

## **Final Report**

# **Understanding the Nature, Origins, Volume and Values of Vegetable Imports**

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**Project code:**

VG12083

**Project:**

Understanding the Nature, Origins, Volume and Values of Vegetable Imports – VG12083

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## Summary

The purpose of this project was to understand the reasons why vegetable imports into Australia are occurring and how the domestic industry can respond or compete with imported products.

Analysis of shipping manifest data was conducted to examine the type of product, origin, volume and price of the major vegetable lines that are imported into Australia. Results from the analysis showed that the major import volumes are occurring in the frozen sector, followed by the preserved (tinned) sector with relatively few imports of fresh vegetables. Frozen and preserved vegetables constitute the majority of vegetable imports due to their low price and availability to meet market demands. The import of fresh vegetables is not substantial relative to domestic production. Peas were the only crop where the volume of imports exceeded the estimated volume of domestic production. This was primarily due to a well-established supply chain of frozen peas from New Zealand.

Industry analysis found that consumers and retailers have a preference for domestically sourced fresh vegetables but seek low cost frozen and processed vegetables. The import of fresh vegetables reflects a demand by consumers for product throughout the year (counter seasonal) and specific products at specific times that may not be available domestically. Frozen and processed goods have been supplied from countries that are low cost producers to meet consumer demand and preference.

Vegetable growers are not in a strong position to defend against imported product because retailers and food processors take a global approach to sourcing product in order to maximise profit. To improve growers position in the supply chain and strengthen the domestic industry as a whole, the project recommends the following actions:

- Understand the supply chain.
- Benchmark - farm gate and food manufacturing.
- Research development and extension on where Australia can continue to develop future competitive advantages in the global context.
- Understand the market.
- Influence the market.

This project commenced with a detailed report in December 2013. This initial report contained the main insights and describes the 'why' of vegetable imports. Annual data updates have been provided for calendar years 2014 through 2017, with each report showing data for the previous calendar year. Two-page summary reports on each vegetable crop accompanied the 2016, 2017 and 2018 annual updates.

## Keywords

Vegetables; Imports; Australia.

## Introduction

The Australian vegetable industry is facing increasing threats of imported vegetables, mainly from countries with cheaper labour and costs of production. Imported vegetables are competing directly with local vegetable supply, creating a very competitive environment for local growers and food manufacturers; also providing a benefit to consumers.

This project examined data from a range of sources in order to assess the scale, timing, markets, origins exporters/importers and value of imported vegetable product. Import data was analysed and interpreted so that the industry (levy payers) can achieve an improved understanding of the drivers of vegetable imports. The results from analysis of specific vegetable crops can then be applied to other crops produced in similar climatic, production and policy settings.

The purpose of the project was to:

- Increase industry awareness of competition.
- Improve market intelligence.
- Develop profiles of imported vegetable crops (including their nature, origin, volume and value).
- Identify factors that may lead to further imports.
- Develop recommendations to defend against imports.

## Methodology

The project examined import data for the following vegetable crops:

- Capsicum (fresh) (NB frozen and processed capsicum is included under other/mixed vegetables)
- Beans (fresh, frozen)
- Peas (fresh, frozen, processed)
- Cauliflower and broccoli (fresh) (NB frozen cauliflower and broccoli is included under other frozen vegetables)
- Sweet corn (frozen, processed) (NB fresh sweet corn is included under other fresh vegetables)
- Other and mixed vegetables (fresh, frozen, processed)

These included the main vegetable crops grown in Australia, based on production area and value and covered by the vegetable levy, with the exception of lettuce, carrots and pumpkins, which were unlikely to have substantial imports. Frozen/processed carrots, broccoli and cauliflower are expected to be imported, however there are no separate shipping code for these items and therefore included under other and mixed vegetables.

Other vegetables not examined included garlic, asparagus, onion, tomato and mushroom. While there may be substantial imports of these vegetables, they are not included in the 'vegetable' levy and were therefore not examined in this project. Ready-made meals were not examined in this project as indicated in the project proposal because they are not easily identified in shipping HS codes, therefore the import volume and value is unidentifiable. Imports of repackaged vegetables in New Zealand were not assessed in this project.

The primary data assessed for this project was that of Harmonised System (HS) trade data. Exporters and freight forwarders use HS codes for classification of goods in declarations provided to the Australian Customs Service.

Essentially, each container imported into Australia has data recorded such as:

- Type of good (HS code)
- Weight of container
- Origin of export
- Destination of import
- Value of product

The data for the HS codes relating to the relevant vegetable categories were examined and data collated and presented to show trends in vegetable imports.

