



Australian Government

Australian Trade and Investment Commission

Market Diversification: Growing your markets in China and Beyond

10 May 2022

The genesis of ABEI (Austrade) in 2020

- **COVID related disruptions**
 - Markets 'closed'
 - Started in China – our key trading partner for AFF
 - Supply chains challenged – air freight, shipping, market access
 - Vulnerabilities in business models and supply chains evident
- **Geo-political tensions & trade disruption**
 - Chinese govt 80.5% tariff on Australian barley: May 2020
 - Unofficial ban on Aust Rock Lobster : increased Chinese customs checks
 - Unofficial ban on Australian timber: increased checks, pests detected
 - 9 Australian meat processing plants de-listed by Chinese authorities: labelling infringement, chemical residue detection
 - Chinese govt tariffs of 116%-218% on Australian bottled wine 2L or less

Key Elements of ABEI

Agri-Business Expansion Initiative (ABEI) – \$72.7m

Element: Surge support for market expansion

Lead: Austrade

Timeframe: 2.5 years – to June 2023

Funding: \$42.9m

Purpose: To scale up support to over 2,000 agri-food exporters each year through Austrade’s services.

Element: Expansion of ATMAC program

Lead: DAWE – TMAID

Timeframe: 18 months to June 2022

Funding: \$18.4m

Purpose: For government to develop strategic partnerships with industry to support trade expansion and diversification.

Element: Boosting scientific and technical capacity

Lead: DAWE

Timeframe: 18 months – to June 2022

Funding: \$6.8m for new scientist positions and technical cooperation activities

Purpose: To accelerate the negotiation of technical agreements by boosting scientific and technical capacity.

New scientists will progress market access priorities, and Australia’s scientific expertise will be mobilised to undertake technical cooperation activities with our trading partners.

Element: Short-term Agriculture Counsellors

Lead: DAWE

Timeframe: 18 months – to June 2022

Funding: \$3.5m for 3 new Counsellor positions

Purpose: To rapidly build targeted relationships and ensure a sharp focus on actions necessary to grow agricultural exports, complementing the work of the existing network of 22 agriculture counsellors.

Element: Boost provision of market intelligence

Lead: DAWE

Timeframe: 18 months – to June 2022

Funding: \$1m

Purpose: To give exporters the information they need to grow their exports.

AFCoE engages regularly with a very large number of diverse key stakeholders to ensure strategic and operational alignment.

Barley

- GRDC
- Grain Trade Australia
- AEGIC
- Grains Australia (newly formed)

Logs & Woodchips

- Australian Forest Products Assoc

Wine

- Australian Grape and Wine
- **Wine Australia**

Rock Lobster

- **Seafood Industry Australia**
- **Seafood Trade Advisory Group**

Cotton

- Cotton Australia
- Australian Cotton Shippers Assoc.

Beef & Sheepmeat

- **Meat and Livestock Australia**
- Australian Meat Industry Council

Dairy

- Dairy Australia
- Infant Nutrition Council

Almonds

- Almond Board of Australia
- Horticulture Innovation Australia
- Australian Nut Industry Council

Wool

- Australian Wool Innovation
- Woolproducers Australia

Abalone

- **Seafood Industry Australia**
- **Seafood Trade Advisory Group**

Macadamias

- **Australian Macadamia Society**
- HIA
- ANIC

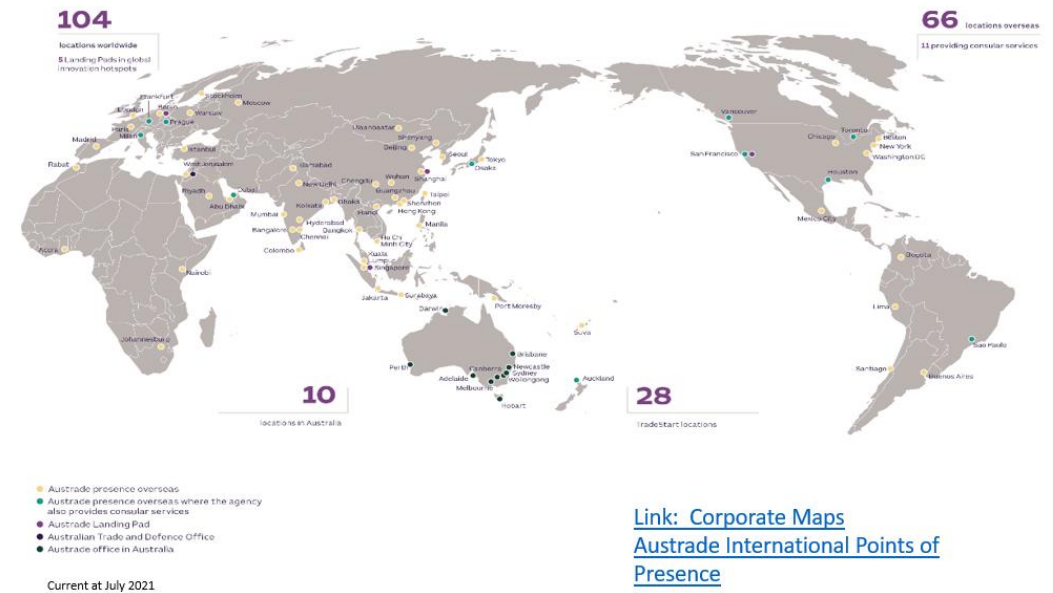
And **ALL State & Territory Governments...**

