



Australian Government
Australian Trade Commission

A wide-angle photograph of a lush green rural landscape under a blue sky with scattered white clouds. In the foreground, a herd of black and white cows is grazing on a grassy hillside. The background shows rolling green hills and a winding road. A large, semi-transparent orange graphic element, resembling a stylized arrow or a large letter 'A', is positioned on the right side of the image, pointing towards the bottom right.

AUSTRALIA'S WORK IN FOOD & AGRIBUSINESS

Gary Barnes

Global network geared to future markets



Austrade's focus for 2015-16



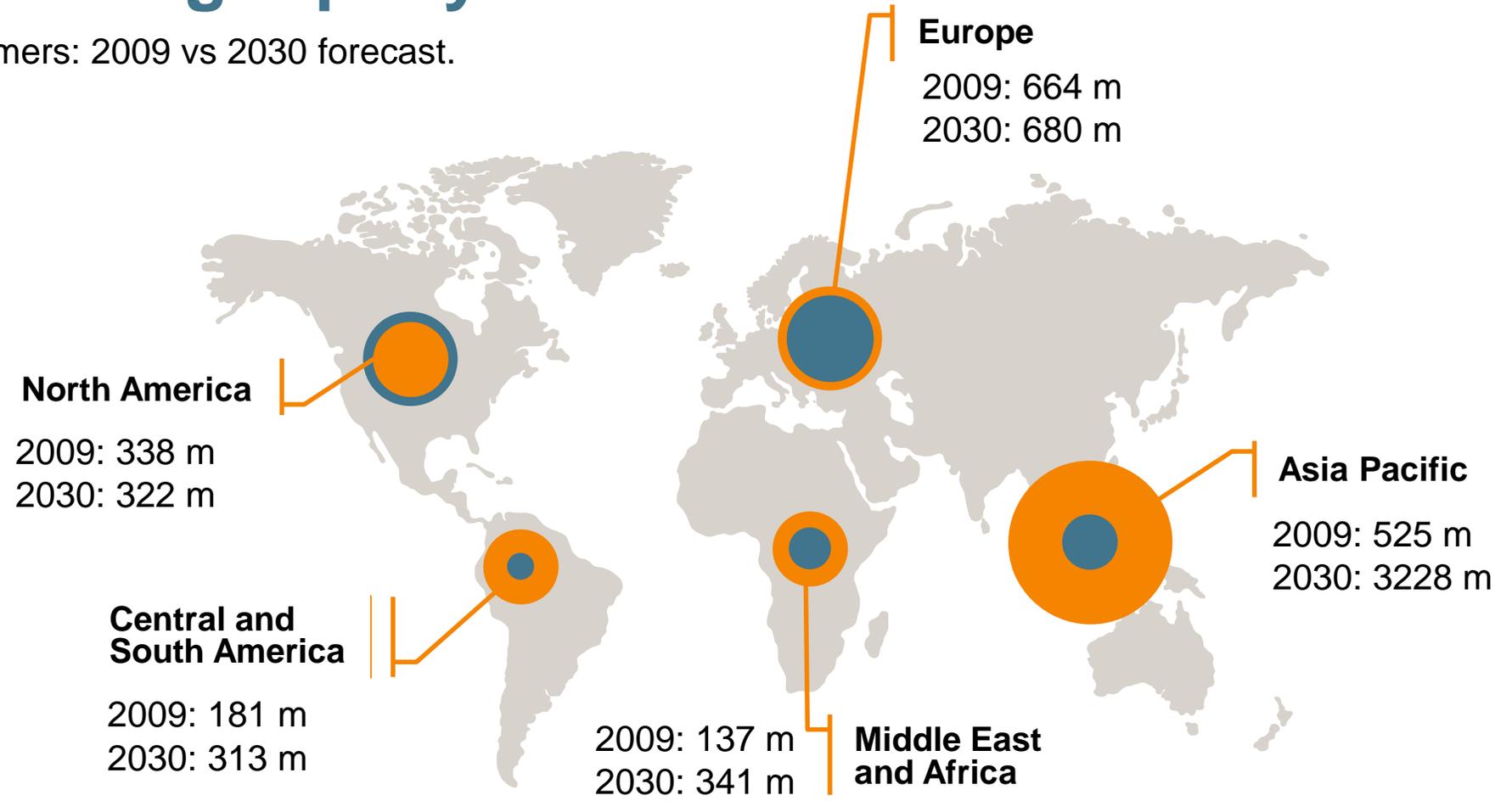
Premium Australia



Food Security

Discretionary food demand is growing rapidly

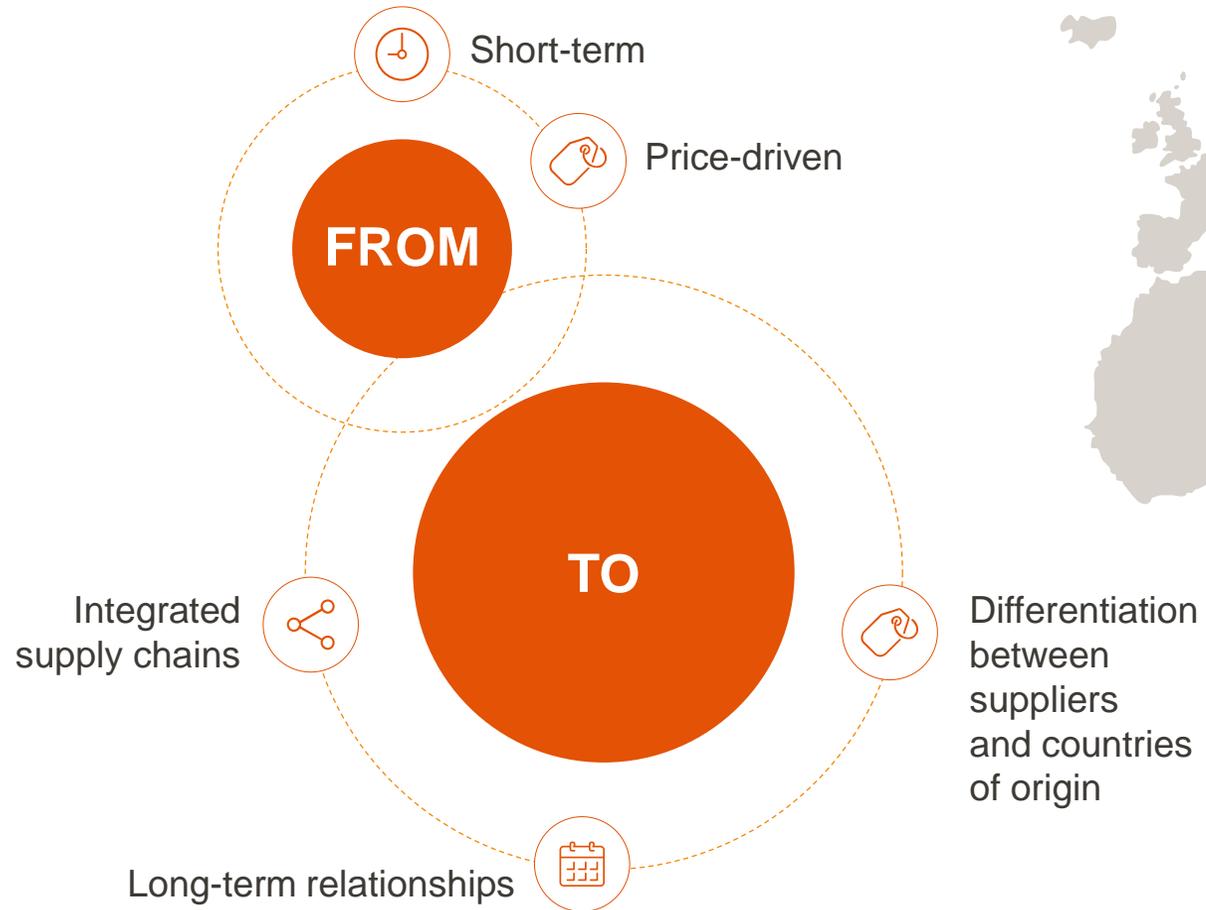
Global middle-class consumers: 2009 vs 2030 forecast.