Data from the Australian Bureau of Statistics and the Horticulture Statistics Handbook on domestic production is also reported to provide context for imported product. The context shows whether the imported volume is significant compared to the domestic market production. The sum of imported product and domestically produced product represents the total market for each vegetable category.

The data analysis and interpretation were verified through consultation with key industry personnel from each crop type. Consultation included a mix of face-to-face meetings and telephone interviews on a confidential basis.

## Outputs

The outputs from this project are listed in the following table.

OUTPUT	DESCRIPTION	PUBLISHED
Main report	Vegetable import data from 2000 – 2012 was examined to define import trends, identify issues and offer recommendations for improving the position of domestic producers	2013
Annual updates	Analysis of trends in annual vegetable import data from the previous calendar year.	2014, 2015, 2016, 2017, 2018
Two-page desktop published fact sheets	Summary of the conclusions from the annual updates presented in a glossy, easy to read format. One factsheet published for each vegetable analysed (x6)	2016, 2017, 2018



## Outcomes

Results from import data analysis show that the major import volumes are occurring in the frozen sector, followed by the preserved (tinned) sector with relatively few imports of fresh vegetables. Peas were the only crop where the volume of imports exceeded the estimated volume of domestic production. This was primarily due to a well-established supply chain of frozen peas from New Zealand.

Consumers and retailers currently have a preference for domestically sourced fresh vegetable product, where it is available at competitive price. The imports of fresh vegetable products are reflecting a demand by consumers for product throughout the year (counter seasonal) and specific products at specific times that may not be available domestically at the required volumes.

Historically, volumes of imported fresh product have been low. Some categories have been unavailable on a seasonal basis, such as capsicum; therefore, imports have occurred to meet market demand. Other categories such as niche bean crops are also imported when unavailable domestically. In the future, it is possible that high cost products such as capsicum and labour intensive peas may result in imports competing with domestic product on price.

Many consumers prefer cheap frozen and processed vegetables. Therefore, retailers and food processors seek to supply low cost goods to consumers. Australia has a high cost of manufacturing and this has resulted in our products being less competitive. Thus, the volume of imported frozen and processed goods is significant and is supplied at low price points. It is likely that frozen and processed imports will continue into the future, unless Australia is cost competitive or consumers prefer Australian produce over and above the cheaper imported product.

## Monitoring and evaluation

The project has successfully and accurately defined the nature, origin, volume and value of vegetable imports and provided data available to industry.

A mid-term review of the project in 2016 conducted by Hort Innovation in consultation with Industry recommended that the project continue with a modification. The modification suggested as the adoption of two-page summary documents for each vegetable category to allow growers to have a clear ‘snap shot’ of the key numbers and drivers of imports.

The mid-term review suggested the extension of the data was a key limitation of the project.

The initial project proposal in 2013 included an initial investigation and research component followed by annual data updates. Two options were proposed, but not adopted, these were to:

- A competitor study to examine exactly ‘how’ other countries are achieving a low cost of production such as Sweet Corn production in New Zealand or Thailand to show how policy settings, labour costs, production investment and low-cost production is achieved.
- A detailed investigation into the ‘back dooring’ that is reported to occur in New Zealand, where cheap vegetables are imported into New Zealand and repackaged and then sold internationally and labelled ‘made in New Zealand from local and imported ingredients.’

These two components that were not included may have provided additional value to growers by making the findings of the project more tangible and concrete with specific examples of competitor advantages.

Understanding competition in business and industry is a key to adapting to the production environment.

One weakness of this project that became evident was that the annual reports provided limited benefit to growers. Small-scale growers tend to focus on the fresh domestic market where there are limited imports, so relevance of the project is low. The vegetable processing companies, such as those that package frozen and preserved peas and sweet corn are acutely aware of the issues and our analysis because they are trading directly into the market. As such, reporting on the historical events of currency, global production and trade movements is ‘old news’ to the processors and large-scale growers who supply them. Hence, our work talking to the processors and large-scale growers reporting on historical events was also of limited value, with the exception of increasing awareness to growers who don’t grow for processors.

In the latter years of the project, some new industry projects such as the Hort Innovation Statistics Handbook and other vegetable research papers also reported extensively on import data, possibly providing duplication. Thus, there was no shortage of information on imports for levy paying growers.

The key drivers of vegetable imports (see following section on recommendations) have not changed since the project commenced and are not likely to change due to market preference and wider economic drivers. Growers themselves have very limited ability to change or influence the imports of vegetable products.

The project has provided a very accurate set of data that describes vegetable imports, this has largely increased awareness as to ‘why’ imports occur for levy paying growers.

