



Australian Government

**Department of Agriculture
and Water Resources**

ABARES

Global Food Demand Growth: challenges and opportunities for Australian agricultural trade



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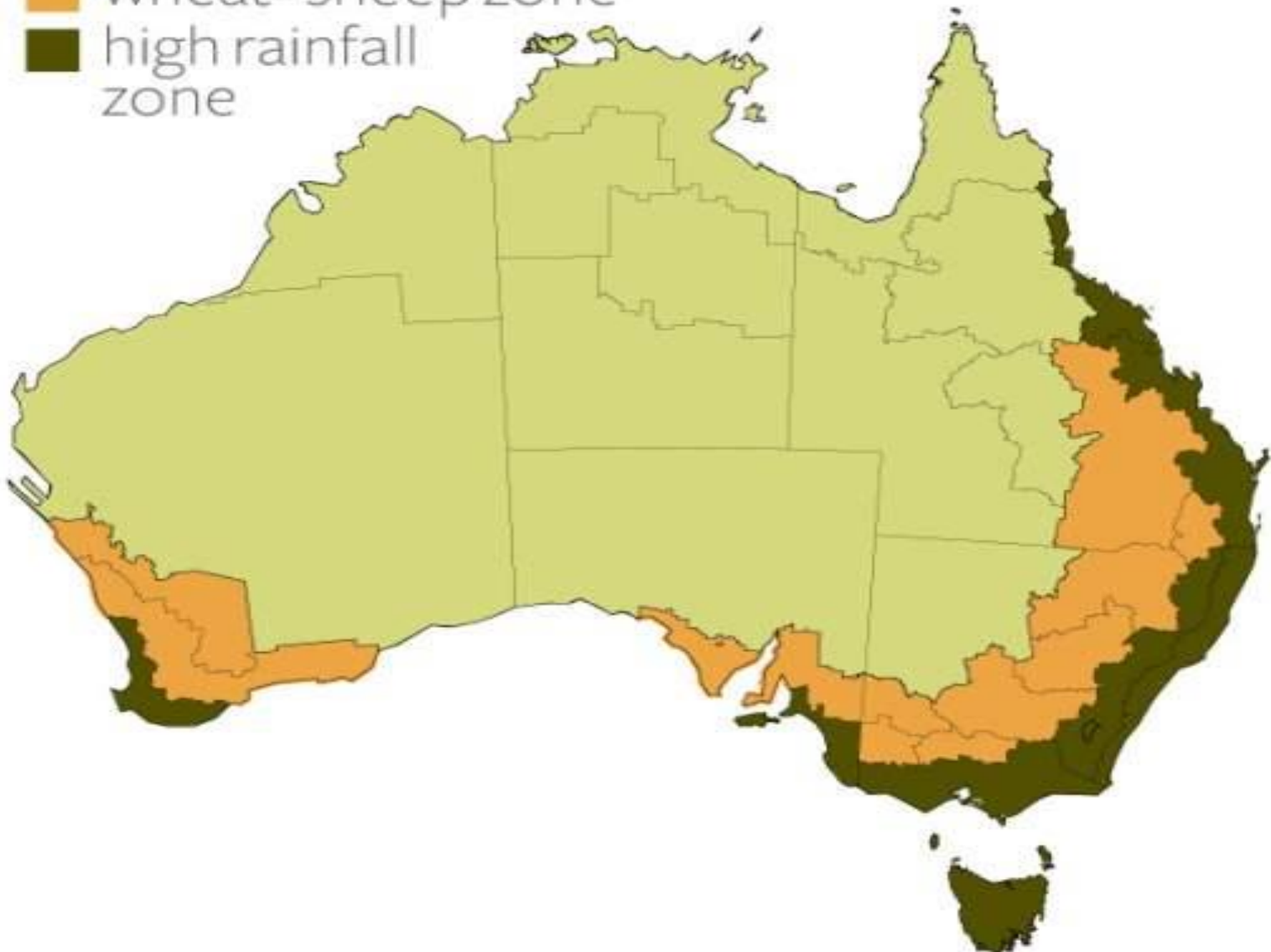
Assistant Secretary/Agricultural Commodities and Trade

Outline

- 1. Australian agriculture and agricultural trade**
- 2. Implications of global food demand growth to Australian agriculture**
- 3. Challenges and opportunities**

Australian broadacre zones

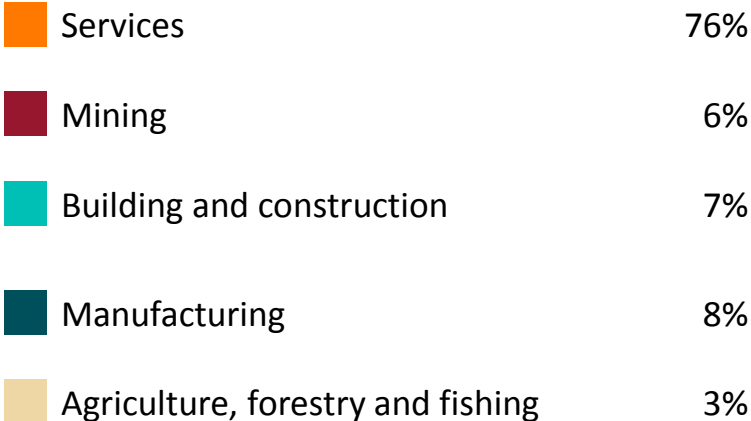
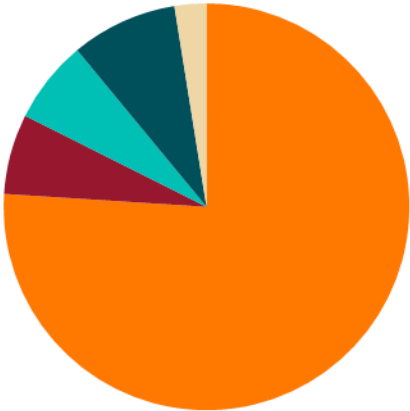
-  pastoral zone
-  wheat-sheep zone
-  high rainfall zone



Contribution to GDP: Australian agriculture

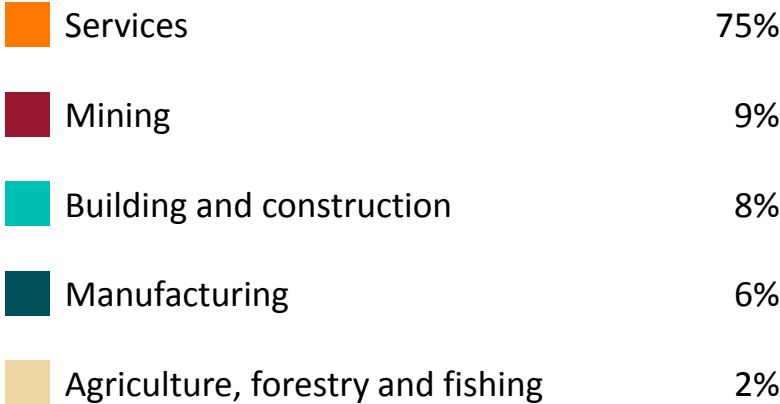
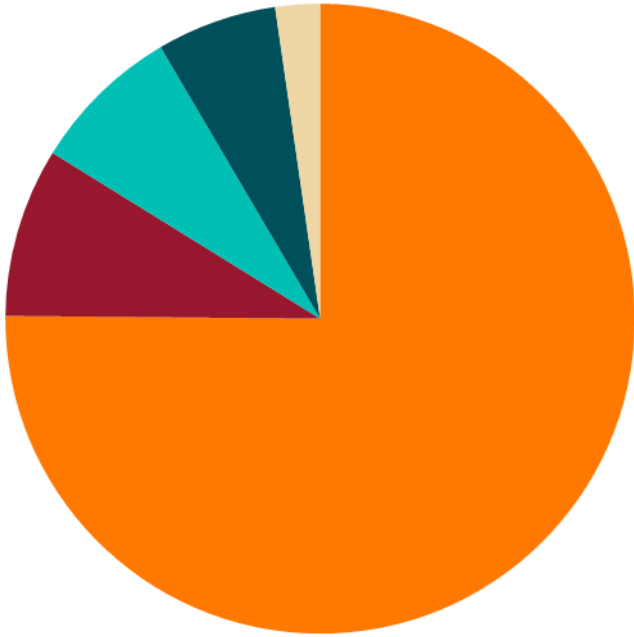
2004–05

