

Serving up our state to the world

Poland, Saudi Arabia could be export sweet spots

CLAIRE BICKERS

SOUTH Australia is targeting the United States and Japan for new trade opportunities as local companies look to diversify amid rising tensions with China.

South Korea and Japan have been earmarked for future renewable energy trade, including hydrogen, while France and the US are considered big opportunities for the state's defence industry.

Australia is also close to signing a post-Brexit free trade deal with Britain after Federal Trade Minister Dan Tehan held negotiations with his counterpart in London this week.

Countries including Canada, Saudi Arabia and Poland are also being flagged as potential growth markets, according to Food SA's analysis of Global Data research on trade trends for the next three years.

Indonesia, the Philippines, and Hong Kong are pegged as other potential growth markets for key products including savoury snacks, meat, dairy and soy, confectionery, and cereals and bakery goods.

"We see Japan as being really important," Food SA chief executive Catherine Sayer said.

She said SA citrus, almonds, abalone and tuna were already strong exports to Japan, but the country had also been identified as a key growth market for dairy and soy, cereals and bakery goods.

South Australia has also been ramping up its focus on its second biggest trading partner, the US, after exports declined in recent years and

BOOMING TRADE MARKETS

BAKERY AND CEREALS

Global sales tipped to soar 2.3 per cent from \$US598bn to \$US669.3bn between 2019 and 2024. Top five high potential countries include Japan, the US, the Netherlands, Chile and Saudi Arabia.

SAVOURY SNACKS

Global sales tipped to rise 4 per cent to \$US176.1bn from 2019 to 2024. Top five high potential countries identified include Canada, Indonesia, Philippines, Nigeria and the US.

CONFECTIONERY

Global sales expected to rise 2.6 per cent from



\$193.2bn between 2019 and 2024. Top five high potential countries identified were Poland, Saudi Arabia, the Netherlands, Indonesia and Spain.

DAIRY AND SOY FOOD

Global sales are tipped to rise from \$US519.9b by 3.1 per cent from 2019 to 2024. Top potential markets include Japan, Poland, Chile, Vietnam and Canada.

MEAT

Global meat sales are tipped to rise 1.6 per cent to \$US1371.5bn from 2019 to 2024. Top potential markets include Hong Kong, Vietnam, Saudi Arabia, Canada and Poland.

FISH AND SEAFOOD

Global sales are expected to grow from \$US244.3bn in 2019 to \$US284.6bn by 2024. Asia and

Western Europe are leading markets.

Source: Food SA analysis of Global Data research on trade trends from 2019 to 2024



fell to their lowest in two decades in 2020. Nine iconic SA brands – Beerenberg, Bickford's, Pure Origins Honey, Penfield Olives, Oleapak Olive Oil, T-Bar, Robern Menz, Tucker's Natural and Pure Origins – recently signed a deal with Texan high-end supermarket store, Central Market, with the first shipment sent off this week.

State Trade Minister Stephen Patterson said the deal was struck as a result of Zoom meetings held after SA's trade and investment office established in Houston in March 2020.

"While SA exports to the US in recent years haven't

been as strong as they were a few years ago, we've identified it as a market that requires more focus – which is why we set up the office in Houston and established a presence in New York City," he said.

"Canada has been identified as a market with the potential for more SA wine exports, as well as opportunities in terms of SA's burgeoning gaming industry, with Canada a major global player in gaming.

"We also see potential in India, although there will be more required in that particular market, but it's a long-term opportunity because of

its sheer size in terms of population."

The State Government also this week appointed a new Singapore-based trade representative for the Southeast Asian market, in addition to offices established in China, Japan, the US, the Middle East and the UK, and representatives in South Korea, India and Malaysia.

Virtual wine and food tasting events were key pitch strategies developed during 2020 to market SA brands to overseas buyers during COVID-19. Tastings are under way in the UK, Malaysia and Dubai.

Business SA chief execu-

tive Martin Haese said the challenges of exporting to China at present were "concerning" but there was a "vast array" of other markets open to the state and diversification opportunities could be seized "with the right support". "With the vaccine roll-out ahead of schedule in countries like the UK and US, this presents enhanced trade opportunities for South Australian businesses," he said.

"Zoom meetings can get us some of the way, but we need to get borders open as soon as possible to fully realise these prospects."

The US would be a market

for "premium and luxury" SA products, Ms Sayer said. It is also a top target market for savoury snacks and bakery and cereal goods, Food SA's analysis shows.

Hong Kong was an opportunity for meat exporters while Poland was recognised as a growth areas for the confectionery sector, meat, dairy and soy, with health-conscious consumers looking for benefits such as a reduced energy value, sugar-free ingredients and clean label claims, according to Food SA's research.

Indonesia was a high potential market for savoury snacks, and the interest in healthier, cleaner snacks was an opportunity for South Australian snack manufacturers, Ms Sayer said.

Despite ongoing tensions between Beijing and Canberra, Ms Sayer said China was still "an important market".

SA exported \$178m worth of goods to China in January and \$213m in February, Australian Bureau of Statistics data shows. Our exports to China surpassed \$3.3bn in 2020, up from \$2.6bn in 2018, while Japan declined to \$444.9m in 2020, down from \$743.2m two years before.

The US market took \$890.6m of goods from SA in 2020, down from \$1.02bn in 2018. Saudi Arabia took \$114m last year, up from \$56m in 2018 but down from \$403m in 2013.

Oyr state sent Indonesia goods valued at \$234.4m in 2020, while exports to Canada soared to \$617m, up from \$303m in 2018. The Philippines took \$216m of SA goods last year and Poland took just \$11.2m.



