

Grains industry to be a big winner in new Indonesia partnership

THE Australian grains industry will be a big winner following the formal signing on March 4 of the Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA), according to AEGIC. CEO Richard Simonaitis said the Australian grains industry can now look forward to new levels of

collaboration with Indonesia – Australia’s single biggest wheat customer.

“I congratulate GrainGrowers Limited for working hard with the Australian Government to ensure grains are at the centre of the partnership,” he said.

“As Indonesia continues to grow, the IA-CEPA will provide significant and lasting benefits to our two countries in terms of value for Australian growers; and food security and quality for Indonesia.”

Richard said AEGIC looked forward to continuing to work with GrainGrowers and other industry partners on initiatives that will allow the grains and related industries in Australia and Indonesia to flourish even further.

INDONESIA AT A GLANCE...

- Indonesia is Australia’s single biggest wheat customer.
- Each year Indonesia buys 4.2 mt of Australian wheat worth \$1.2 billion (average).
- Indonesia’s population will jump more than 30 million in little over a decade.
- Indonesians are becoming wealthier. Per capita GDP has grown from \$780 in the early 2000s to more than \$3800 in 2017.
- The Indonesian middle class has grown from 2 million in 2004 to a forecast 120 million in 2020 and is becoming highly urbanised.
- These changes are resulting in diets evolving to incorporate more wheat and meat products and less rice.

Feedgrains and flour millers

Under the partnership, Australia will have access to the Indonesian feed grain market, with 500,000 tonnes tariff-free.

Richard said AEGIC had already been laying the groundwork to boost the value of Australian feed grains into Indonesia.

“Over the past 3 years we have been engaging feed grain nutrition experts to go into Indonesia and demonstrate to buyers the benefits of using Australian feed grains,” he said.

“This work, and the provisions of the new partnership, will

EXPERIENCE CROPLANDS NEW ROGATOR C SERIES

LEARN MORE ABOUT THE NEW SMARTDRIVE



OPTIONAL 48M ALUMINIUM POMMIER BOOM THE LIGHTER, STRONGER OPTION FOR MORE Ha/Hr



Croplands new RoGator C Series is more than just fuel savings.*

It has a revolutionary new SmartDrive that makes life easier for the operator. The SmartDrive controls the engine in conjunction with the transmission to adjust RPM automatically as required, so the engine runs at the ideal RPM – not the highest RPM, resulting in a cooler system that burns less fuel, reduces soil disturbance and reduces wear on the engine. * Average fuel savings of 23% when compared with B Series

RoGator

FREECALL 1800 ROGATOR



CROPLANDS

www.croplands.com.au



AEGIC's Richard Simonaitis used the recent GRDC Grains Research Updates in Perth to point out some of the benefits for the Australian grains industry of the new trade agreement with Indonesia.

give Australia a distinct advantage in capturing the rapidly growing Indonesian feed market. Indonesia's total feed imports are currently valued at more than \$1 billion, and the market is growing fast as people increasingly eat more meat."

Richard said Indonesia had been a focus for AEGIC and the new partnership would strengthen this relationship.

"AEGIC is supporting Indonesian flour millers and processors through in-market education and technical support to help them get the most value out of Australian grains," he said.

"On the Australian end, we provide our grains industry participants with wheat quality training at our Sydney Pilot Mill to increase their understanding of the wheat quality requirements of Indonesian customers."

AEGIC is currently analysing future demand trends in the Indonesian market to help the Australian industry position itself to capture future opportunities. The second report in the series, focusing on the Indonesian noodle market, will be released soon. ■