\$1 216.1b



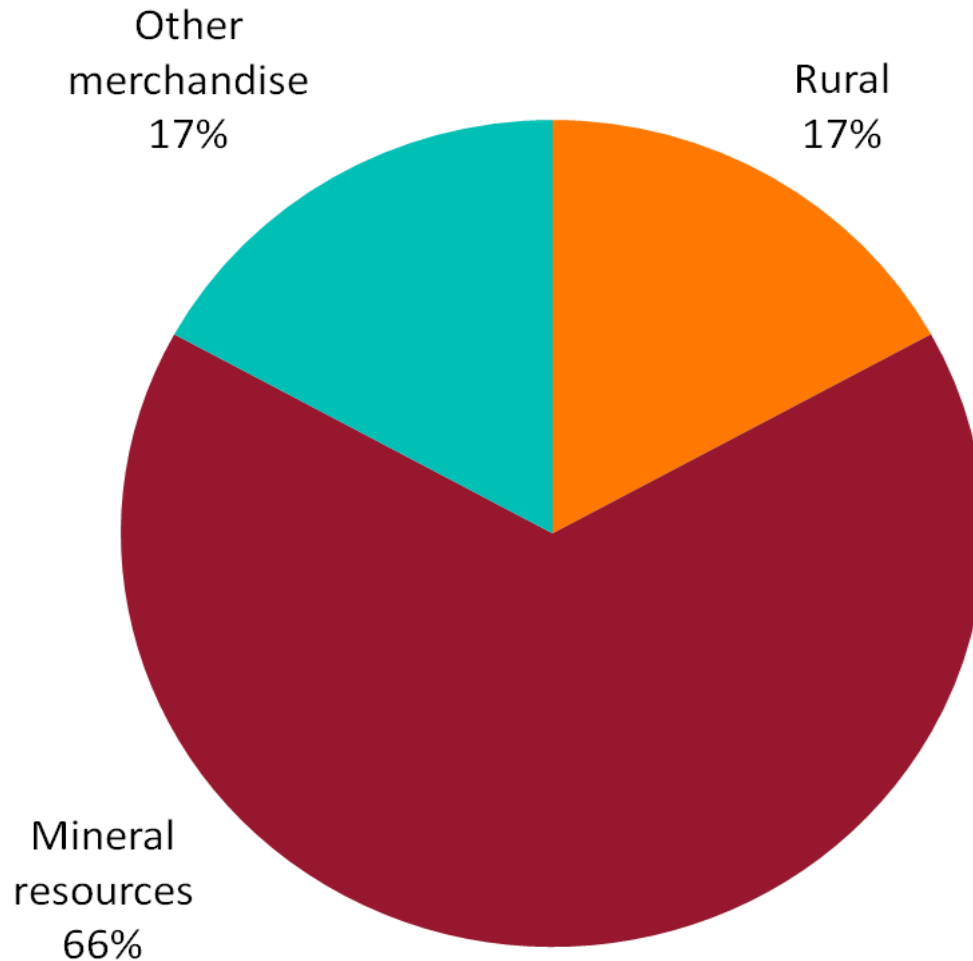
2014–15

\$1 595.9b



Proportion of Australian merchandise exports

2014–15



Markets for Australian agricultural exports

in 2014-15 dollars

2004-05

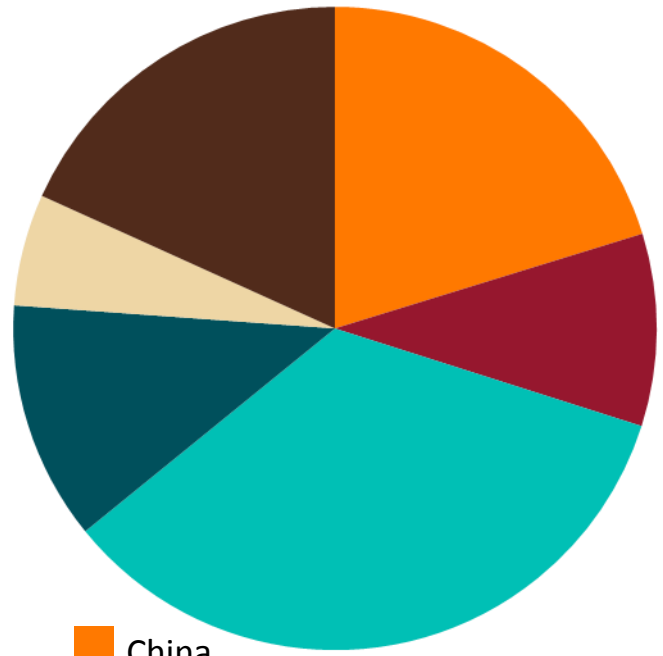
\$35.7b







	China	9%
	Japan	20%
	Other Asia	28%
	United States	12%
	European Union 28	10%
	Other	21%

2014-15

\$43.5b



	China	20%
	Japan	10%
	Other Asia	34%
	United States	12%
	European Union 28	6%
	Other	18%