## Recommendations

Vegetable growers are not in a strong position to defend against imported product because retailers and food processors take a global approach to sourcing product in order to maximise profit and meet customer requirements. To improve growers position in the supply chain and strengthen the domestic industry as a whole, the project recommended the following actions:

**Understand the supply chain.** Growers need to have a clear understanding of their position in the supply chain, including the decision drivers at the subsequent links. For example, the processors will continue to meet the demands of the retailer and the retailers will continue to meet the demands of the consumer, i.e. low priced goods supplied throughout the season, because both want to increase market share. Thus, growers must do the same, i.e. increase their understanding of the supply chain to build farm businesses that better meet the requirements of the supply chain.

**Benchmark - farm gate.** Australian growers are competing with growers in other countries. Therefore, it is critical that they understand their strengths and weaknesses relative to competitors. This includes detailed production and financial benchmarking to the farm gate for a range of vegetable crops. Improved knowledge of their competitors will allow them to set strategic targets so they can be competitive on price or differentiate and export into premium markets. This benchmarking should consider the entire production system and crop rotation due to influences across agronomic practices and revenues from different crop types.

**Benchmark - food manufacturing.** Although levy payers generally do not manufacture frozen or processed product, it is important that they understand the specific issues of competitiveness along the entire supply chain. Currently these issues are understood and defined within the multinational processors, yet the information is not readily available to growers. It is recommended that growers commission research to understand cost differences in production systems with competing countries, so that more informed decisions can be made, or questions such as 'how productive do we need to be at the farm gate?' can be answered.

**Research development and extension on where Australia can continue to develop future competitive advantages in the global context.** Benchmarking at both the farm gate and into the supply chain can provide insight as to the crops with historical competitive advantages and likely future competitive advantages. Future R, D & E activities should focus on crops, regions and markets where Australia can bring a competitive advantage (low cost of production and landed unit product) compared to our international competitors.

**Understand the market.** There are opportunities for specialty, niche and counter seasonal products to capture market share currently held by imported product. This is particularly relevant in the fresh market where growers should work with retailers, who understand consumer preferences well, to provide consumers with their vegetable requirements (i.e. give them what they want). This will make imports of these products less attractive.

**Influence the market.** The fresh market is currently in a strong position compared to frozen and processed product that have a high level of food manufacturing. Where consumers can be influenced to purchase fresh Australian produce rather than processed or frozen product, this will provide a natural advantage to domestic fresh vegetables that do not attract the additional costs of food manufacturing.

Consumers have historically purchased on price for frozen and processed food categories. If consumer sentiment can be influenced to seek domestically produced frozen or processed categories with a view that they are a premium offering, this would provide a hedge against increasing imports.

## References

None to report.

Each report for this project contains a list of references.

## **Intellectual property, commercialisation and confidentiality**

No project IP, project outputs, commercialisation or confidentiality issues to report.

## Acknowledgements

This project has been supported by Tradedata International ([www.tradedata.net](http://www.tradedata.net)) and a number of vegetable processors, growers and marketers, most of whom provided information on a confidential basis.

## Appendices

- 2017 Bean Import fact sheet
- 2017 Capsicum Import fact sheet
- 2017 Pea Import fact sheet
- 2017 Sweet Corn Import fact sheet
- 2017 Mixed Vegetable fact sheet

# Bean imports 2016

## WHY DOES AUSTRALIA IMPORT BEANS?

- Consumer demand for cheap frozen vegetables
- Cost of production outside Australia is low. Retailers provide cheap frozen vegetables to consumers to maintain market share and profit.
- To provide the consumer with counter season supply
- Supply of fresh niche or specialty products not currently grown in Australia

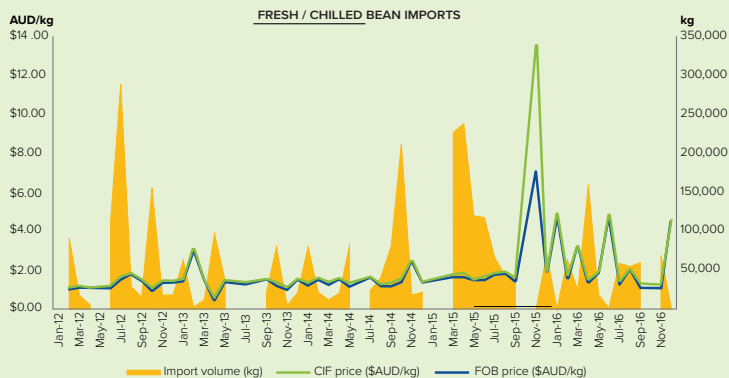
## SNAP SHOT

In 2016, import data for beans (*Vigna* spp., and *Phaseolus* spp.) showed:

- Australia imported 508 tonnes of fresh beans<sup>1</sup>
- Australia imported 7,767 tonnes of frozen beans<sup>1</sup>
- Australia produced 35,602 tonnes of beans domestically in financial year 2015-16<sup>2</sup>
- Frozen beans accounted for about 94% of imported bean product, typically as 500g-1kg packets

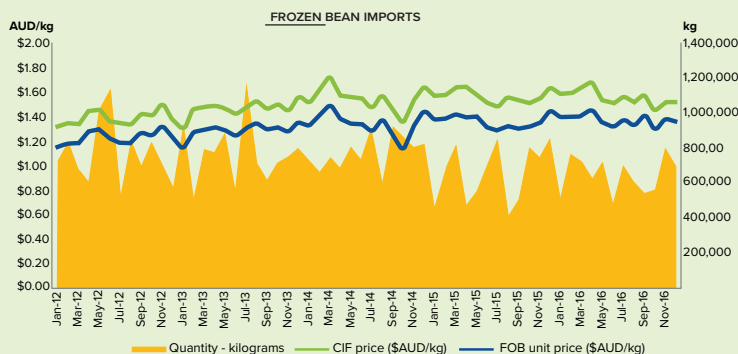
## THE FACTS: BEAN IMPORTS INTO AUSTRALIA

### PRICE AND QUANTITY<sup>1</sup>



- Volumes of fresh bean imports are down compared to 2015
- Price of fresh bean imports is variable in both timing and volume
- Overall, prices increased to between \$2.00 and \$5.00 per kg in 2016
- Due to the broad category of 'fresh beans' it is difficult to determine exactly what type of beans this category represents

- Frozen bean import volumes are consistent, averaging 600 tonnes each month in 2016
- Price of frozen bean imports is stable around \$1.56 (\$CIF) per kilogram
- Since 2012, frozen bean imports have fallen by approximately 16% by weight. The exact reason is unknown, however it could be due to consumers eating less frozen beans or supermarkets sourcing more local products.



### KEY TERMS

FOB: Freight on Board (e.g. price in exporting country)

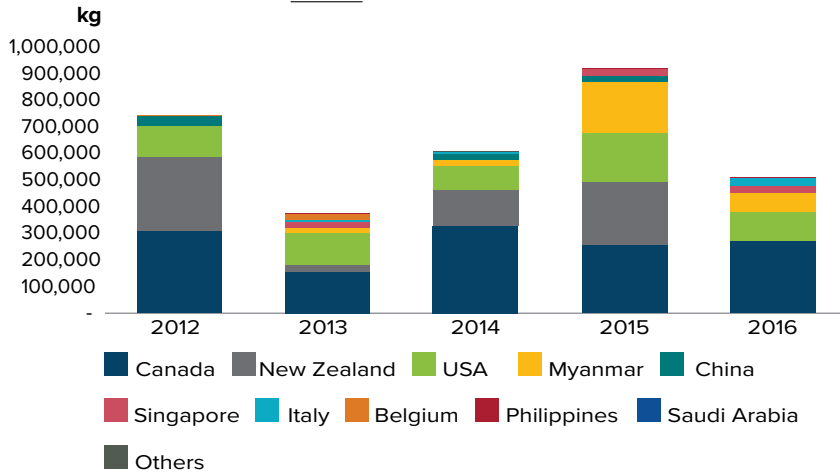
CIF: Cost, Insurance and Freight (e.g. price landed in Australia)



# Bean imports 2016

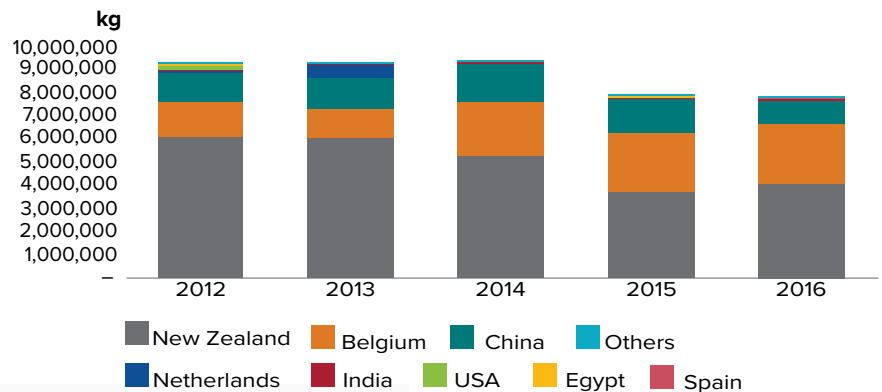
## WHERE DO BEAN IMPORTS COME FROM?