● 2009 ● 2030

The shift in Asian markets

What does Australia need to do to adapt?





Premium Australia opportunities and challenges



Our target consumer is high income, highly discerning, and will pay a premium for the food they want.



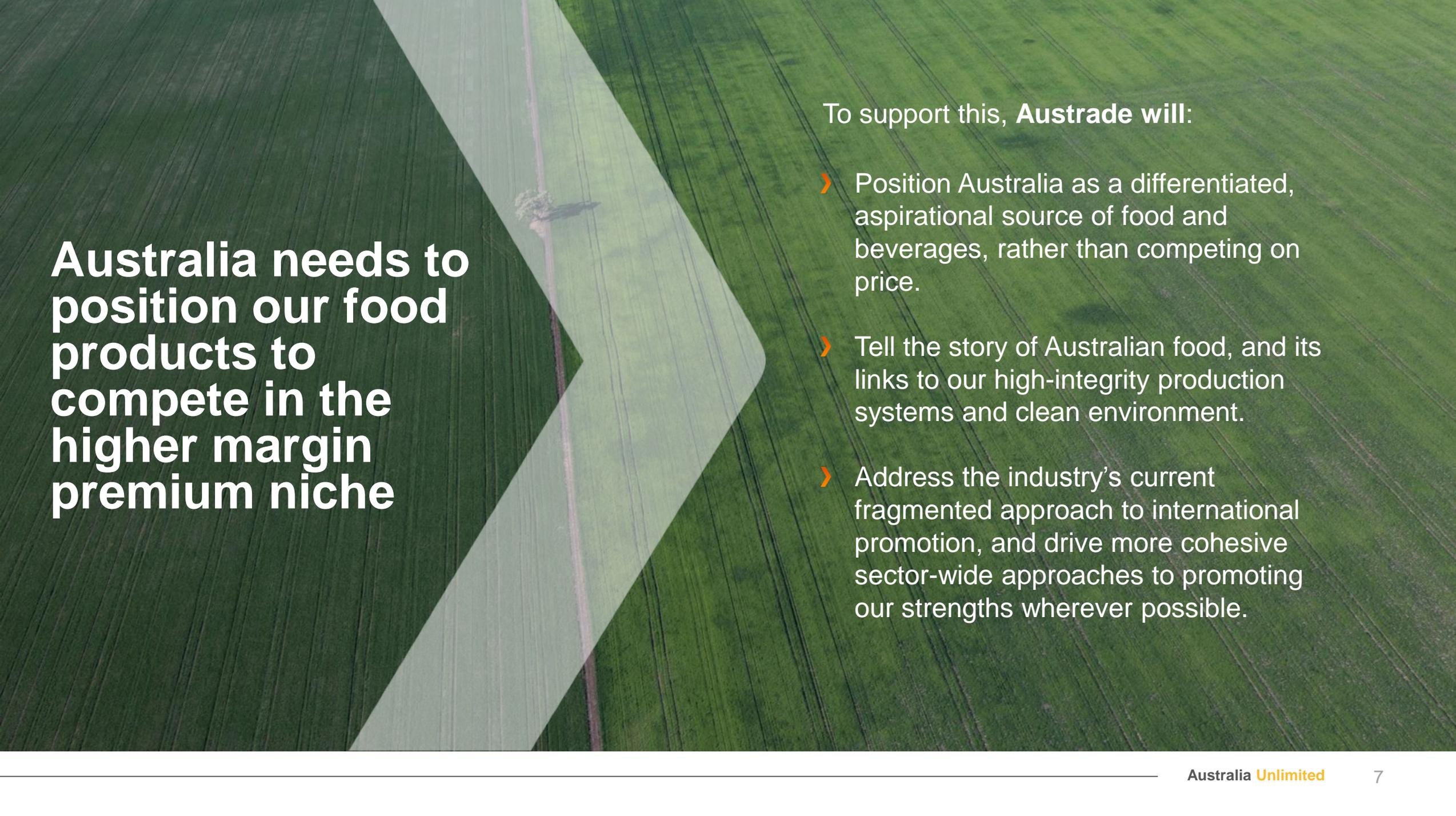
Every high quality food producer in the world is competing for these consumers



