

Australian table grape producers have begun to take advantage of the recently finalized export conditions to South Korea, as the initial shipments arrive in the East Asian country.



The development comes as the two countries draw closer to enjoying a ratified Korea Australia Free Trade Agreement (KAFTA). Australian Minister for Agriculture Barnaby Joyce hailed the start of the trade as an exciting milestone.

"Australia currently exports more than 60 per cent of our agricultural product and we are always looking for ways to expand our market opportunities and to increase the return to our producers," Joyce said in a press statement.

"Coupled with the recently signed Korea Australia Free Trade Agreement, this is fantastic news for our (AUD)\$200 million a year table grape export industry.

"Commencement of this new trade is great news for the Australian table grape industry as access to the Korean market will help our industry continue to grow. We are able to provide high-quality, counter-seasonal product to Korea that is fresh, sweet and tantalisingly tasty."

Once the KAFTA is ratified there will be a significant reduction in the import tariff into the East Asian country, from the current 45% to 24% over the months of December to April. This will then be gradually reduced to zero over a five-year period.

Australian producers expect that this tariff reduction will result in considerable increased demand in South Korea, for which grapes and citrus are two of the country's biggest imports.

Australian Table Grape Association (ATGA) chief executive officer Jeff Scott said the industry was very pleased with the commercially viable protocol that had resulted from negotiations between the two countries.

ATGA executives are currently in the South Korean capital to launch the trade in Australian table grapes at the Soeul Food 2014 exhibition, the third largest of its kind in Asia. The introduction of the grapes into the South Korean market will also be supported by in-store promotions in various supermarkets.

However, despite the promising future for Australia's table grape industry, Australian Horticultural Exporters' Association (AHEA) executive director Michelle Christoe explained last December that many other key fruit and vegetables still did not have access into the Asian country's market.

"It is important to note that we have no access to the Korean market for apricots, plums, peaches or tomatoes and are not likely to for some years, so whilst we have a duty reduction, market access still remains an issue," she said at the time.

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