

July 2025

Information sheet: Proposed improvements to the Export Control (Tariff Rate Quotas – General) Rules 2021

Introduction

Australia's agricultural export legislation came into effect on 28 March 2021. It comprises the Export Control Act 2020 (the Act) and export control rules made under the Act for various commodities (the Rules). The Rules set out the more specific and operational requirements that must be met to export specific goods from Australia (e.g. Tariff Rate Quotas).

The Export Control (Tariff Rate Quotas – General) Rules 2021 (Tariff Rate Quota General Rules) regulate the export of in-quota India cotton by setting rules for the allocation, management, and use of tariff rate quotas to ensure fair access and compliance with international trade agreements.

The proposed amendments to the Tariff Rate Quota General Rules are outlined below and should be read with the Act and the Export Control (Miscellaneous) Rules 2021 (Miscellaneous Rules).

Minimum Quota Allocation for Cotton

The department is proposing to amend Section 74J of the Tariff Rate Quota General Rules to reduce the minimum quota allocation for cotton exports to India from 500 tonnes to 100 tonnes. This amendment will enable the legislative calculations to work as intended allowing exporters to continue accessing the India cotton quota following the new entrant pathway through the standard allocation provisions.

Under the current legislation, the 500 tonnes minimum quota allocation, set out in Section 74J, prevents exporters from being allocated tariff rate quota entitlement that they have been accessing in previous quota years as new entrants. Once exporters are no longer considered new entrants, exporters would be ineligible for both new entrant quota allocations for a period of three years and the standard access amount, effectively excluding them from tariff-free access. Without the proposed amendment, these exporters would be required to pay a 10% tariff or Most Favoured Nation tariff on all cotton exports to India.

This change will support ongoing participation of new exporters by enabling the new entrant pathway to operate effectively. It will ensure that exporters, who have built a shipping history via the new entrant pathway, can continue to access the India market under a tariff rate quota and avoid financial disadvantage.

More information

Learn more about Improved agricultural export legislation

Email exportlegislation@aff.gov.au

Acknowledgement of Country

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Information sheet: Proposed improvements to the Export Control (Meat and Meat Products) Rules 2021

We acknowledge the Traditional Custodians of Australia and their continuing connection to land and sea, waters, environment and community. We pay our respects to the Traditional Custodians of the lands we live and work on, their culture, and their Elders past and present.

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