



# Positive signs for premium food exports to Taiwan

October 2021

Taiwan is an established and stable trading partner with long standing demand for premium Australian produce. Taiwan has the potential to become a larger and more profitable market for Australian agricultural, fisheries and forestry (AFF) products.

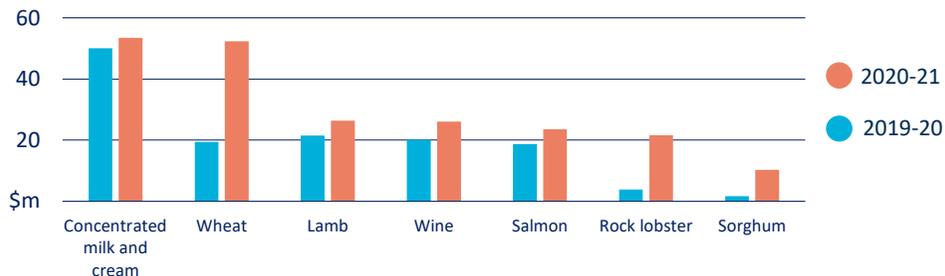
## Ongoing economic growth and sustained two-way trade

- > Taiwan is a stable and well-performing economy with one of the highest GDP per capita in Asia. The IMF forecasts Taiwan's economy to grow by 4.7% in 2021 and 3% in 2022.
- > Australia has an established trade network with Taiwan, including strong business links and freight networks.
- > Taiwan is a net agricultural importer with growing demand for premium protein (lamb, beef, lobster and seafood), grains (wheat and sorghum), horticulture (cherries, table grapes, potatoes and carrots), dairy and wine.

## Australian agricultural exports to Taiwan

- > Australia exported an average of \$915.5m in AFF products to Taiwan per year between 2018-19 and 2020-21.
- > Exports of Australian seafood and wine to Taiwan increased by 75% and 29% respectively in 2020-21 relative to 2019-20 levels.
- > An almost record wheat harvest and herd rebuilding caused wheat exports to increase and beef exports to decrease.
- > AFF exports to Taiwan in 2021-22 are off to a strong start. Exports for July - August 2021 were 26% higher than July-August 2020 values.

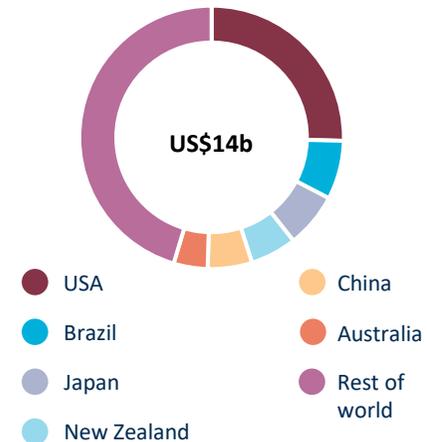
## Increasing select Australian AFF exports to Taiwan, 2019-20 and 2020-21



## Opportunities likely to increase in the medium term

- > Like Australia, Taiwan is seeking to diversify its trade relationships and increase trade with regional neighbours.
- > Taiwan has formally requested accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). This may create new opportunities for Australian exports.
- > Taiwan has a mature and export-oriented food processing sector, creating solid demand for quality imported ingredients.
- > Taiwan has the third highest discretionary non-essential spending in the region, spending roughly 26% of an average income in the hospitality industry.
- > Australia exports premium food products to Taiwan. This leads to export unit values that are above the average value received in other markets, including for wine (+125%), carrots (+16%), beef (+8%) and wheat (+5%).

## Taiwan's agricultural and fisheries imports from the world, 2020



## Comparison of average export unit values for select Australian exports to the world and Taiwan, 2020-21