Sources of Australian agricultural imports in 2014-15 dollars

2004-05

\$8.8b



2014-15

\$16.5b



European Union 28

ASEAN

New Zealand

United States

China

Other

31%

15%

18%

11%

5%

20%

European Union 28

ASEAN

New Zealand

United States

China

Other

23%

21%

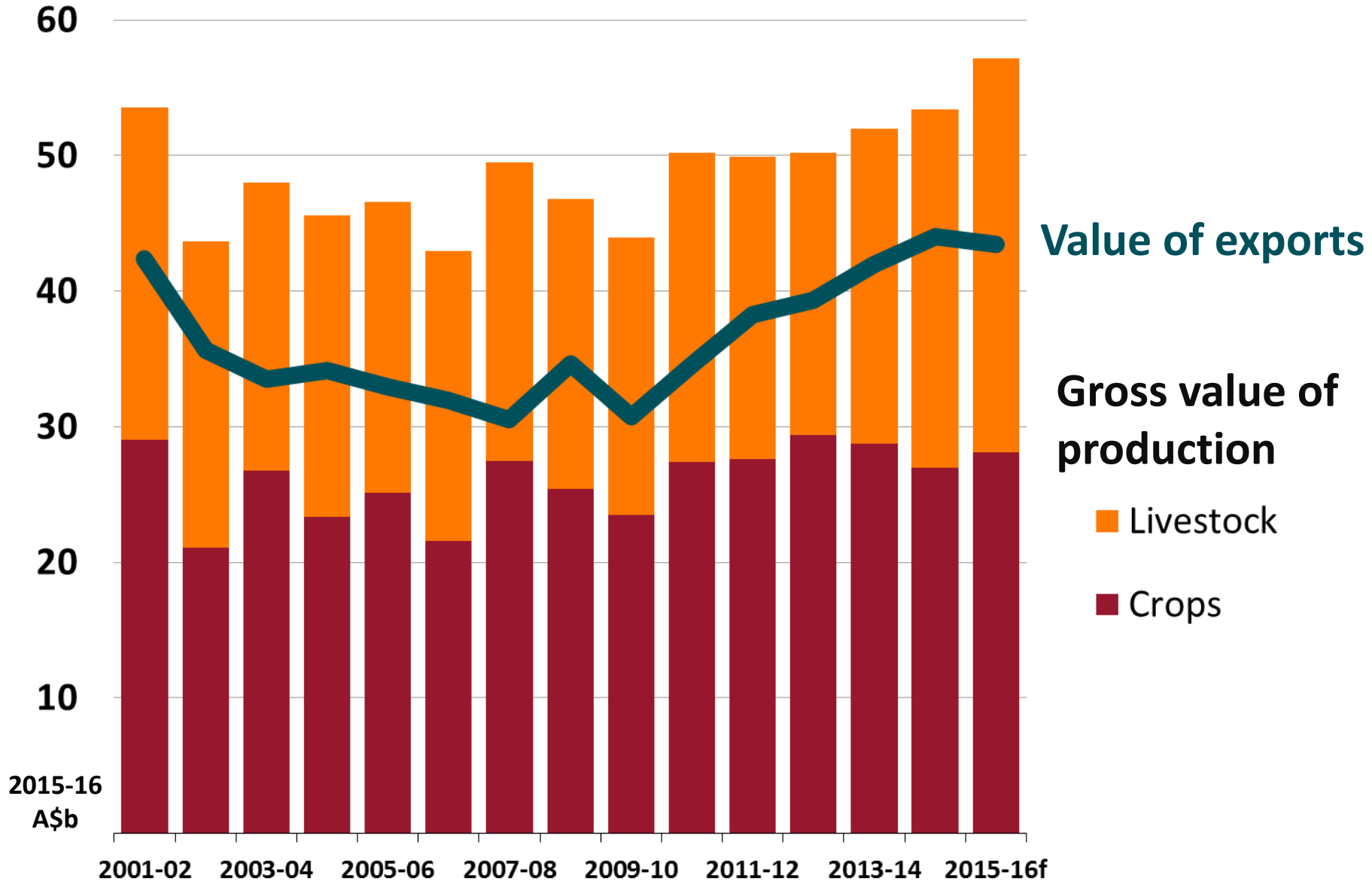
18%

11%

6%

21%

Value of agricultural production & exports



2015-16
A\$b

2001-02 2003-04 2005-06 2007-08 2009-10 2011-12 2013-14 2015-16f