And Dept of Agriculture and Dept of Foreign Affairs & Trade

And many others....

ABEI underpinned by a China Plus Approach ...

- Business as usual at Austrade Greater China Posts
- Continue to service & support export clients
- Shine with Australia campaign in late 2021



Do business with the world

Austrade helps your business go further, faster

SHINE WITH AUSTRALIA



- An Austrade initiative designed to promote Australian industry capability and premium Australian products and services through coordinated promotional and networking activities both online and offline across mainland China, Hong Kong and Taiwan.
- A program of consumer activations, business events, and media/social media outreach highlighting Australia's premium food and beverage, healthcare, advanced technology and innovation, financial services, education, investment, culture, tourism and sports.
- A 'Team Australia' approach bringing primarily partner-delivered events under the one banner.

SHINE WITH AUSTRALIA

Over 70 consolidated trade and investment outcomes valued at more than A\$91 million



Commercial outcomes



Digital Reach

Mainland China

40 commercial outcomes (38 trade, 2 investment)
Total value exceeds **\$86.7 million**

105 million impressions with 97% positive sentiment

Hong Kong

23 commercial outcomes and retail sales generated valued at **\$4 million**

2.2 million impressions with 99% positive sentiment, 512,000 engagements, 104 pieces of media equivalent advertising value A\$223,000

Taiwan

10 commercial outcomes valued at around **A\$793,500**

1.9 million impressions and 55,700 engagements

In 2021 Australian lobster exports increased 200% and wine exports increased 66%

10,500 new visitors to wine education website

2022 and a new era

- **A new era in geo-politics**
- **Implications for world order & trade rules**
- **Supply chain disruptions & cost escalation**
 - Ongoing & unlikely to resolve in short term
- **Freight & logistics constraints & costs escalation**
 - Ongoing & unlikely to resolve in short term
 - IFAM coming to end at 30 June
- **What does it mean for business and trade?**
 - Preparedness for strategic shocks
 - Trust is becoming less reliable
 - Think deeply about supply chains – sovereign capacity
 - Moving from 'just in time' to 'just in case' business models



What Austrade agrifood clients are saying...

But the opportunities for trade growth & diversification are significant....

Markets

- Greater China ongoing
- ASEAN – immediate & supportive engine room in China Plus model
- FTAs – need to work now to deliver medium – long term opportunities
 - Existing suite of FTAs
 - UK, Europe, India

New Products / New Business Models

- Technology & innovation
- New proteins
- Expanded value adding in Australia
- Products with sustainability credentials
- Revising and re-investing in supply chain infrastructure
- E – commerce platforms

Global Drivers

- Food security
- Food safety & healthy
- Sovereign capacity
- Sustainability

Australia's Competitive Advantage

- Underlying credentials secure
 - Biosecurity, food safety, reliable supplier, quality, reputation, trust
- Continued work to defend credentials
- Investment in sustainability credentials

Austrade support

Tool	Where to go
Digital tools	Austrade export services (business.gov.au)
Advisory centre	13 28 78
Webinars /market briefings / masterclasses	Subscribe to newsletters – Austrade (Ag & Food Fortnightly issue)
Trade shows	Via clients & industry associations / RDCs
Trade promotion campaigns	Shine – with us... ongoing
Euromonitor Market Reports (~ 150)	Email us : agcentreofexcellence@austrade.gov.au
Shine with Assets	Email us : agcentreofexcellence@austrade.gov.au
Industry capability promotion assets (e.g. rock lobster, abalone, almonds, macadamias, horticulture, infant formula, honey)	Email us : agcentreofexcellence@austrade.gov.au
EMDG	EMDG.help@austrade.gov.au
Export Finance Australia	Contact us (exportfinance.gov.au)
Tradestart (new to export)	TradeStart - Austrade

Thank you

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