



**Australian Organic Limited (AOL)**

**Comprehensive Economic Partnership Agreement between  
Australia and the United Arab Emirates**

17 January 2025

## Introduction

Australian Organic Limited (AOL), as the peak body representing the Australian organic industry, appreciates the opportunity to provide this submission to the Joint Standing Committee on Treaties regarding the Comprehensive Economic Partnership Agreement (CEPA) between Australia and the United Arab Emirates (UAE). This agreement signifies a pivotal step in enhancing trade and economic relations with a key partner in the Middle East.

This submission emphasises the key role of the organic industry in supporting sustainable trade and highlights the importance of including organic-specific provisions in trade agreements to maximise the potential for Australia's organic producers and exporters. We also outline recommendations to ensure organics are strategically considered in CEPA implementation.

## Snapshot of the Australian Organic Industry

Australia's organic industry represents a significant and growing part of the nation's agricultural landscape, both domestically and globally:

### Global Significance

- Australia boasts over 53 million hectares of certified organic farmland, constituting approximately 12.4% of the nation's arable farmland and 60% of the world's organic agricultural land<sup>1 2 3</sup>.
- Despite this, Australia contributes only 1% to the \$220 billion global organic industry value<sup>4 5</sup>, highlighting immense untapped potential for export growth.

### Economic Contribution

- Valued at a conservative \$2.6 billion<sup>6</sup>, the organic industry contributes significantly to the Australian economy.
- Over 22,000 full-time equivalent (FTE) jobs are supported across ~3,035 certified organic businesses<sup>7</sup>.

### Domestic Demand and Growth

- Domestic demand continues to rise, with 35% of households increasing their organic budget between 2021 and 2022<sup>8</sup>.

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<sup>1</sup> ACIL Allen, Mobium Group, & NielsenIQ. (2023). Australian Organic Market Report 2023. Australian Organic Limited.

<sup>2</sup> ABARES Insights. (2024). Snapshot of Australian Agriculture 2024. [https://daff.ent.sirsidynix.net.au/client/en\\_AU/search/asset/1035603/0](https://daff.ent.sirsidynix.net.au/client/en_AU/search/asset/1035603/0)

<sup>3</sup> Willer, Helga Jan Trávníček and Bernhard Schlatter (Eds.) (2024): The World of Organic Agriculture. Statistics and Emerging Trends 2024. Research Institute of Organic Agriculture FiBL, Frick, and IFOAM – Organics International, Bonn.

<sup>4</sup> ACIL Allen, Mobium Group, & NielsenIQ. (2023). Australian Organic Market Report 2023. Australian Organic Limited.

<sup>5</sup> Willer, Helga Jan Trávníček and Bernhard Schlatter (Eds.) (2024): The World of Organic Agriculture. Statistics and Emerging Trends 2024. Research Institute of Organic Agriculture FiBL, Frick, and IFOAM – Organics International, Bonn.

<sup>6</sup> ACIL Allen, Mobium Group, & NielsenIQ. (2023). Australian Organic Market Report 2023. Australian Organic Limited.

<sup>7</sup> ACIL Allen, Mobium Group, & NielsenIQ. (2023). Australian Organic Market Report 2023. Australian Organic Limited.

<sup>8</sup> ACIL Allen, Mobium Group, & NielsenIQ. (2023). Australian Organic Market Report 2023. Australian Organic Limited.

- Projections indicate that the domestic industry will more than double by 2028, reaching an estimated \$5.8 billion<sup>9</sup>.

### Trade Opportunities

- Organic exports are projected to grow at an annualised rate of 29% until 2026/27<sup>10</sup>; despite ongoing challenges in accessing key markets like the US due to the lack of equivalency agreements.

### **UAE Export Opportunities for Australian Organic Producers**

The UAE is an emerging and lucrative market for Australian organic producers. With its burgeoning demand for premium, chemical-free products and a projected compound annual growth rate (CAGR) of 6.1% for organic food by 2029<sup>11</sup>, the UAE provides a unique opportunity for Australian organic exporters to establish a significant market presence. Key insights include:

- The UAE organic food market is projected to reach USD 55.08 million (~AUD 88 million) by 2029<sup>12</sup>.
- Consumer preferences align strongly with Australia's offerings, with strong demand for organic baby food, packaged food, and health-focused products.
- Increasingly stringent government regulations around food safety and quality are expected to drive further growth in the UAE organic food market.
- Organic imports in the region continue to increase, particularly for high-value commodities like citrus, coffee, and processed organic goods<sup>13</sup>—categories in which Australian producers excel.
- A strong bilateral trade relationship, with the UAE recognised as Australia's largest trading and investment partner in the Middle East. In 2023, bilateral trade amounted to \$9.94 billion.<sup>14</sup>
- Growth in organic packaged food in 2021 was fuelled by organic dairy, which accounts for over one-third of the market<sup>15</sup>. Organic baby food remains one of the most important categories under organic packaged food.<sup>16</sup>
- Organic production areas across the broader Asia region, which includes the UAE, saw significant growth in 2022, reflecting rising demand and an expanding consumer base<sup>17</sup>.

