

Item: Standing Committee on Agriculture - 16/08/2024 - Inquiry into Australian agriculture in Southeast Asian Markets

AEGIC response to question on Notice:

[Agriculture Committee 2024_08_16.pdf;fileType=application/pdf \(aph.gov.au\)](#)

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Mr WILLCOX: I believe there has been huge growth of grain in the South-East Asia market. That's correct? Do we see that trajectory continuing? If not, what threats potentially are we going to get and where are they going to come from?

Mr Ross: That's a very good question. We have certainly seen the market grow. Forecasts are that the market will continue to have growth, probably especially in the feed grains area. Again it comes back to the demographics of South-East Asia; their markets are changing, their diets are changing and, as a result, they are probably feeding more animals. As a result we would see some growth in the feed grains into these areas. We did put some figures in here. I can't give them to you off the top of my head. We are expecting growth in that feed market. Australia is fairly well positioned to actually meet that market. Obviously we also have competitors from the US. We have competitors from the Black Sea countries. US corn works its way into that area as well. We will have to be on our program to make sure that we benefit from that growth from an Australian perspective. You asked the question about breeding earlier. We are looking at introducing more of a feed grain style of grain into the Australian production to help capture that market and also, at the same time, obviously to increase yields and benefit the margins for growers. Yes, we see it growing and we hope to capture as much of that growth as we can.

ACTING CHAIR: My question was: Mr Ross has just mentioned that he sees a lot of the growth being in feed rather than in human consumption feed. Does that five-million-metric-tonne increase include feed for livestock or is that just human consumption?

Mrs Draper : I am very safely assuming it is both, but I would like to take that on notice and we can clarify.

The question is paraphrased.

"What is the expected growth in demand for grain in Southeast Asian markets by 2035?"

Our response to this question.

We expect that the demand for grain in Southeast Asian markets will grow by 13.7 million metric tonnes by 2035. This includes growth in demand as a feed grain and as food grain of 7.9 and 5.8 million tonnes respectively.

The 5 million metric increase, is closer to 5.8 million tonne and is just the expected increase in human consumption.

The trends are based on usage between 2010 and 2024, of Wheat, Barley, Oats and Sorghum which are the grain types relevant to the Australian Industry. The analysis included markets in Indonesia, Vietnam, Thailand, Philippines and Malaysia as they are the key export markets in the region. Data used to estimate this figure was accessed from USDA.



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