Outline

1. Australian agriculture and agricultural trade

2. Implications of global food demand growth

- Japan and Korea

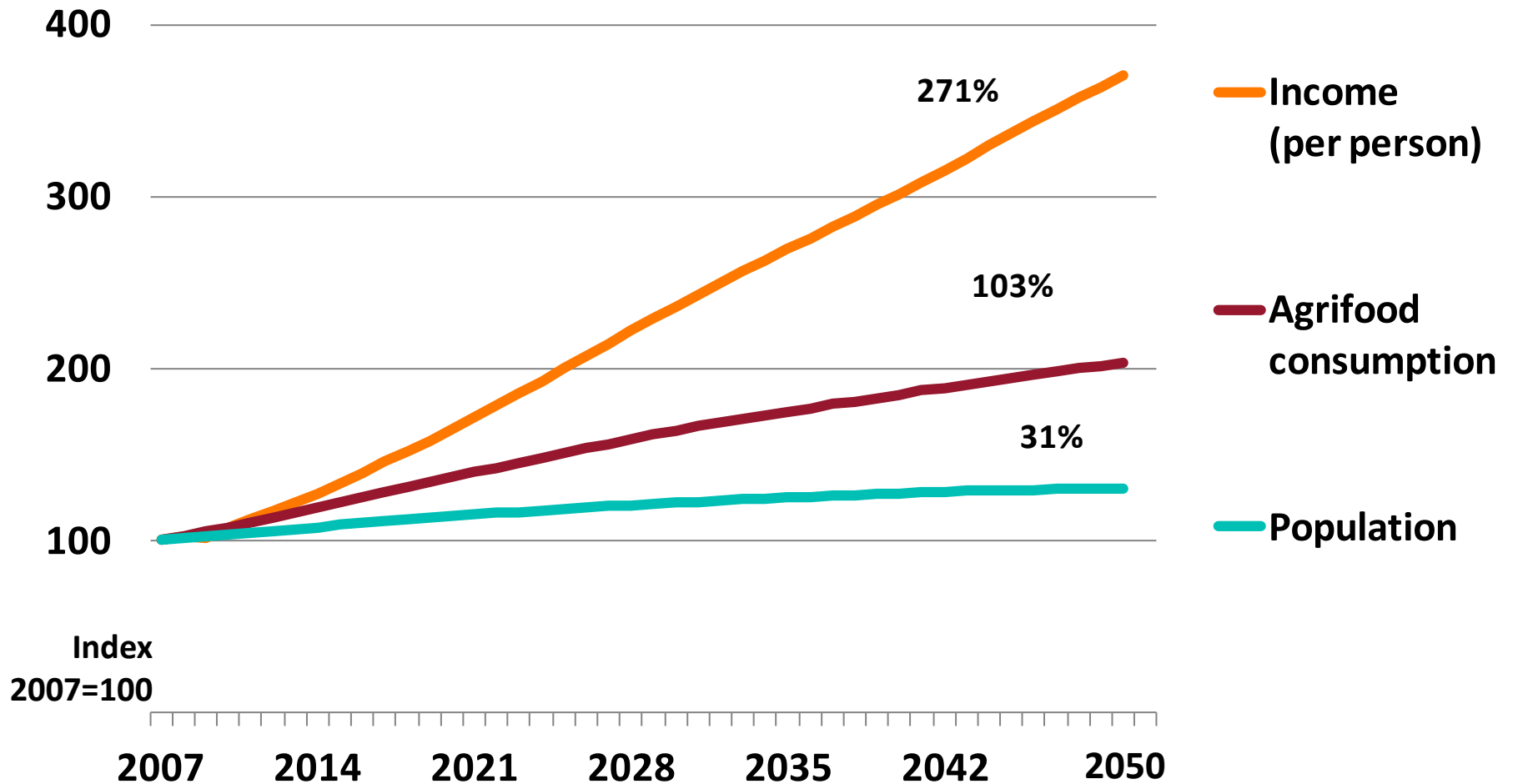
- India

- ASEAN

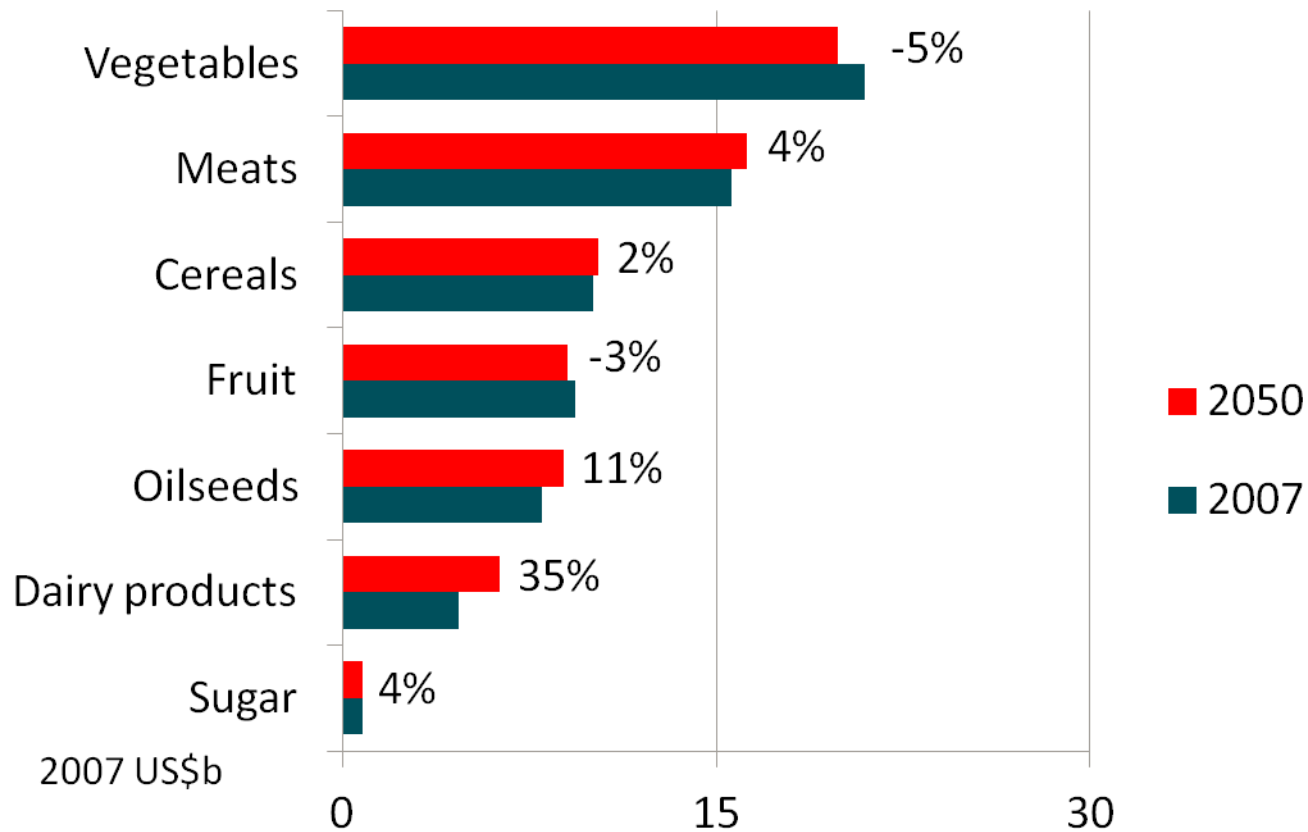
- China

3. Challenges and opportunities

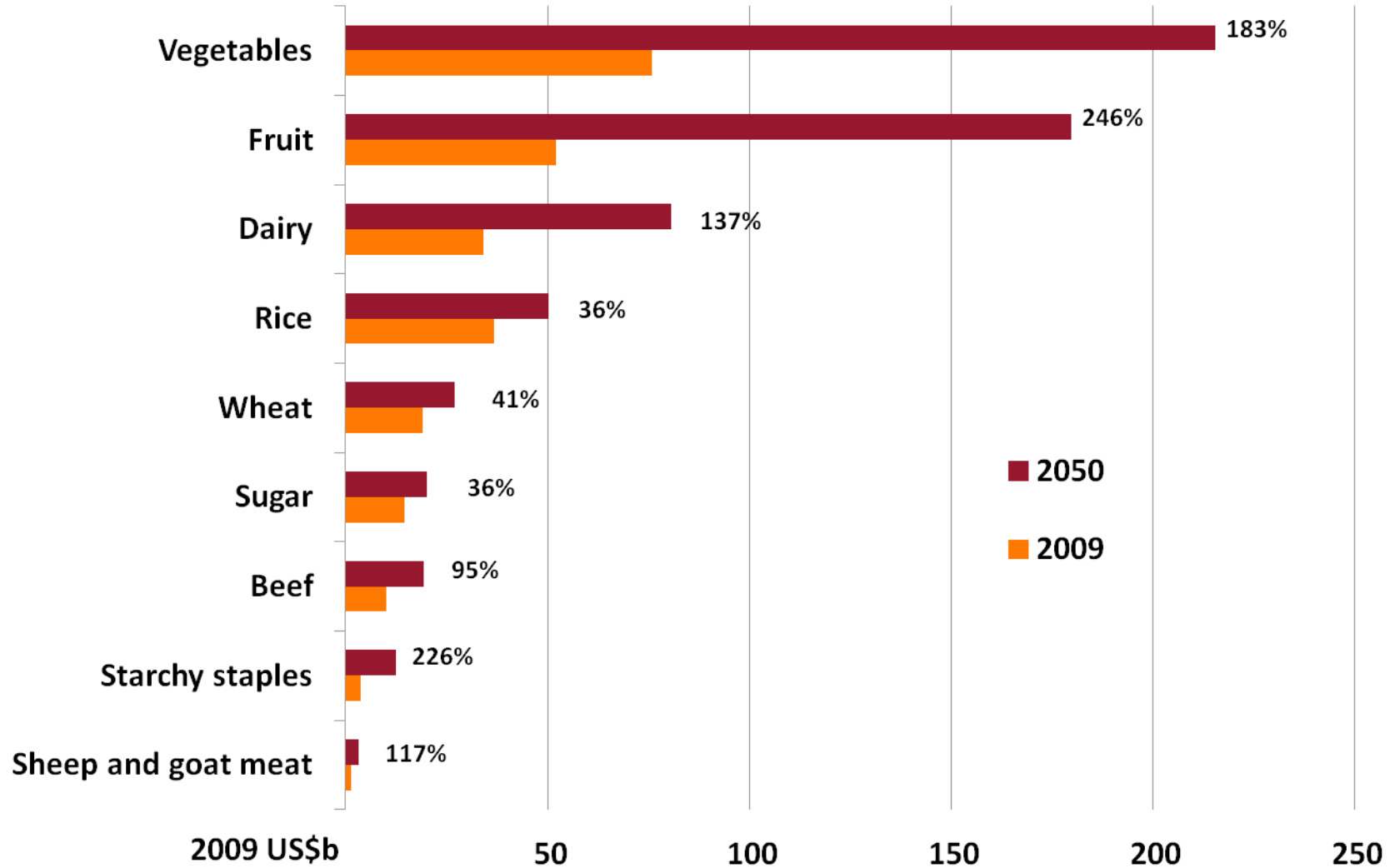
Asian income, population and food demand growth



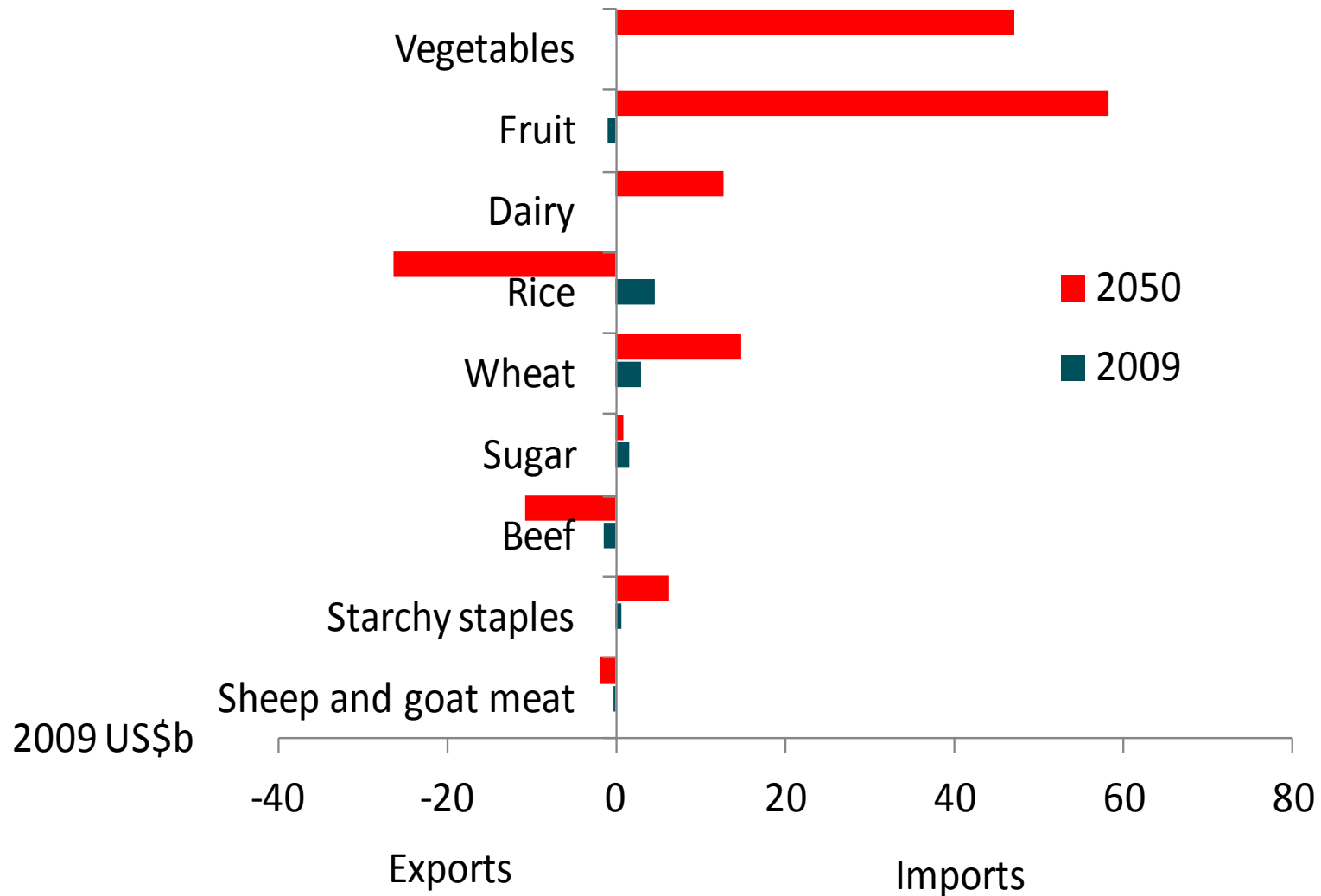
Food consumption in Japan and Korea to remain relatively stable



