

# Olive opportunity insights, global food trends and government assistance

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Australian Government  
Australian Trade and Investment Commission



## AUSTRADE: OUR ROLE

The Australian Trade and Investment Commission (Austrade) contributes to Australia's economic prosperity by helping Australian businesses, education institutions, tourism operators, governments and citizens as they:

- Develop international markets
- Strengthen Australia's tourism industry
- Win productive foreign direct investment
- Seek consular and passport services

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# AUSTRADE NETWORK

121

locations worldwide



10 locations in Australia

28 TradeStart locations

83

locations overseas

15 providing consular services



5

Landing Pads in global innovation hotspots

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# TRADESTART NETWORK



## AUSTRADE: HOW WE HELP

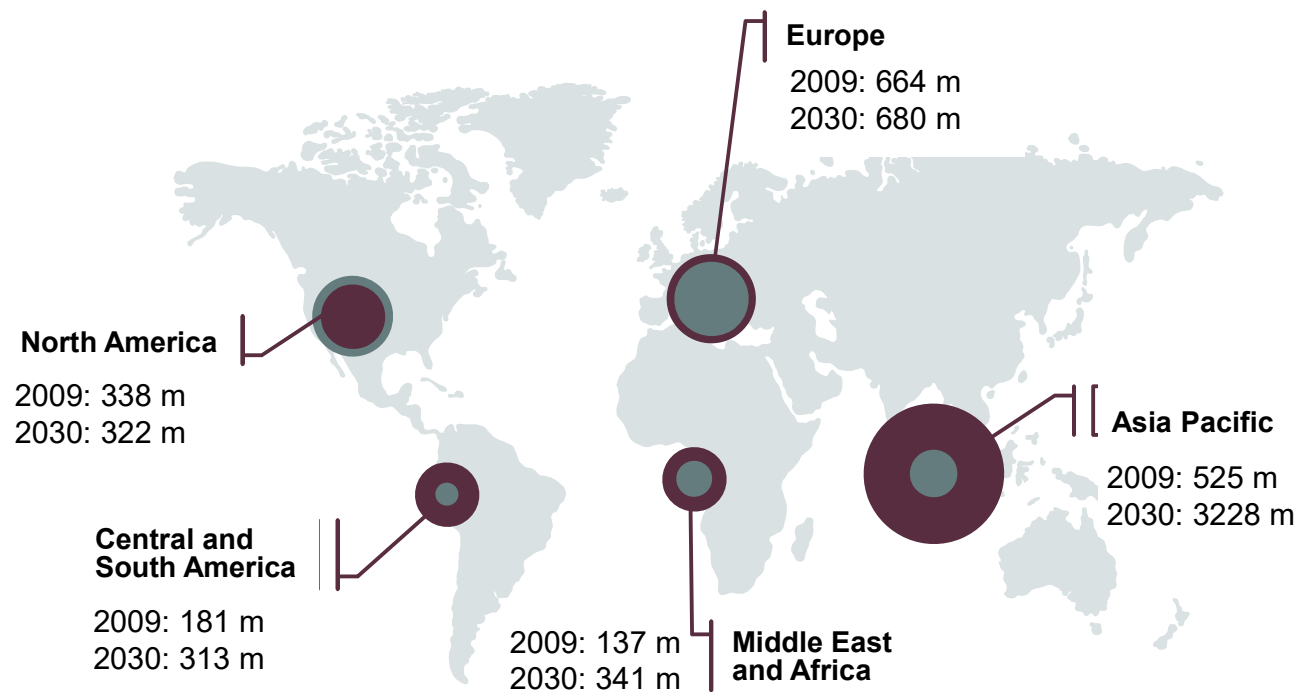
Deliver Qualified Opportunities and Market Insights to Industry

