



## **JOINT STATEMENT** 16 October 2020

## Australian cotton industry disappointed by apparent Chinese export changes

Statement attributable to Adam Kay – CEO, Cotton Australia and Michael O'Rielley – Chair, Australian Cotton Shippers
Association

The Australian cotton industry is working to understand apparent changes to export conditions for Australian cotton to the People's Republic of China.

It has become clear to our industry that the National Development Reform Commission in China has recently been discouraging their country's spinning mills from using Australian cotton.

Our industry is working with the Australian Government, including the Trade and Agriculture ministers' offices, to investigate the situation and fully understand what is going on.

The Australian cotton industry has earned a reputation as a reliable international supplier of cotton with fast shipping times to export destinations and reliable delivery. Our crop is in strong demand internationally and can attract a price premium due to its high quality, excellent sustainability credentials, reliability and a proven track record in meeting manufacturer and consumer needs, including in China.

Our industry's relationship with China is of importance to us and is a relationship we have long valued and respected. To now learn of these changes for Australian cotton exports to China is disappointing, particularly after we have enjoyed such a mutually beneficial relationship with the country over many years.

Despite these changes to our industry's export conditions, we know Australian cotton will find a home in the international market. The Australian cotton industry has long enjoyed positive relationships with the many other countries we export to, and we look forward to continuing and developing those other relationships further.

The Australian cotton industry will continue having meaningful conversations with stakeholders to fully understand this situation, and we will continue working with the Australian Government to respectfully and meaningfully engage with China to find a resolution.

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