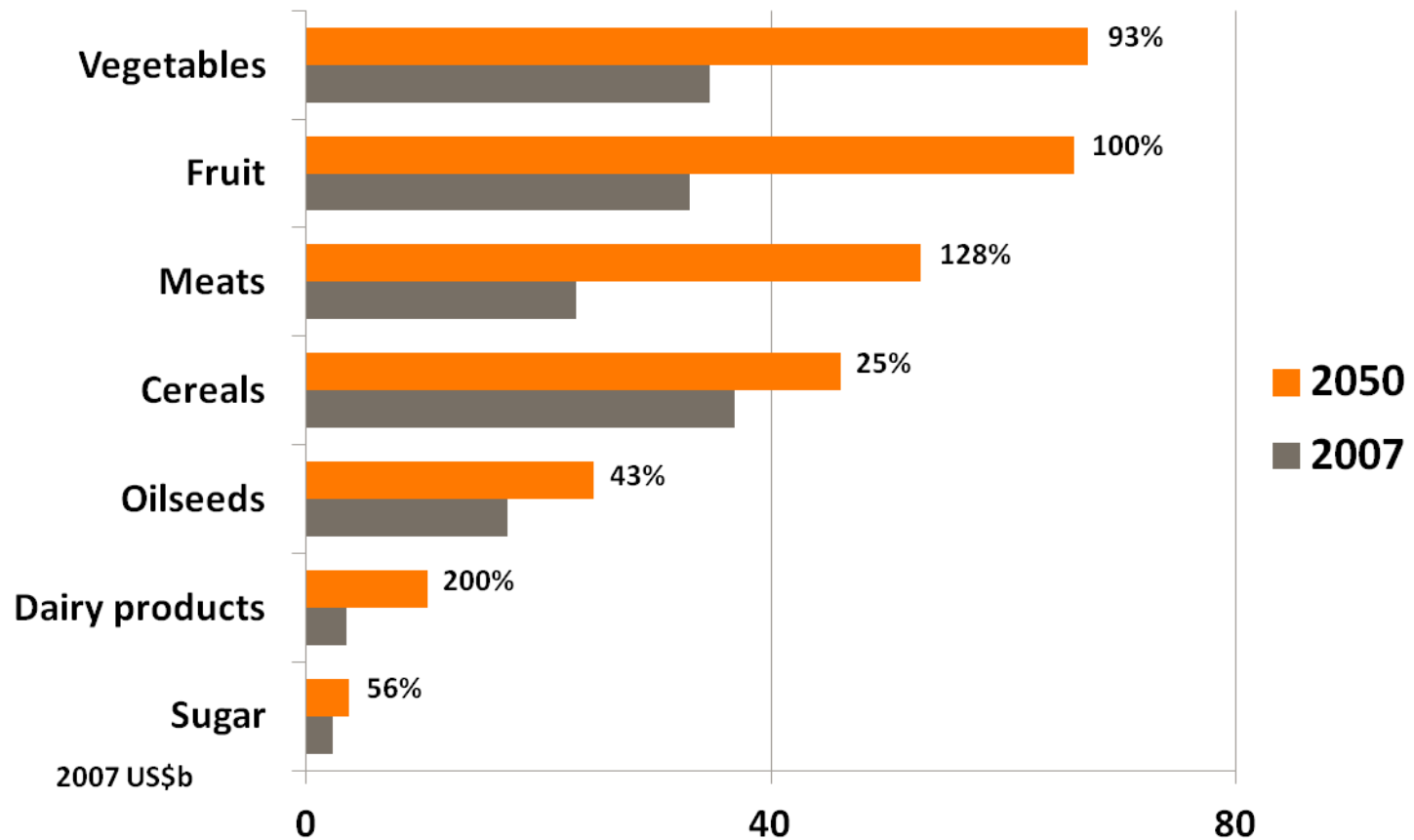
Consumption growth of selected agricultural commodities, India



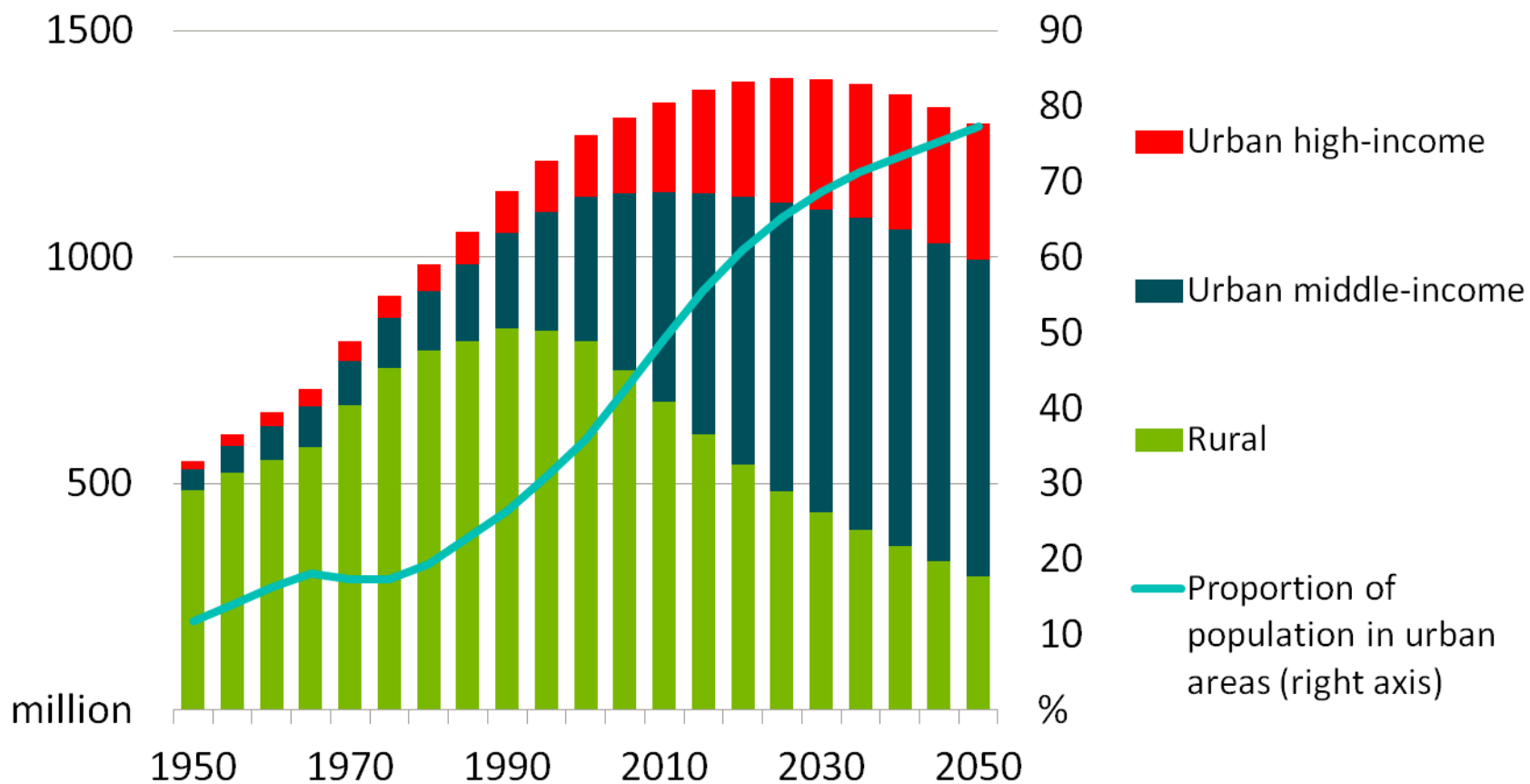
Trade of selected agricultural commodities 2050, India



