# China Lifts Trade Bans on Australian Beef Exports, Leading to Positive Developments in Diplomatic Relations



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China has removed most of the trade sanctions it previously imposed on Australian beef exports, affecting five abattoirs that lost their export licences in 2020. The decision was announced on Wednesday night and takes immediate effect. Australia's Agriculture Minister, Murray Watt, described the development as excellent news for the cattle producers, the meat processing industry, and the workers in these sectors.

In 2020, Beijing imposed trade sanctions on nine Australian commodities and revoked the export licences of several abattoirs amid a diplomatic dispute following the Morrison government's call for an independent inquiry into the origins of COVID-19. Although sanctions remain on two abattoirs and rock lobster exports, three abattoirs regained their licences in December.

The lifting of these trade barriers comes ahead of high-level talks between Chinese Premier Li Qiang and Australian Prime Minister Anthony Albanese, scheduled for mid-June. Since Labor's ascension to government in 2022, China has progressively eased trade restrictions on Australian exports, benefiting barley, cotton, oaten hay, and timber producers, who have seen their exports grow by more than $3 billion recently.

Despite these developments, it is anticipated that Australian trade with China may not revert to pre-COVID levels. Affected sectors have diversified their export markets in response to the initial sanctions, reducing Australia's dependency on China from 43% of all exports in 2020 to below 30% in 2022-23. The Australian government has supported this diversification with $198.2 million in grants to aid producers in accessing new international markets.

Chinese Premier Li Qiang's visit to Canberra is expected to further discuss trade and other bilateral issues.