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<sup>9</sup> ACIL Allen, Mobium Group, & NielsenIQ. (2023). Australian Organic Market Report 2023. Australian Organic Limited.

<sup>10</sup> ACIL Allen, Mobium Group, & NielsenIQ. (2023). Australian Organic Market Report 2023. Australian Organic Limited.

<sup>11</sup> <https://www.blueweaveconsulting.com/report/uae-organic-food-market>

<sup>12</sup> <https://www.blueweaveconsulting.com/report/uae-organic-food-market>

<sup>13</sup> Willer, Helga Jan Trávníček and Bernhard Schlatter (Eds.) (2024): The World of Organic Agriculture. Statistics and Emerging Trends 2024. Research Institute of Organic Agriculture FiBL, Frick, and IFOAM – Organics International, Bonn.

<sup>14</sup> <https://www.dfat.gov.au/trade/agreements/not-yet-in-force/australia-uae-comprehensive-economic-partnership-agreement-cepa>

<sup>15</sup> <https://globalorganictrade.com/country/united-arab-emirates>

<sup>16</sup> <https://globalorganictrade.com/country/united-arab-emirates>

<sup>17</sup> Willer, Helga Jan Trávníček and Bernhard Schlatter (Eds.) (2024): The World of Organic Agriculture. Statistics and Emerging Trends 2024. Research Institute of Organic Agriculture FiBL, Frick, and IFOAM – Organics International, Bonn.

- Australian certifier body data from 2022 highlights organic beef/veal as the leading Australian organic exports to UAE.

## **Untapped Potential**

While the UAE is a lucrative market for Australian organic producers, current trade activity suggests significant untapped potential. Data from Australian certifying bodies shows:

- One certifier issued 39 Organic Goods Certificates (OGCs) to the UAE this financial year, all for livestock products, reflecting strong demand for organic meat.
- Another certifier issued fewer than 10 Certificates of Inspection (COIs) to the UAE in the past year, citing more trade with other Middle Eastern countries such as Qatar and Saudi Arabia.

Despite the UAE being Australia's largest trading partner in the Middle East, these figures suggest organic trade with the UAE is underdeveloped relative to other regional markets. CEPA provides an opportunity to significantly expand organic exports, not only in livestock but also in packaged foods, beverages, and other high-demand categories. By addressing certification challenges and creating mutual recognition agreements, CEPA can unlock broader trade potential and position the UAE as a regional hub for organic exports.

## **Key Recommendations**

### **1. Recognition of the National Standard for Organic and Bio-Dynamic Produce (National Standard)**

Recognition of the National Standard in trade agreements such as CEPA is essential to safeguard long-term market access for Australian organic producers. Ensuring recognition of the National Standard, alongside clearer guidelines under MICOR<sup>18</sup>, will confirm that the UAE is a viable market for operators certified to the National Standard with halal requirements. While full equivalency may not be necessary, the government must ensure that the National Standard is recognised to allow certification bodies to continue issuing Organic Goods Certificates (OGCs) under the Export Control Act.

### **2. Reducing Administrative Barriers Specific to Organic Trade**

Administrative and technical barriers, such as certification and equivalency requirements, disproportionately impact organic products. While organic certification ensures product integrity and consumer trust, the lack of streamlined processes and mutual recognition agreements can hinder trade. CEPA should focus on creating mechanisms to simplify certification requirements, clarify equivalency pathways, and reduce administrative burdens. These measures will enable Australian organic products to access UAE markets more effectively while maintaining their certification standards.

