

THE LAND

Indonesia increases Australian beef imports

Colin Bettles (28 May 2013)

THE Indonesian government has confirmed it will lift restrictions on Australian beef imports to ease cost and supply pressure heading into next month's Ramadan religious festival and the Eid Fitri Festival in August.

A statement released today from the Federal Trade Minister Craig Emerson and Agriculture Minister Joe Ludwig confirmed the decision.

They said Indonesia's announcement was welcomed and would benefit Australian beef producers and exporters.

"Indonesia has announced imports of premium Australian beef will be exempt from quotas following negotiations with the Australian Government," the statement said.

"The Indonesian Government also confirmed quotas applying to live cattle for the second half of the year will be brought forward, with a further review of supply and demand to be undertaken later in the year."

Dr Emerson said Indonesia continues to view Australia as a quality supplier of beef for its domestic market.

"The Indonesian Government's decision to increase the import of Australian premium beef is a clear reflection of our strong, ongoing trade relationship," he said.

An additional quota exemption has also been flagged which would enable Indonesia's rice trading enterprise Bulog to import beef products, such as frozen carcasses, for supply to local markets.

Minister Ludwig said distributors would be able to import enough premium Australian beef to meet demand from Indonesia's high-end food services sector, which is traditionally higher at this time of year.

"This is great news for Australian beef producers, especially those who are doing it tough," Minister Ludwig said.

"I have raised the need to increase quotas directly with my Indonesian counterparts during my three visits to Indonesia over the last two years.

"These decisions reflect the ability of Australia's Government and industry to work cooperatively with Indonesia."

After weeks of ongoing speculation of an increase in import quotas from Indonesia, the Australian Livestock Exporters Council was cautious about today's announcement.

ALEC CEO Alison Penfold said the paperwork needed to transform the government decision into reality for cattlemen and exporters "has to happen immediately" to enable exporters to transport cattle to port and put shipping consignments together in the next four weeks.

“We’re seeking advice from exporters as to whether they’ve had any information on this announcement and the timing of issuing permits,” she said.

“The timing in the issuing of actual permits from the Indonesians is critical to any announcement and is what makes it real.

“The permits need to be issued in a timely manner to allow cattle to be transported onto boats for the second quarter, which finishes at the end of June.”

Last week, [an article posted on *The Jakarta Post* said Indonesia’s Agriculture Minister Suswono had confirmed his government had appointed the State Logistics Agency \(Bulog\) to import additional beef to help stabilise beef prices](#), outside this year’s annual import quota.

Minister Suswono was quoted as saying the beef would be imported to help keep down prices and was aimed at supplying local markets in Jakarta and West Java.

The government allowed imports of 85,000 tonnes this year but that’s insufficient to meet the surging demand, requiring additional beef imports of between 2000 and 3000 tonnes from Australia, the report said.

In a statement on May 14, Northern Territory Cattlemen's Association executive director Luke Bowen said there had been ongoing speculation around a quota increase or change for some weeks.

He said there are “positive signs” but industry was being careful to “manage producer expectations, especially given the very difficult market and climatic conditions being experienced in Australia”.