Our industry is historically weak at product innovation, marketing, and promotional support for export customers



Australia's reputation for food is strong, but it is a critical challenge for us to remain relevant and a preferred choice.



Australia needs to position our food products to compete in the higher margin premium niche

To support this, **Austrade will:**

- › Position Australia as a differentiated, aspirational source of food and beverages, rather than competing on price.
- › Tell the story of Australian food, and its links to our high-integrity production systems and clean environment.
- › Address the industry's current fragmented approach to international promotion, and drive more cohesive sector-wide approaches to promoting our strengths wherever possible.

Austrade will focus where Australia is competitive in the premium market



Strategic customer engagement across key channels – on the table, on the shelf and online



Promotions and education – wine, seafood, red meat, fresh produce, dairy



Food safety as a marketing asset



Leveraging FTAs





THE CHINA E- COMMERCE OPPORTUNITY



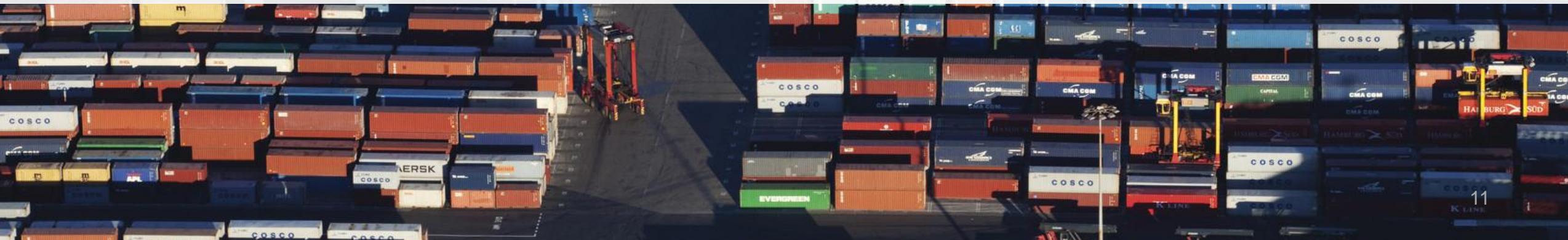
The e-commerce opportunity in China

- › 330 million consumers
- › Relatively high income, seeking direct connection to their favoured brands
- › New “cross-border trading” rules: lower taxes, more flexible quarantine and inspection regime
- › 18 million Chinese consumers buying direct from overseas (cross-border shoppers)
 - 39% of these have bought from Australia
- › But only ~50 Australian brands represented



But which option is best for you?

- › Online shopping mall (e.g. Blackmores, Bellamy's Organic)
- › Hypermarket
- › Specialty market
- › Business-to-business
- › Consumer-to-consumer
- › Online-to-physical
- › Flash sales
- › Different consignment models/distribution pathways
- › DIY?





