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Committee Secretary
House of Representatives Standing Committee on Agriculture
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Parliament House
Canberra ACT 2600

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To Whom it May Concern

Inquiry into Australian Agriculture in Southeast Asian Markets - Submission

The Australian Export Grains Innovation Centre (AEGIC) welcomes the opportunity to submit to the Australian agriculture in Southeast Asian Markets Inquiry.

Please see attached our submission for the Committee's consideration.

Yours sincerely

A handwritten signature in blue ink that reads 'Draper'.

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Inquiry into Australian agriculture in Southeast Asian Markets

Submission from the Australian Export Grains Innovation Centre (AEGIC)

May 2024

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About AEGIC

The Australian Export Grains Innovation Centre (AEGIC) is an independent organisation that helps position Australian grain as the preferred choice in international markets.

AEGIC does this by:

- Understanding the needs of grain customers.
- Identifying and supporting grain market opportunities.
- Educating customers on the benefits of Australian grain.
- Innovating to develop new solutions and high-value uses.

This helps the Australian grains industry breed, classify, grow and supply grain that markets prefer.

AEGIC's primary beneficiaries are Australian grain growers, and the impact of AEGIC's work spans the whole grains supply chain: from the grower in Australia, whose grain is valued internationally, to the consumer who enjoys excellent noodles, baked products and beer made from Australian grain.

AEGIC is an initiative of the Western Australian State Government and Grains Australia.



Terms of Reference	Response	Recommendation
<p>a) How the Australian Government can support agriculture and food industries in leveraging partnership opportunities within the region. This includes new and improved market access, streamlining trade systems, and supporting industry to identify and build market opportunities in the region.</p>	<ul style="list-style-type: none"> • Southeast Asia is a vital market for Australian grains. Continual engagement with customers of Australian grains is crucial to maintaining and growing exports to the region, for the benefit of both the Australian industry and international customers. • Expanded, well targeted, long-term government resources are key to maintaining and growing grain exports to Southeast Asia. • AEGIC is an initiative of the Western Australian State Government, and Grains Australia (which receives government / grower resources through GRDC). AEGIC provides technical support, industry information and seasonal updates to flour millers, food and beverage manufacturers, feed milling companies, feed nutritionists and grain buyers, to help them maximise the value of using Australian grain. • Customers highly appreciate the independent expertise and support AEGIC provides and this increases the likelihood they will buy from Australia. • A recent example of a mutually beneficial grain-specific program is AEGIC's eLearning program for Indonesian flour millers, developed under the Australian Government's Indonesia-Australia Comprehensive Economic Cooperation Agreement. A strong example of an industry-led project delivering value using government investment. • Collaborative investments, like the above, are key to maintaining and growing value for Australian grains. 	<ul style="list-style-type: none"> • Recommendation: Continuing, long-term, joint industry and government investment that supports industry-led collaborative programs to deliver cross regional benefits that are impactful and continually welcomed.
<p>b) Opportunities to build and strengthen partnerships in Southeast Asia to build capability in the region, including in the area of animal and plant biosecurity, adapting to a changing climate, improving agriculture sustainability and agriculture technology and innovation.</p>	<ul style="list-style-type: none"> • 1: Sustainability: AEGIC supports the Australian grains industry in understanding market requirements for sustainably produced food, and ensures that growers and the trade understand the value of the opportunity to meet the market's expectations. Australian grain producers are at the forefront of sustainable production systems and there is a role to communicate the sustainability credentials of 	<ul style="list-style-type: none"> • Recommendation 1: In-market industry led government-supported educational and two-way engagement programs around Australian sustainable farming practices and systems will help to extend learnings in-market along all aspects of the value chain. It will also assist in promoting an



	<p>Australian grain production systems and ensuring its customers know what it can do.</p> <ul style="list-style-type: none"> • 2: Agriculture technology and innovation: Development of on-farm technology and innovation is crucial to Australia’s grain production and global market position. Also essential is investment in post-farmgate innovation to develop new technologies to transform Australian grains into higher-value exports. Examples include AEGIC’s novel processing technology for oat noodle and rice products, its “MultiMalter” device to help customers quickly adopt new barley varieties, and technical milling data models to help SEA millers optimise the value of Australian wheat, thereby increasing its perceived value. 	<p>understanding of the various environment and economic benefits of sustainable practices, and the attributes of Australian grain.</p> <ul style="list-style-type: none"> • Recommendation 2: continued industry and government investment in post-farmgate innovation and technology will add value and ensure Australian grains are at the leading edge in SEA.
<p>c) Identifying new and emerging opportunities and challenges in the region for the Australian agriculture industry, including enhanced market intelligence for exporters to support them to navigate markets and realise opportunities.</p>	<ul style="list-style-type: none"> • Collecting market intelligence to identify and support grain market opportunities is crucial to maintaining value for the grains industry, along with innovating to develop new high-value uses, and educating customers on the benefits of using Australian grain. Market insights such as those gathered by AEGIC (as part of its service deliver to Grains Australia) help the Australian grains industry breed, classify, grow and supply grain that markets prefer. • AEGIC receives core investment from the WA State Government and Grains Australia, and also relies on additional project-based investment from partners such as the Australian Government. 	<ul style="list-style-type: none"> • Recommendation: the Australian Government (and state governments) to continue to support projects and initiatives led by industry organisations such as Grains Australia and AEGIC that gather market insights and identify opportunities for Australian grains to secure and grow long term value.
<p>d) Mechanisms for government and industry to leverage identified opportunities for Australian agriculture, and to address key priorities in the Southeast Asia region.</p>	<ul style="list-style-type: none"> • Market insights such as those gathered by AEGIC often identifies specific value opportunities for Australian grains which require follow-up investment. There are many examples, including but not limited to AEGIC’s novel oat products, market development for Australian whole grain products, new markets for soft wheat for cakes and 	<ul style="list-style-type: none"> • Recommendation: Continued Australian Government investment to support industry led projects and initiatives, such as those conducted through Grains Australia and AEGIC, that seek to capitalise on identified opportunities for Australian grains.



	<p>cookies, and diversifying markets for Australian malting barley.</p>	
<p>e) How Australian agriculture can support Southeast Asia's food security [towards 2040].</p>	<ul style="list-style-type: none"> • Australia is already an important provider towards Southeast Asia's food security needs. • The population in the five key markets of Indonesia, Malaysia, Philippines, Thailand and Vietnam is expected to grow by nearly 50m people by 2030. This equates to increased consumption of an additional 5mmt of wheat, without changes in dietary habits. • Food security is commonly defined as reliable access to a sufficient quantity of affordable, nutritious food. The nutritious elements of Australian grain products is an essential element to ensuring the food security of SEA, as a food source and also a feed input for meat protein. 	<ul style="list-style-type: none"> • Recommendation: The Australian grains industry should lead a permanent presence, supported by government, in export markets to consistently support the stable supply of nutritious Australian food and feed grains. Market presence must include technical support to assist Southeast Asian markets to extract the best value from Australian grain and to help customers understand the specific benefits of sourcing grain from Australia. Adequate long-term investment from government and industry will be required to support this industry-led ay.