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<sup>18</sup> <https://micor.agriculture.gov.au/Pages/default.aspx>

### **3. Leveraging Recommendations from the Trading North Report**

The Trading North Report<sup>19</sup>, published in November 2024, provided strategic recommendations for strengthening Australia’s agricultural trade with Southeast Asia. Importantly, it emphasised the unique opportunities and challenges for the organic sector, which are highly relevant and adaptable to CEPA. These recommendations include<sup>20</sup>:

- Improved accessibility of organic-specific export guidance through platforms like MICOR.
- Appointing a dedicated trade officer with expertise in organic export requirements to support market entry.
- Allocating funding for organic market access initiatives, especially for smaller operators.
- Aligning domestic organic standards with international frameworks to reduce compliance costs and foster trust.

While the report focused on Southeast Asia, its principles apply broadly. CEPA offers a valuable opportunity to test these recommendations in the UAE market, demonstrating their efficacy and aligning with government priorities to diversify Australia’s trade focus beyond traditional markets. For example, greater information on the UAE organic market via MICOR would be a first step towards assisting organic operators when assessing the UAE market. There is currently no information on the UAE on MICOR.<sup>21</sup>

### **4. Strategic Positioning of Australian Organic Products in UAE Markets**

The UAE’s growing demand for organic food, driven by consumer interest in healthier options and stringent food safety standards, aligns with Australia’s competitive advantage in organic exports. CEPA provides a good opportunity for Australian brands to establish a solid foothold in this rapidly evolving market. Strategic assistance through targeted marketing, brand promotion, and regulatory alignment can help position Australian organic products as leaders in key categories, such as beef, dairy, and packaged foods. Early action will ensure Australian producers capture significant market share as demand for organic products continues to grow.

### **5. Provisions for Future Negotiations on Organic Equivalence**

CEPA implementation should prioritise ensuring continued market access for Australian organic exports by establishing pathways for the recognition of the National Standard. The ideal outcome would mirror arrangements with markets like Singapore, where the National Standard is recognised, enabling seamless trade. At a minimum, a tiered approach to recognition could be developed to support organic exports to the UAE and neighbouring countries. AOL is

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<sup>19</sup> [https://www.aph.gov.au/Parliamentary\\_Business/Committees/House/Agriculture/AgricultureandSEAsia/Report](https://www.aph.gov.au/Parliamentary_Business/Committees/House/Agriculture/AgricultureandSEAsia/Report)

<sup>20</sup> [https://www.aph.gov.au/Parliamentary\\_Business/Committees/House/Agriculture/AgricultureandSEAsia/Report](https://www.aph.gov.au/Parliamentary_Business/Committees/House/Agriculture/AgricultureandSEAsia/Report)

<sup>21</sup> <https://micor.agriculture.gov.au/organics/Pages/default.aspx>

committed to working with the government to secure recognition of the National Standard and develop sustainable frameworks for organic market access across the region.

### **Opportunities for Collaboration and Testing Proposals**

CEPA represents an opportunity to pilot innovative trade solutions for the organic sector. By implementing key recommendations from the Trading North Report and addressing NTBs, CEPA can serve as a model for integrating sustainable agriculture into global trade agreements. This approach also reinforces Australia's leadership in premium, environmentally sound agricultural exports while strengthening trade relationships across the Middle East.

Additionally, the UAE's role as a logistics hub and re-export market positions it as a gateway for Australian organic products to reach other Gulf Cooperation Council (GCC) countries, amplifying the benefits of CEPA for Australian producers.

### **Conclusion**

CEPA represents not only a trade agreement but a strategic platform for demonstrating Australia's leadership in sustainable agriculture and premium food exports. AOL urges the Committee to ensure CEPA incorporates mechanisms to recognise and promote the Australian organic sector. By prioritising the recognition of the National Standard, addressing administrative and technical barriers, applying insights from the Trading North Report, and fostering pathways for market access and equivalence, CEPA can secure long-term benefits for both Australia and the UAE.

This agreement offers an opportunity for Australian organic producers to establish a strong presence in a rapidly evolving market and unlock broader trade potential across the Middle East. Early action to align regulatory frameworks and provide strategic support will ensure Australian brands capture significant market share and maintain their competitive edge.

AOL remains committed to collaborating with the Committee and government to secure recognition of the National Standard, streamline certification processes, and develop sustainable frameworks for organic trade. We welcome further engagement with the Committee to provide additional insights or data to support the organic sector's inclusion in CEPA policies.

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### **About AOL**

Australian Organic Limited (AOL) is the peak industry body for the organic industry in Australia that strives to create a positive impact for humans, animals, and the environment, now and into the future. AOL is led by an experienced team committed to progressing the interests of the organic sector and delivering a world where organics is recognised for its environmental, social, and economic benefits.