include competitiveness, market and supply chain support, finance and resource requirements, strategic significance, supply, time frame and commercial viability. Following approval by the Committee, the application is forwarded to the relevant government authority for acceptance and entry onto its work program as an approved market access initiative and for reporting back to HMAAC and the applicant on a periodic basis.

Register

In the case of quarantine related barriers, approved and accepted market access initiatives are entered into the Market Access Register held by Plant Biosecurity, a branch of Biosecurity Australia which is a division of AFFA. This Register is the repository for information and monitoring of the status of all current quarantine related market access initiatives. The Register is regularly updated to reflect next steps, upcoming negotiations and status of scientific analyses required to establish grounds for market access approval by the importing country.

Negotiations

Negotiations take place between the Australian government market access service provider and the target market authority. These are often quite protracted and of a government to government nature. In the case of quarantine, various investigation and validation activities may be needed for resolution of quarantine issues. For example there may be need for preparation by the Australian industry of a Pest and Disease List and by the target market authority of a Pest Risk Analysis, possibly followed by disinfestation research and the development of disinfestation procedures, and finally negotiation of an import protocol.

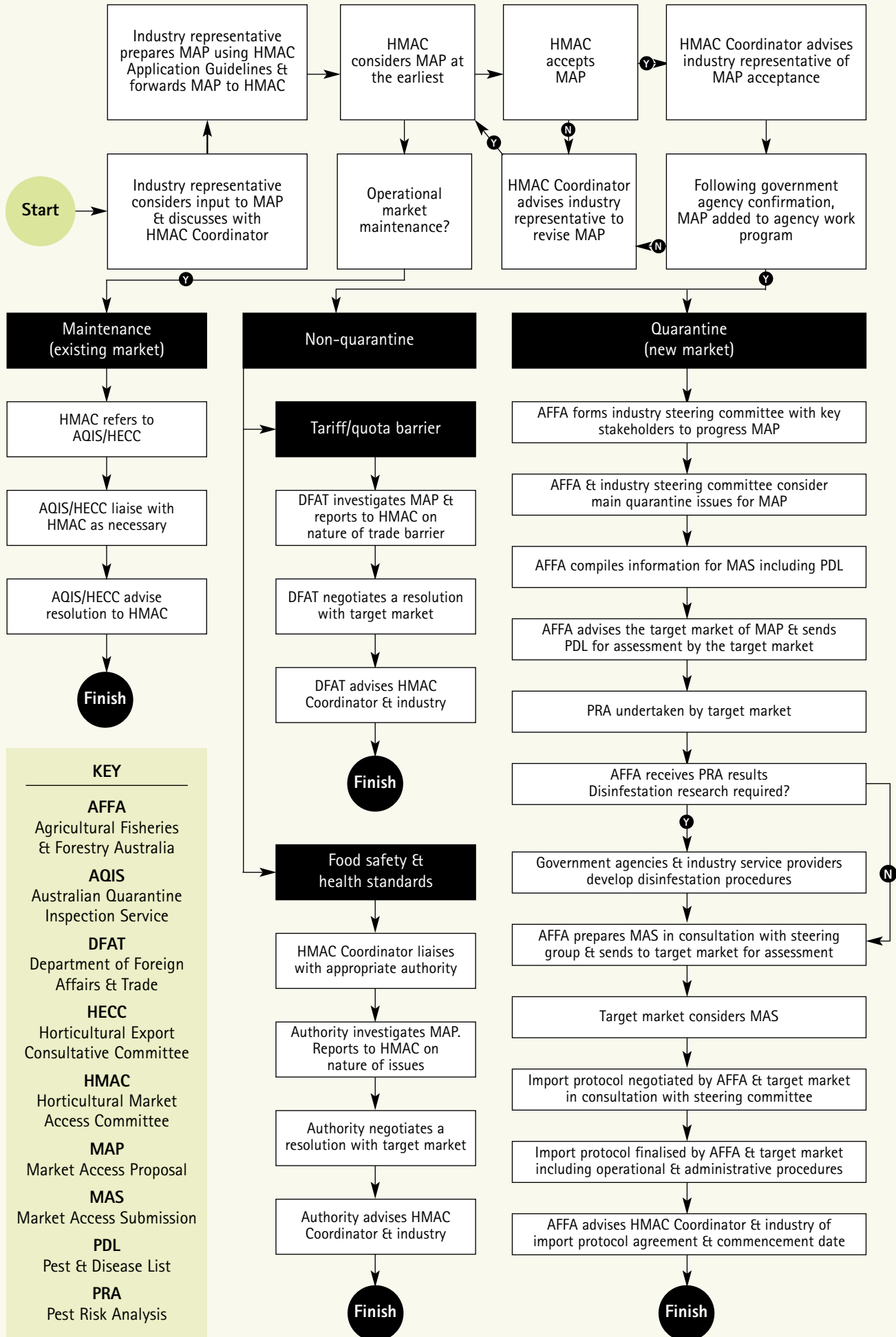
Monitoring

HMAAC takes steps to monitor progress of the approved market access initiative and any necessary investigation and validation activities in support of the initiative. HMAAC requires a Market Access Action Plan for each approved commodity/market access initiative. This is a tracking record maintained by the National Horticultural Market Access Coordinator with the cooperation of the industry party to the market access initiative and government service provider, which outlines the history and the future expected progression with the initiative.

A representation of Market Access Process Pathways is shown overleaf.



Pathways to Market Access



HMAC contacts

For enquiries, please contact the National Horticultural Market Access Coordinator by emailing market.access@horticulture.com.au or contacting Horticulture Australia Limited

Please also refer to the market access section of the HAL website at www.horticulture.com.au



Horticulture Australia

Horticulture Australia Limited
Level 1, 50 Carrington Street Sydney NSW 2000
Phone: 02 8295 2300 Fax: 02 8295 2399
www.horticulture.com.au