Taking the first step

- › Launch of initiative and 40 page **report** in June, with Alibaba, YHD, JD.com, and VIP.com
- › Subscribe for **updates** through 2015-16
- › **Tailored services and advice** from Austrade specialists in China
 - Marketplace selection
 - Product feedback
 - Introductions
 - Standard and tailored packages
- › Australian-themed **promotions in China** over 2015-16 in cooperation with key platforms
- › Financial support – **EMDG** and **EFIC**

FOOD SECURITY

many nations will continue to view reliance on imports of staple food as a strategic risk



Emerging economies seek safe, reliable sources of nutrition

Global food demand is expected to increase 70% by 2050



Highly integrated food supply chains are emerging

Transitioning away from consolidators and merchandise trading towards provenance assurance



Increasing desire to improve domestic production

Opportunity to provide technical assistance to develop capability in agricultural technology, policy, systems, skills, services and education

Australia needs to be positioned as a centre of food production expertise

To support this, **Austrade will:**

- › position Australia as a committed provider of food security solutions with our key trading partners
- › reinforce Australia's reputation as a high-quality producer across both bulk and premium foods
- › identify new areas of demand for differentiated bulk food products
- › work with Australian agri research, education, services, technology and equipment suppliers to identify areas of capability
- › help the Australian agri services industry to grow beyond the domestic market, so that new investment into agricultural productivity continues in Australia

Austrade will focus on areas of Australian capability



Dairy production



Herd improvement and health



Agri-education, skills and R&D



Grains, oils and pulses



Seafood production



Food & Agribusiness is a critical sector across all Austrade markets



Premium Australia
China
Hong Kong
India
Indonesia
Japan
Korea
Malaysia
MENA
Mexico
Myanmar
Philippines
Singapore
Taiwan
Thailand
USA
Vietnam



Food Security
Brazil
China
India
Japan
Korea
MENA
Myanmar
Pakistan
Philippines
Singapore
Sri Lanka
Taiwan
Thailand
Vietnam

Major food & agribusiness events in 2015-16

September - December

- **AsiaFruit Logistica** – Hong Kong
- **Australian Grand Wine Tasting** – Seoul & Tokyo
- **Grandview, Sogo premium retail promotions** – Guangzhou, Shanghai
- **YHD.com, VIP.com Australian Pavilion promotions** – Shanghai, Guangzhou
- **Fine Food Australia, International Food & Bev Trade Week (Vic Govt)** – Sydney, Melbourne
- **Savour Tasmania (Tas Govt)** – China various
- **Indonesia-Australia Business Week** – Jakarta
- **MENA Connections Roadshow** – Australia 7 cities
- **Seafood Directions** – Perth
- **North Asia FTA seminar series** – Australia various
- **China oats and barley buyer delegation** – Australia various
- **South Asian dairy development seminars** – India, Pakistan, Sri Lanka
- **Food safety workshops** – Vietnam, Hong Kong

75+ events over FY15-16

Major food & agribusiness events in 2015-16

January - March

- **Japan premium retail showcase** – Tokyo
- **Australian Grand Wine Tasting** – Singapore, Hong Kong, Seoul
- **Craft beer showcase** – Seoul, Hong Kong
- **Now in Season horticulture promotion** – Philippines, Thailand, Korea, China (TBC), Japan (TBC)
- **China e-commerce platform Australian Pavilion promotion** - TBC
- **Rustan's premium retail F&B promotion** – Manila
- **Korea grains mission** – Seoul
- **Global Grains Asia & AGIC Singapore** – Singapore, Hong Kong
- **Gulfood** – UAE + KSA
- **Australia Day-linked promotions** – Kuala Lumpur, Manila
- **Australia Week in USA (agri-innovation theme)** – USA
- **Australian edible oils food safety workshop** – Taiwan
- **Wheat technical awareness training with AEGIC** – Manila

75+ events over FY15-16

Role of Austrade

- › Identifying opportunities and trends
- › Providing insights, information and tailored in-market support
- › Promoting Australian capabilities
- › Supporting development of an Australian food and agriculture brand and the 'Australia' story
- › Facilitating a unified approach across industry and government to international markets
- › Promoting investment into Australian agriculture

CONTACT AUSTRADE

-  13 28 78 and speak to one of our advisers
-  info@austrade.gov.au
-  www.austrade.gov.au
-  www.exportawards.gov.au
-  www.australiaunlimited.com