

## Media Release

2 April 2020

### Fresh produce industry welcomes government investment in airfreight

The Australian Fresh Produce Alliance (AFPA) welcomes the announcement of a \$110 million International Freight Assistance Mechanism to enable the export of premium Australian fruit and vegetables, while maintaining the ongoing supply of high quality, nutritious produce for all Australians.

In 2018/19 Australia exported \$1.6 billion of fresh fruit and vegetables to key international markets. Australian horticulture is the fastest growing agriculture industry and export is vital to maintain that growth, particularly given the economic impact of COVID-19 on the industry.

“We welcome the announcement of the International Freight Assistance Mechanism, by Minister Birmingham, Minister Littleproud, Deputy Prime Minister McCormack and Assistant Minister Duniam and look forward to working closely with Michael Byrne, Freight Coordinator General” said AFPA CEO Michael Rogers.

COVID-19 has significantly restricted access to airfreight for fresh produce exporters, with producers being unable to pay for the significant increase in freight rates as a result of reduced passenger travel and therefore be unable to supply existing overseas customers.

“We have seen intense demand domestically for fresh produce over recent weeks and farmers remain committed to supplying fresh fruit and vegetables for all Australians. With the closure of food service businesses in Australia and reopening of export markets it makes sense for fresh produce exporters to re-engage with their overseas customers and find a market for their produce” said Mr Rogers.

Australia’s exports of fresh fruit and vegetables has grown steadily over the past 5 years with strong demand from a number of markets across Asia and the Middle East.

“This program enables Australian fresh produce exporters to demonstrate their commitment to our export customers through supplying Australian produce in both good and bad times” said Mr Rogers.

While welcoming this program, AFPA members believe the program needs to be implemented with a commercial approach, focussed on increasing airfreight capacity which will provide more opportunities for exporters and most importantly help to manage the significant price pressure on airfreight.

“We’re hoping that this system will make airfreight rates more accessible to fruit and vegetable exporters. Margins in produce are already tight so realigning the current airfreight pricing to as close as the pricing prior to the impact of COVID-19 would be hugely beneficial to growers” said Mr Rogers.

**Media Contact:** Michael Rogers - CEO, AFPA: 0409 648 911