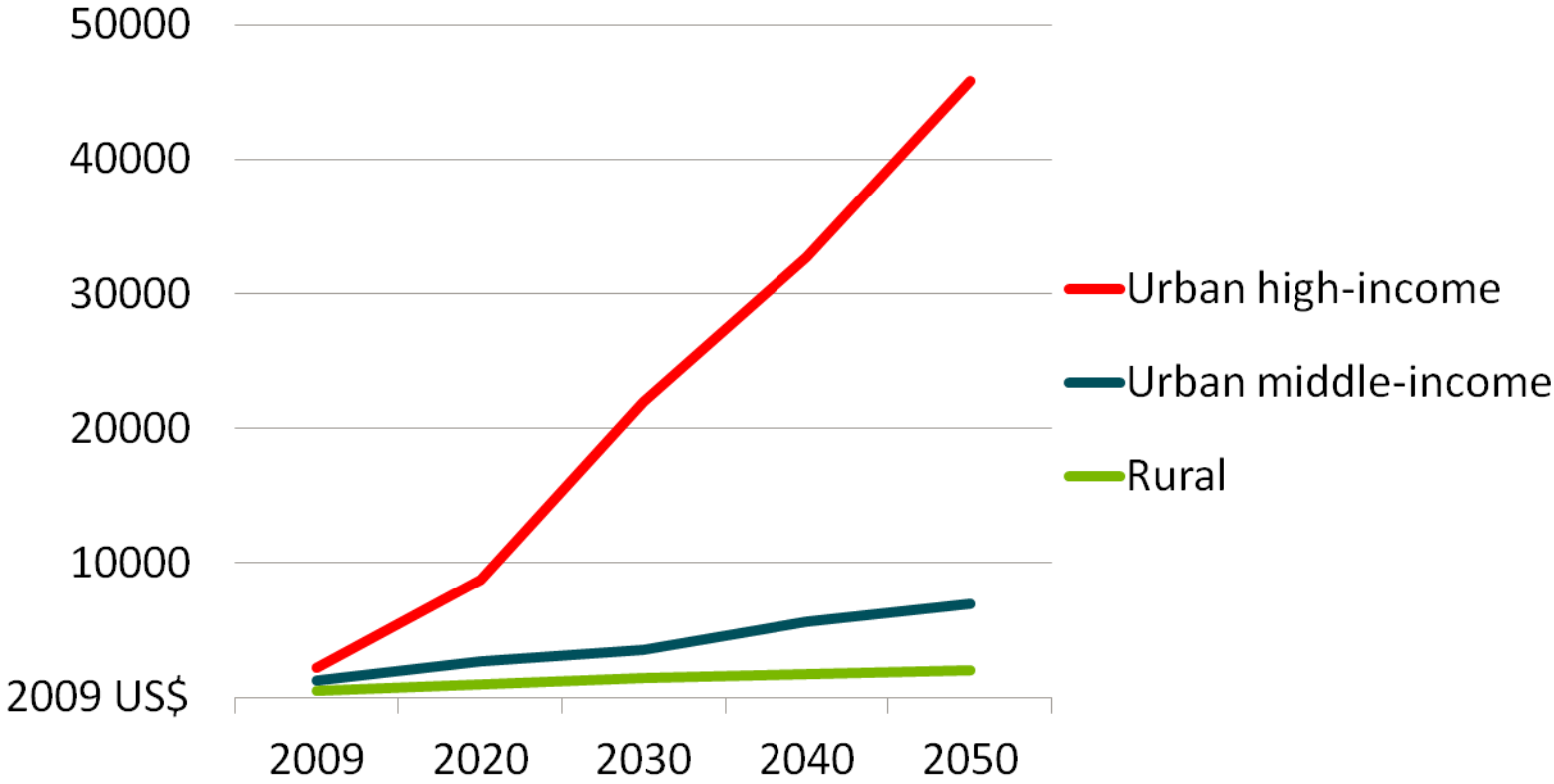
Prospects for growth in ASEAN food consumption