Identify Australian capability

Assist with market entry

Support exporters with marketing initiatives, including EMDG

## THE FUTURE CUSTOMER, CONSUMER & INVESTOR



Source: Kharas, H. 2011, Working Paper No 285: 'The emerging middle class in developing countries', OECD

2009 2030

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Australia **Unlimited**

## GLOBAL FOOD TRENDS ALIGN WITH AUSTRALIAN CAPABILITY

### GLOBAL TRENDS

- Global demand for food is increasing as the world population approaches an estimated 9.7 billion in 2050 from current 7.6 billion
- Consumers (middle class) are demanding food that is safe, nutritious & produced sustainably along transparent supply chains
- Increasing consumer demand for healthier, more convenient & functional food products is a key driver of global

### AUSTRALIAN CAPABILITY

- Australia has established export supply chains for premium food products
- Asia is projected to represent the strongest growth in demand for food.



## AUSTRALIAN OLIVE EXPORTS 2017/2018



HS 070992 - Virtually **no fresh exports**. Ad hoc sales. A\$350 in 2018 to Malaysia and Qatar. Global imports = US\$66m, majority to EU markets



HS 20057 – Exports **peaked at A\$1.6m** in 2018, although dropped to A\$201K last year. A\$937K in 2015. NZ market = majority of exports. Global imports = US\$1.9 billion, USA is largest importer. Opportunity to grow exports to other markets in Asia / Middle East