FRESH BEAN IMPORTS BY COUNTRY



- The main supplier countries of fresh beans to Australia in 2016 were Canada, the USA and Myanmar
- There were no imports of fresh beans reported from New Zealand in 2016

FROZEN BEAN IMPORTS BY COUNTRY



- Figure 4 shows import volumes by country for frozen beans over the last five years
- New Zealand has consistently been the largest major supplier of frozen beans to Australia
- Belgium and China also supply significant volumes of frozen beans to Australia



### Did you know?

Consumers expect beans to stay fresh for just over a week - their expectations are met most of the time<sup>4</sup>

- The green bean originated in South America, it was domesticated in ancient times and is currently the world's tenth most common food crop<sup>3</sup>
- In May 2015, Colman Brunton reported that beans are purchased by Australian shoppers around four times per month and are consumed about nine times per month<sup>4</sup>

Source:

1 - Tradedata International; 2 - ABS. 7120.0. Agricultural Commodities, Australia 2015/16. Released 31 July 2017; 3 - Schmutz et al (2014) A reference genome for common bean and genome-wide analysis of dual domestications, *Nature Genetics* 46, 707-713; 4 - Colmar Brunton. 2015. Project Harvest Monthly Tracker Report Wave #25 May 2015: Beans. Report prepared for Hort Innovation project VG12078.

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Hort Innovation Strategic Levy Investment VEGETABLE FUND

This project has been funded by Hort Innovation using the vegetable research and development levy and funds from the Australian Government. For more information on the fund and strategic levy investment visit [horticulture.com.au](http://horticulture.com.au)

# Capsicum imports 2016

## WHY DOES AUSTRALIA IMPORT CAPSICUM?

- Queensland is the main growing region for capsicum in Australia, however, summer temperatures are too high for year-round capsicum production
- Imports provide a complementary supply when domestic production is reduced in summer

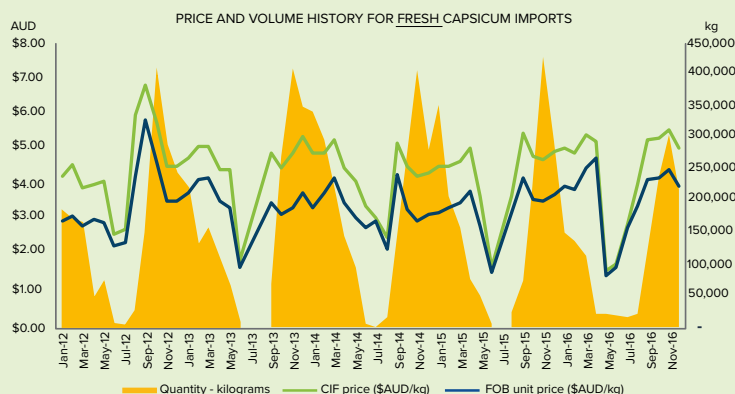
## SNAP SHOT

Import data for capsicums (fruits of the genus *Capsicum* or *Pimenta*) showed:

- 1,371 tonnes of fresh capsicum were imported in 2016<sup>1</sup>
- This is a decrease from 2015 import volumes at 1,894 tonnes<sup>1</sup>
- Domestic production of fresh capsicum in financial year 2015-16 was 36,793 tonnes or 96% of the total supply<sup>2</sup>
- Imports peak in summer months and drop to nearly zero in winter

## THE FACTS: DATA ON CAPSICUM IMPORTS INTO AUSTRALIA

### PRICE AND QUANTITY<sup>1</sup>



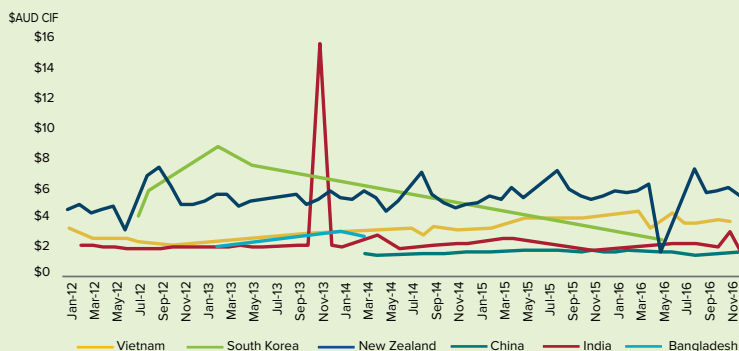
- Long-term price trend is relatively stable for all major supplier countries
- The price of New Zealand capsicums is the highest with trades typically between \$5.00 and \$6.00 per kg
- China has a price advantage (less than \$2.00/kg) over other importing countries, which has remained relatively stable since it entered the Australian market in 2014