Urban population in China to grow strongly

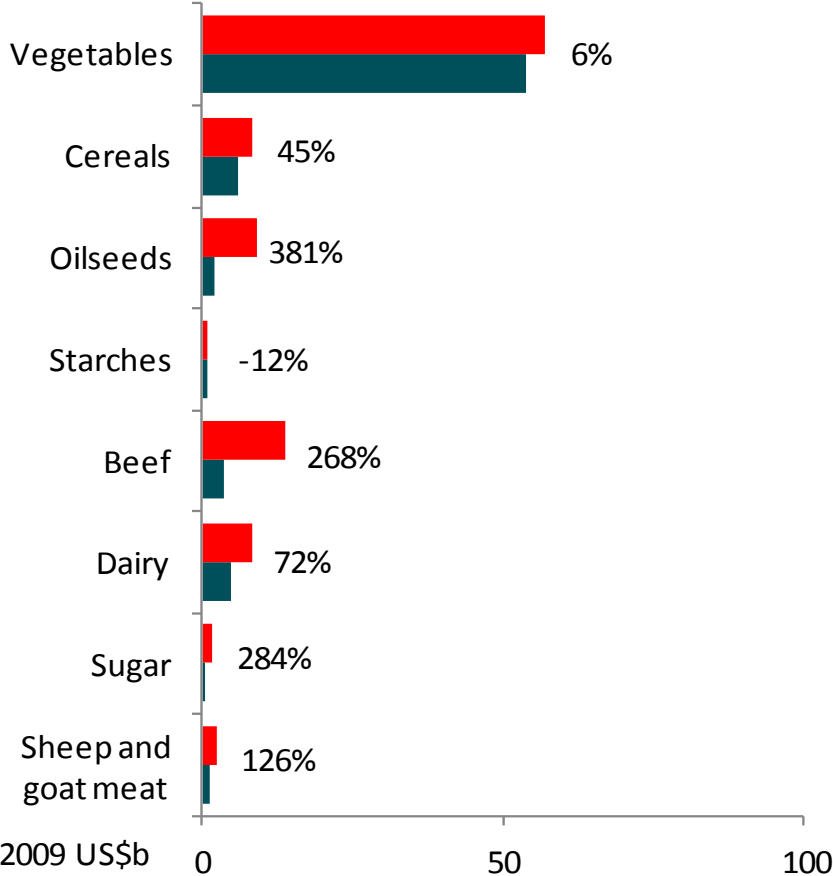


Urban and rural incomes per person in China

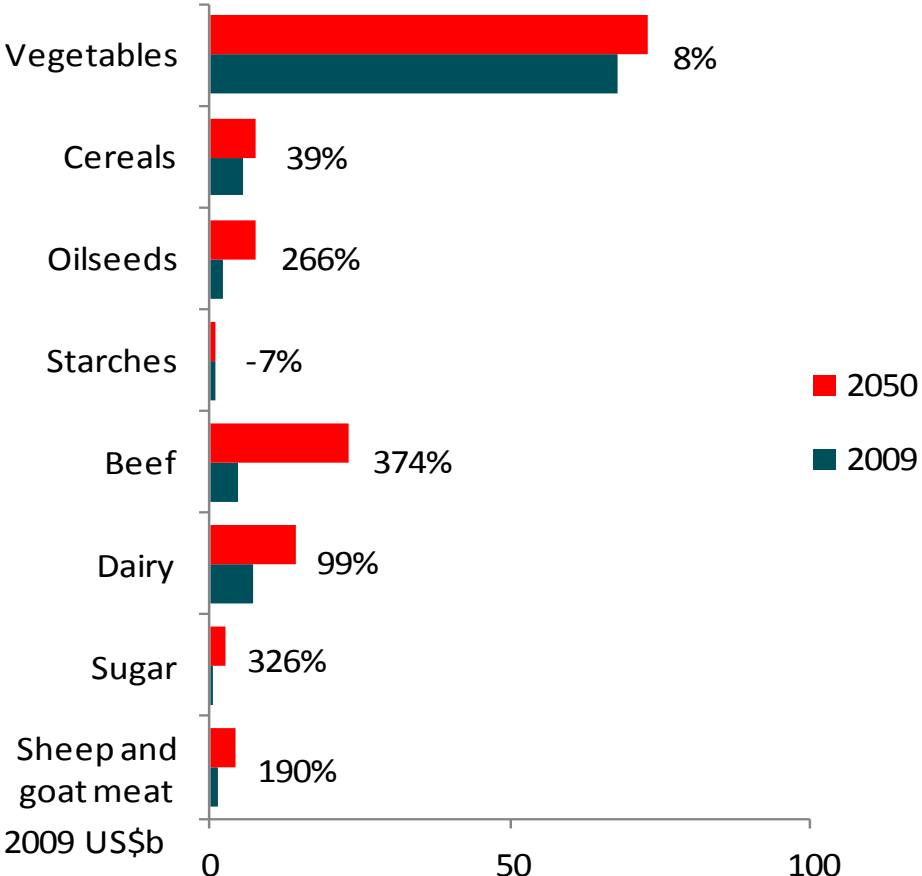


Urban middle and high income food consumption in China

Middle income



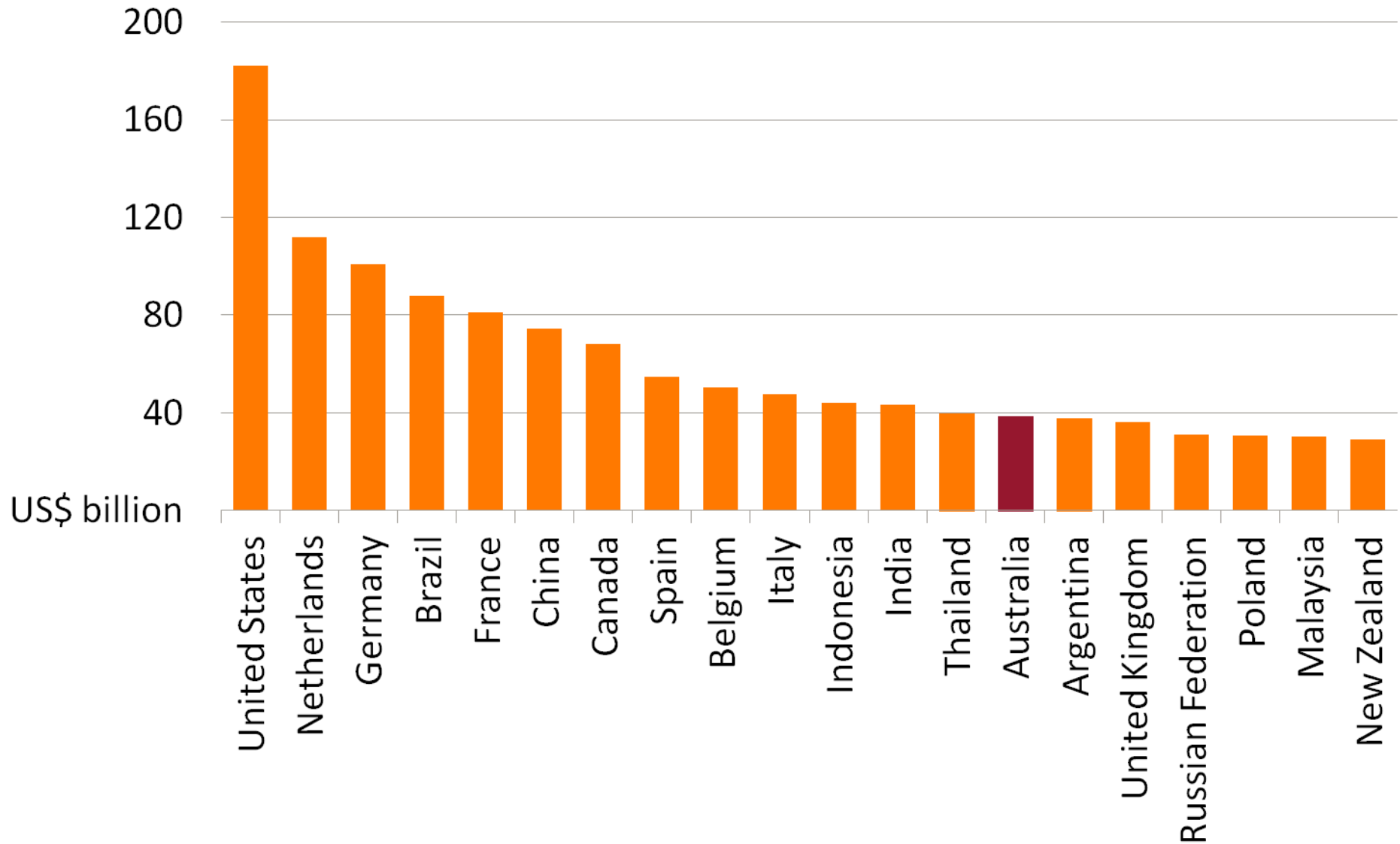
High income



Opportunities and challenges

- **Market opportunities in Asia, but with competition**
- Remove trade barriers to help food to flow to where it is needed
- Business planning to consider changing Asian food consumption