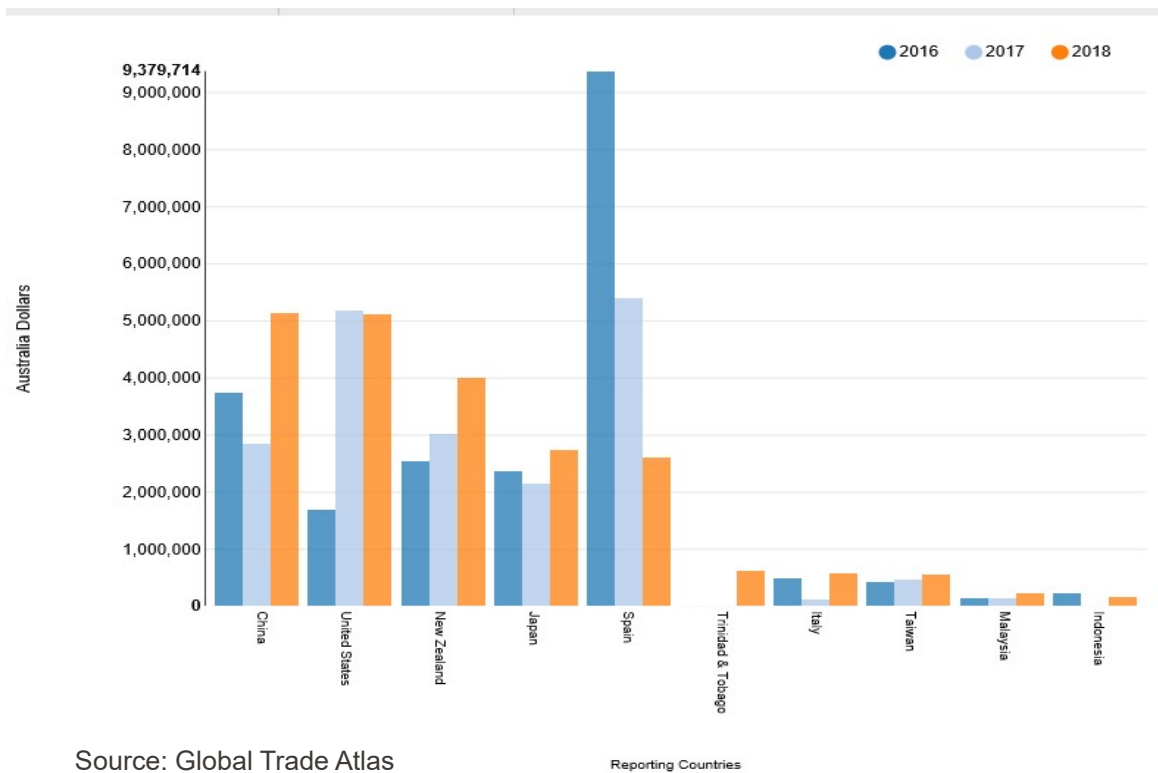


HS 1509 – **Exports currently A\$23m** in 2018 with major markets being USA, China, NZ and Japan. Spain, Greece and Italy dominate competition. Global imports = US\$8.3 billion, therefore opportunity to grow into USA and Nth Asia.

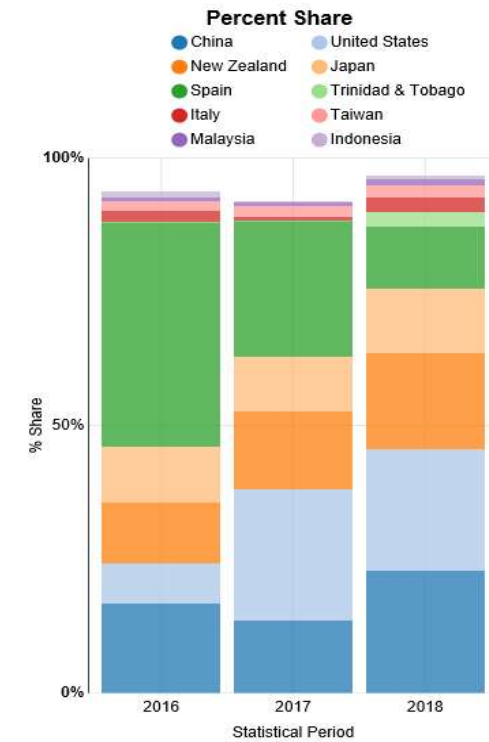
Source: Global Trade Atlas



## Australia Export Statistics Year Ending: July 2018 - Commodity: 1509, Olive Oil And Its Fractions



Source: Global Trade Atlas



## POTENTIAL EXPORT OPPORTUNITIES

### INDIA

- › India's edible oil consumption is number two globally (behind only China) at 24.4 tonnes in 2016-17
- › 70 per cent of demand is met through imports
- › Olive oil particularly popular with 13.0 tonnes consumed
- › The import tariffs on crude (extra virgin) olive oil is 30 per cent and on refined (olive oil and olive pomace oil) is 35 per cent.

### CHINA

- › Olive oil has increased in popularity as a healthy product, particularly in the larger cities.
- › Over 300 olive oil brands in the Chinese market.
- › Currently used extensively for gift giving.
  - Further education is required for its use with Chinese food.
- › Potential opportunity to develop value added olive oil based products such as soaps and other cosmetics.

## POTENTIAL EXPORT OPPORTUNITIES

### JAPAN

- › Spend on olive oil up from JPY 27.9 billion in 2012 to JPY 41.2 billion in 2017 (growth of 47.3 per cent) Source: Euromonitor International June 2018.
- › Rising awareness of olive oil's health benefits and the establishment of the product in its use by consumers.
- › However, there is a need to raise awareness of Australian olive oil.
  - Articulation of unique value and competitive pricing are key.
- › Opportunities exist for the supply of bulk oil.

### NORTH AMERICA

- › Low use per-capita, but demand is growing steadily.

### MIDDLE EAST

- › Olive oil forecast to experience the largest growth of all edible oils in the region.
- › Further production also coming from Syria, Jordan and Lebanon, which offer slightly larger packaging and have geographic advantages for transport and freight.