### KEY TERMS

FOB: Freight on Board (e.g. price in exporting country)  
 CIF: Cost, Insurance and Freight (e.g. price landed in Australia)

- Price is strongly associated with seasonal import trends
- The average import volume is generally under 200 tonnes/month
- The volume of peak summer supply in November 2016 was lower than previous years
- Price reached a low of \$1.50/kg in June 2016, the lowest recorded price in a five year period

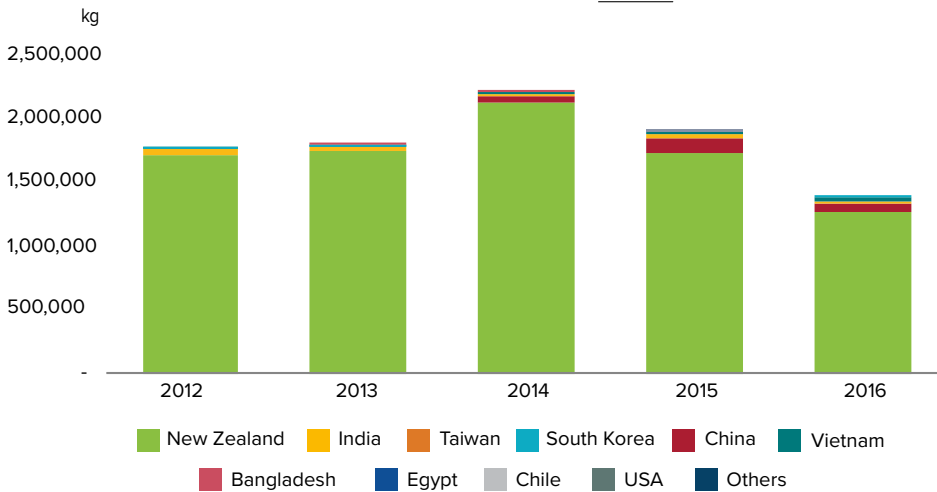
AVERAGE PRICE (\$CIF) HISTORY OF FRESH CAPSICUM AND PIMENTO IMPORTS FROM THE TOP SIX MAJOR SUPPLIER COUNTRIES



# Capsicum imports 2016

## WHERE DO CAPSICUM IMPORTS COME FROM?

MAJOR SUPPLIER COUNTRIES FOR FRESH BEANS



- In 2016, capsicums imported from New Zealand accounted for 91% of the total volume, or 96.6% of the market value
- Imports from Vietnam have steadily increased since 2012

- According to research undertaken by Colmar Brunton, 6% of millennials say capsicum is their favourite vegetable<sup>4</sup>
- Although the price of New Zealand capsicums has been consistently higher than other supplier countries, it still remains the dominant supplier country for fresh capsicums



### Did you know?

Capsicums are fruits but prepared like vegetables. They belong to the same family as chillies, however, are sweeter and milder tasting. Red capsicums contain higher levels of vitamin A and C than green capsicums<sup>3</sup>.

**Source:**

1 - Tradedata International; 2 - ABS. 7120.0. Agricultural Commodities, Australia 2015/16. Released 31 July 2017; 3. Sydney Market Limited Fresh for Kids Program - viewed May 2017 [http://www.freshforkids.com.au/veg\\_pages/capsicum/capsicum.html](http://www.freshforkids.com.au/veg_pages/capsicum/capsicum.html); 4. Colmar Brunton (2016) Project Harvest Millennials Online Community Full Report

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# Pea imports 2016

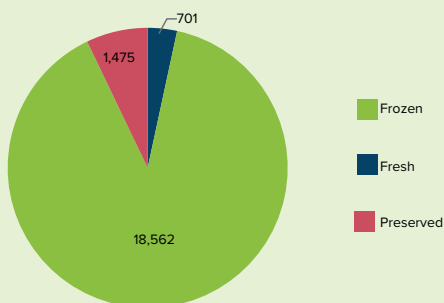
## SNAP SHOT

- Australia imported a total of 20,738 tonnes of peas in 2016<sup>1</sup>
- Three categories of product make up pea imports in 2016 including fresh, frozen and processed
- Domestically, Australia produced 19,810 tonnes of green peas in financial year 2015/16 (total), with approximately 1,161 tonnes of these being fresh and 18,650 tonnes for processing<sup>2</sup>