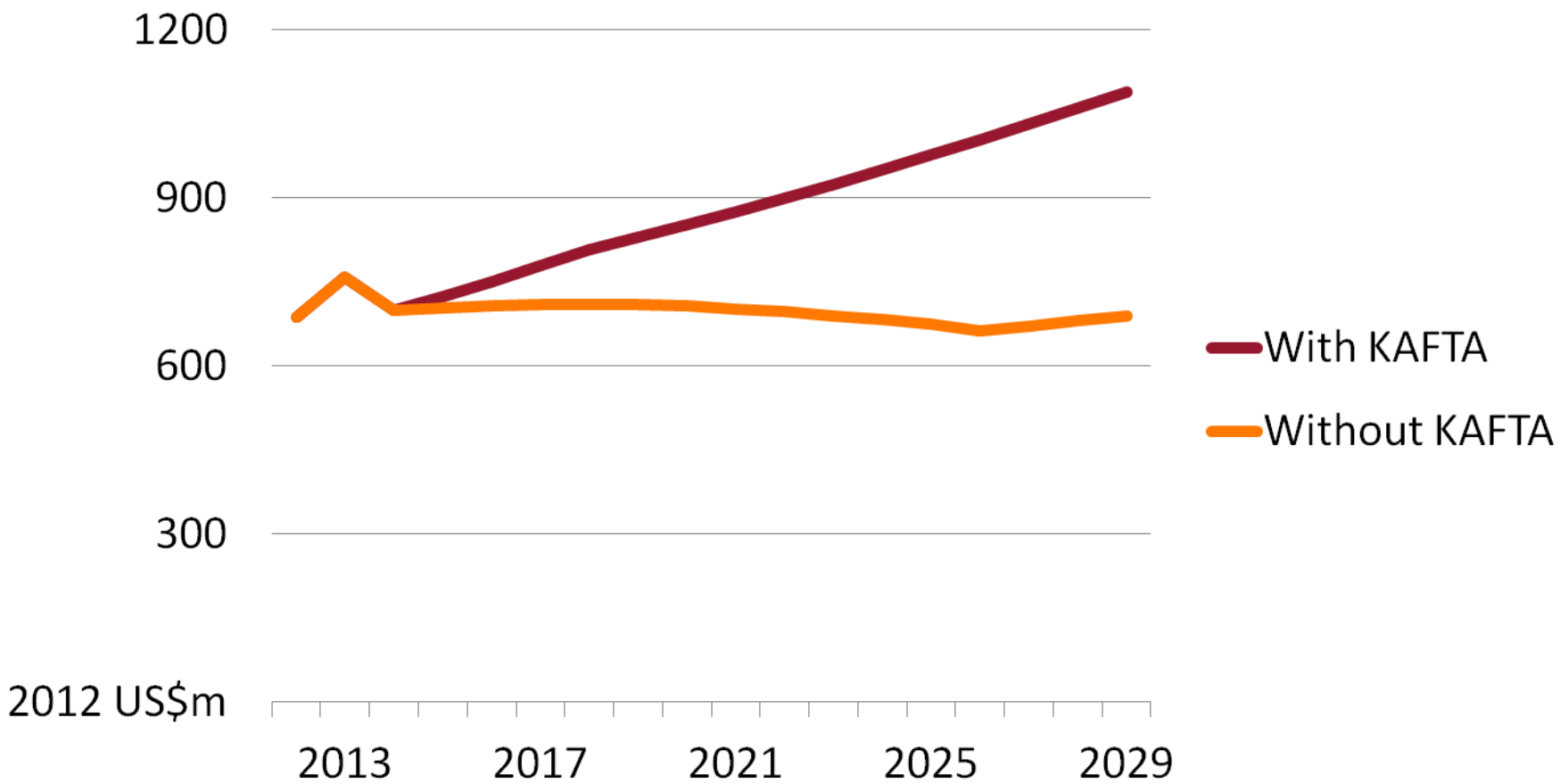
Value of agricultural exports, 2014



Opportunities and challenges

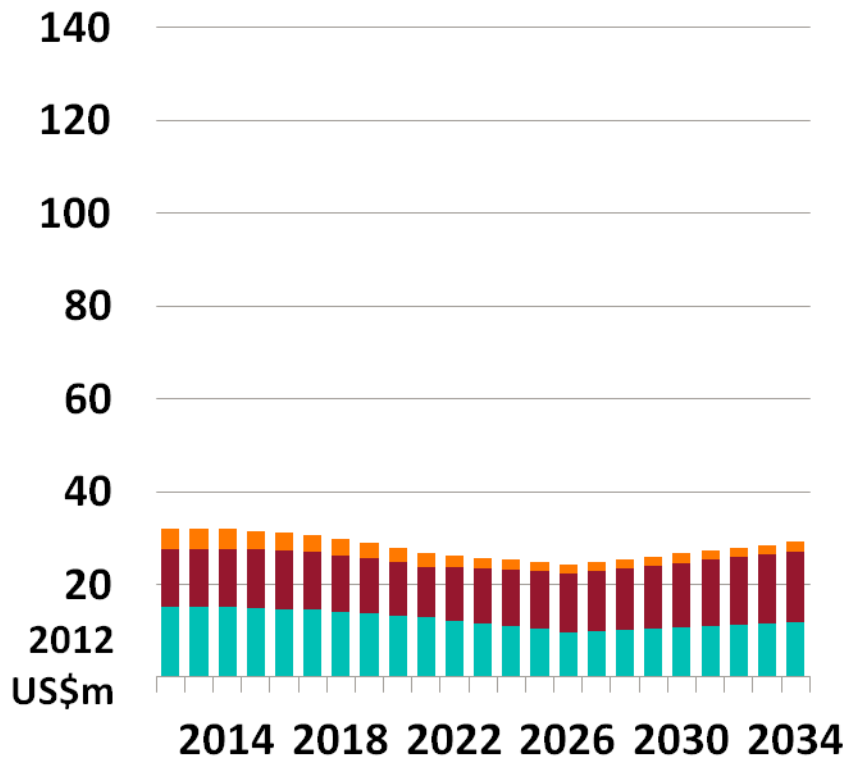
- Market opportunities in Asia, but with competition
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Projected Australian beef imports to the Republic of Korea

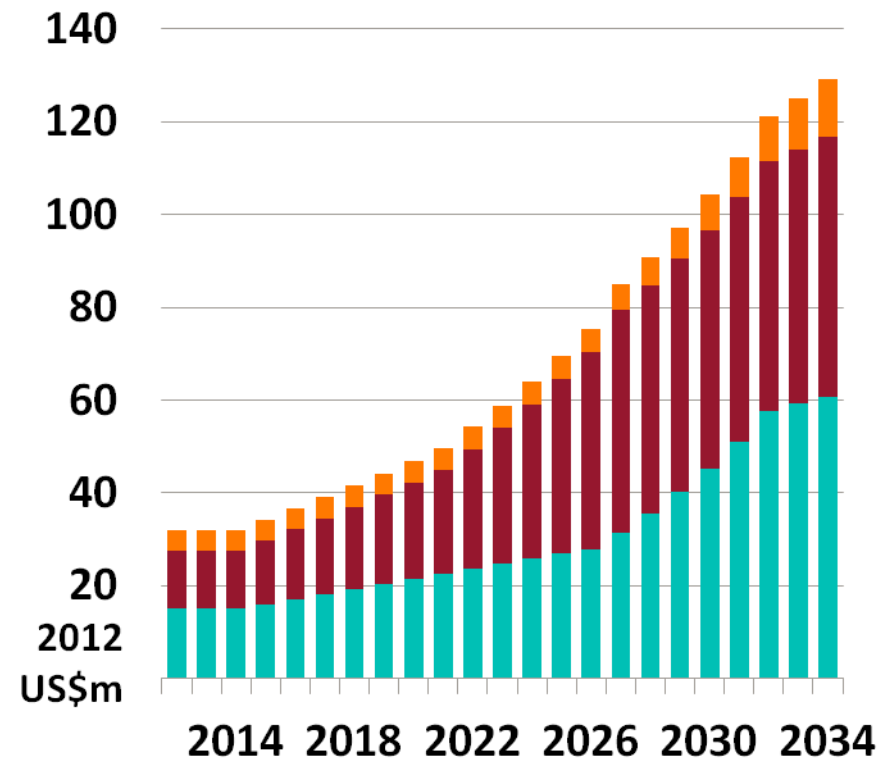


Projected value of Australian cheese imports to the Republic of Korea

Without KAFTA



With KAFTA



■ Fresh, processed and other ■ Cheddar ■ Speciality, powdered and grated

Opportunities and challenges

- Market opportunities in Asia, but with competition
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