## THE OPPORTUNITY AND THE CHALLENGES



Become an aspirational choice  
(Quality)



Use premium positioning to  
get better returns (work with  
the right customers)



Deliver what our customers want  
(understand your market)

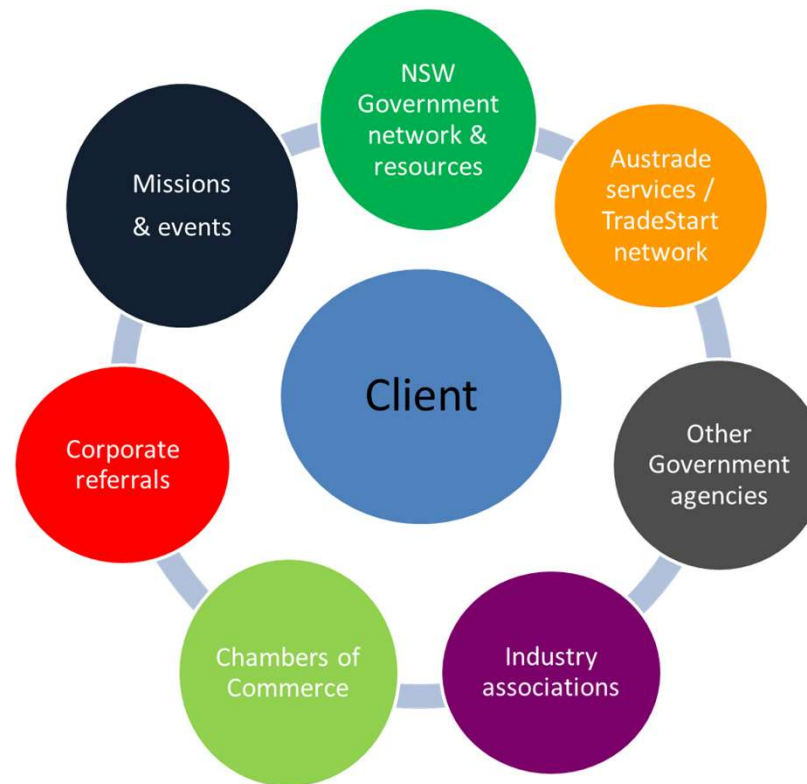


Tell a consistent, compelling  
Australian story

## IS EXPORT FOR YOU?

- › What does export mean to your business?
- › Do you understand the basics?
- › Have you undertaken any research?
- › Do you have the capacity, the resources and the commitment?
- › Do you have domestic success?
- › Do you have an export plan?

## ASSISTANCE / SERVICES



## ASSISTANCE / SERVICES

### ASSESS EXPORT CAPABILITY AND READINESS

- › Assess the export capability and readiness of a business

Resources: [Austrade International Readiness Indicator](#)

- › Provide advice and guidance regarding all aspects of the export process

Resources: [NSW Export Accelerator Tool Kit](#)

[EFIC Developing Your Export Strategy](#)

[Austrade Guide to Exporting](#)

### BUILDING EXPORT KNOWLEDGE, SKILLS AND CAPABILITIES

- › Deliver information seminars, skills workshops, market and industry webinars

Resources: [Austrade Events \(future\)](#)

[Event Presentations \(past\)](#)

## ASSISTANCE / SERVICES

### EXPORT MARKET DEVELOPMENT

- › Collaborate with industry and business groups on industry or market initiatives, international trade exhibitions & missions.
- › Access NSW Government and Austrade's international network to provide:
  - market identification, market-entry strategies and in-market support; and
  - qualified export opportunities and business to business introductions.
- › Referrals to:
  - relevant government agencies; and
  - specialist corporate service providers in Australia and overseas markets (legal, banking, intellectual property, trade finance etc).