## THE FACTS: DATA ON PEAS IMPORTS INTO AUSTRALIA

### WHAT TYPES OF PEAS ARE IMPORTED TO AUSTRALIA AND WHY?

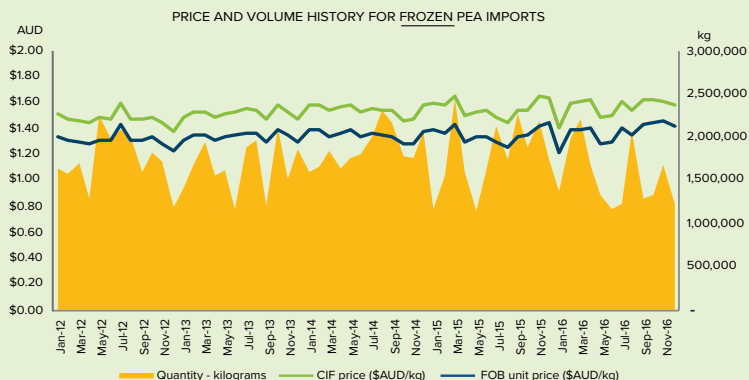
PROPORTION OF FRESH, FROZEN AND PRESERVED PEAS IMPORTED IN 2016



- A very small proportion (701 tonnes) of fresh peas are imported to Australia, most likely snow and sugar snap peas, this is likely due to a reliable domestic supply
- In 2016, 18,562 tonnes of peas imported to Australia were frozen, this may be as a result of imported prices for frozen peas being more competitive than domestic products
- Volumes of frozen peas imported to Australia have continued to decrease since 2013, there was a 14% decrease in imported volumes in 2016 compared to 2015
- Processors sometimes import frozen peas to supplement local supplies during September to November when domestic supplies are low

### PRICE AND QUANTITY<sup>1</sup>

- Overall, there has not been any significant change in the price and volume of frozen pea imports since 2012
- Average annual price increased by 7% over the last 5 years
- Import volumes have been relatively stable - the greatest decrease occurred between 2015 (2,147 tonnes) and 2016 (1,856 tonnes), representing a 14% drop in volume



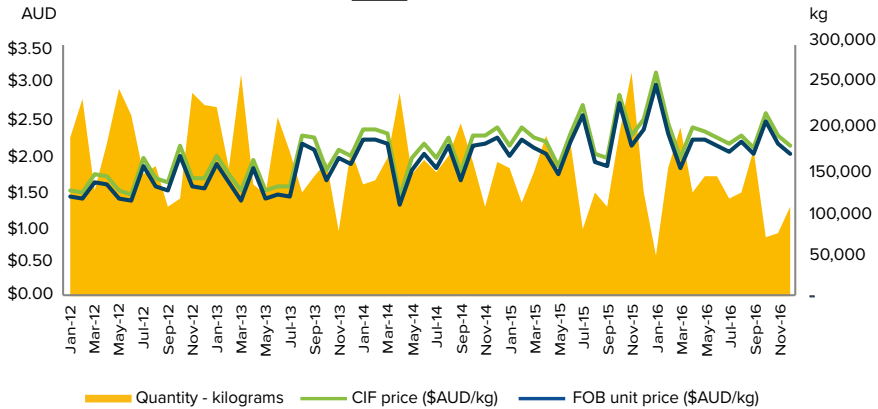
**KEY TERMS** (Figures 1 and 2)

FOB: Freight on Board (e.g. price in exporting country)

CIF: Cost, Insurance and Freight (e.g. price landed in Australia)

# Pea imports 2016

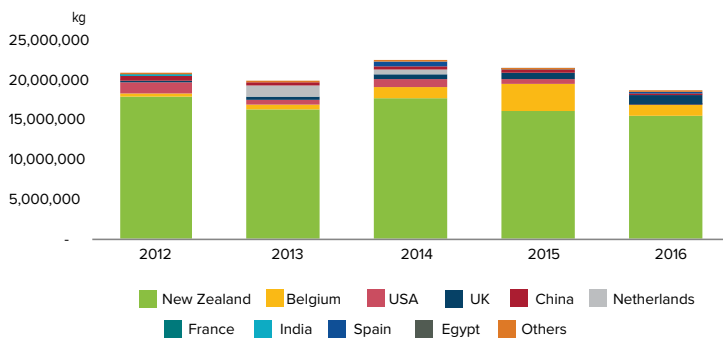
PRICE AND VOLUME HISTORY FOR PRESERVED OR DRIED PEA IMPORTS



- Price has risen by around 40% or \$0.65 per kg over a five year period starting in 2012, while import volumes have decreased by approximately 33% in the same period
- Prices for imported dried or preserved peas were highly variable in 2016, the highest price (\$3.11 per kg) was recorded in January and the lowest price (\$1.92 per kg) was recorded in March
- The price of peas from China is consistently higher than other countries
- Import prices for all countries remained generally stable in 2016

