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China's decision to trial import tax cuts creates new opportunities for Australian businesses

The NSW Business Chamber, the State's peak business organisation, says the Chinese Government's decision to trial reduced tariffs on a number of imported consumer goods, including clothing, shoes and cosmetics, creates new opportunities for small and medium-sized Australian businesses to achieve export success in China.

Chinese Premier Li Keqiang has announced that from June 1, the Government will trial reductions of import tariffs on selected consumer goods that have high domestic demand. Import duties on suits will be reduced from the current 14-23% to 7-10%, duties on shoes will be reduced from 22-24% to 12%, and cosmetics duties will be reduced from 5% to 2%.

"After already reducing tariffs on over 730 products in January 2014, the decision to trial reduced import taxes on selected clothing, shoes and cosmetics shows a clear commitment from the Chinese Government to offer greater choice for domestic consumers," said NSW Business Chamber General Manager, Paula Martin.

"China's growing appetite for high quality products presents enormous opportunities for successful Australian SMEs. Alongside the soon-to-be-announced provisions in Australia's Free Trade Agreement with China, these reduced tariffs will allow Australian businesses to apply more competitive pricing in China than ever before," said Ms Martin.

NSW Business Chamber recently launched a new program, **Export Growth China**, which helps Australian SMEs access Chinese export opportunities.

"**Export Growth China** provides businesses with a low-cost entry point and essentially 'holds their hand' through the entire process; from determining whether they're ready to export right through to facilitating trade agreements with Chinese wholesale buyers.

"We have opened a custom-designed showroom in the heart of Shanghai's international trading district, which we are currently filling with Australian products and services ready to be matched with wholesale buyers.

"Our staff on the ground are already proactively marketing these products to wholesale buyers and providing real-time feedback on potential sales leads – it might be that their labelling or packaging may need to be redesigned for the local market, or the size or ingredients of their products might need to be better tailored for Chinese consumers.

"Rather than commencing the incredibly time consuming, costly and often frustrating process of getting Australian products on the shelves in Chinese stores, all Australian businesses



have to do is register to become part of our **Export Growth China** program and we will help to determine your path to export success in China.

“With the details of Australia’s Free Trade Agreement with China expected to be announced in coming weeks, the **Export Growth China** program is an enormous resource for Australian SMEs who are keen to break into the world’s largest consumer market,” Ms Martin said.

For more information about **Export Growth China**, visit www.exportgrowth.com.au or call 1800 505 529.

***Export Growth China** is an initiative of the Australian Chamber movement and this activity received funding from the Australian Government.*

The views expressed herein are not necessarily the views of the Commonwealth of Australia, and the Commonwealth does not accept responsibility for any information or advice contained herein.

Media contact: Elizabeth Kelleher 0414 626 384