Resource: [Export Market Development Grants](#) (EMDG)



## TRADE SHOWS



AUSTRALIA (Melbourne)



CHINA (Shanghai)



JAPAN (Osaka)



U.A.E (Dubai)



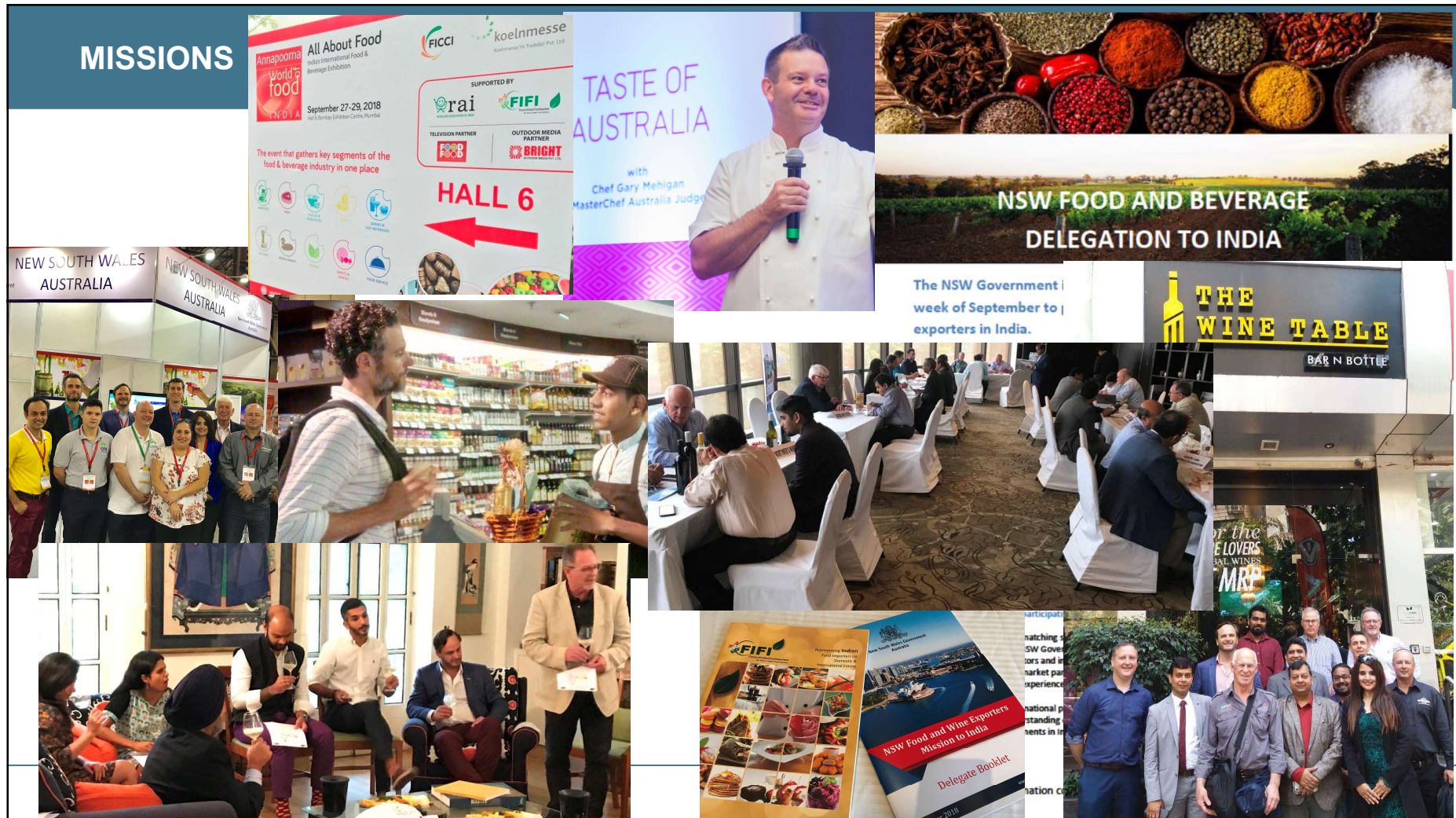
JAPAN (Tokyo)



USA (San Francisco / NYC)



CHINA (Shanghai)



## CONTACT US

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