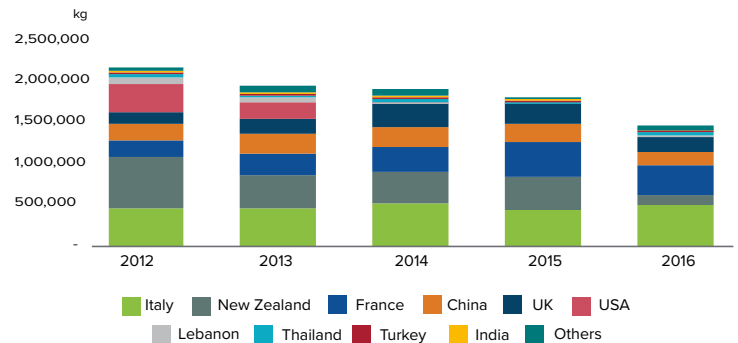
## WHERE DO PEA IMPORTS COME FROM?

MAJOR SUPPLIER COUNTRIES FOR FROZEN PEAS



- New Zealand is the largest provider of frozen peas, volumes received in 2016 are consistent with the previous five years since 2012
- There was a slight decrease in frozen pea imports from Belgium and the USA and a small increase in UK imports

MAJOR SUPPLIER COUNTRIES FOR PRESERVED OR DRIED PEAS



- Italy dominated the export of preserved peas in 2016
- Preserved pea imports from New Zealand were significantly lower in 2016
- Import volumes from France, China and the UK have remained relatively consistent over the five year period since 2012

### Did you know?

*"Green peas are a great vegetable for providing protein, fibre, nutrients and a wonderful sweet flavour to most dishes."<sup>3</sup>*

Source: 1 - Tradedata International; 2 - ABS 2015-16 Agricultural commodities data; 3 - <http://www.veggycation.com.au/for-veg-lovers/vegetables> (viewed 2 October 2017)



**Hort Innovation**  
Strategic levy investment

**VEGETABLE FUND**

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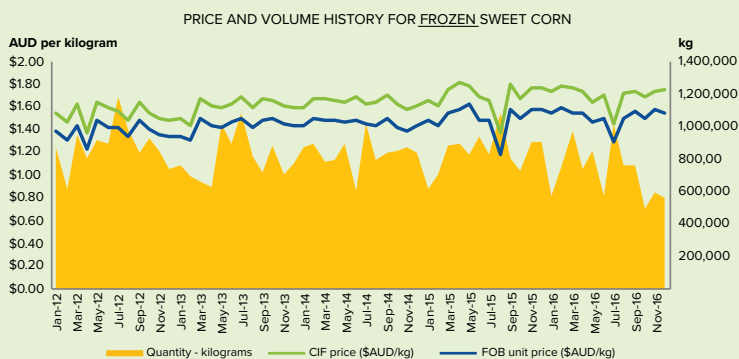
# Sweet corn imports 2016

## SNAP SHOT

- Australia imported 18,854 tonnes of frozen and processed sweet corn in 2016<sup>1</sup>
- Approximately half of sweet corn imports in 2016 were processed or preserved imports, the other half were frozen
- No data was available for fresh sweet corn imports, it is unlikely that imports of fresh corn are occurring
- Australia produced 86,559<sup>2</sup> tonnes of sweet corn in the 2015/16 financial year, thus imports are approximately 25% of domestic production.

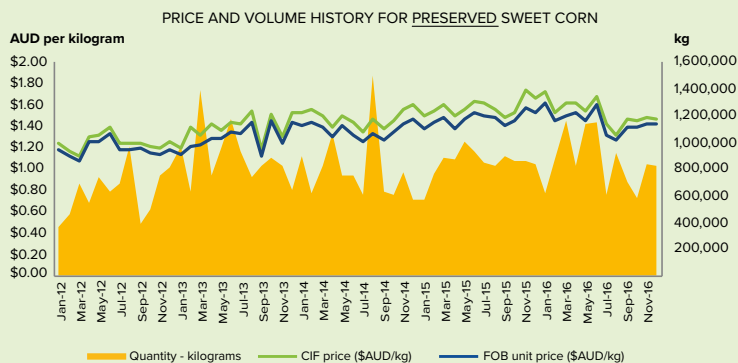
## THE FACTS: SWEET CORN IMPORTS INTO AUSTRALIA

### PRICE AND QUANTITY<sup>1</sup>



- Prior to 2016 import volumes were relatively stable, however, during 2016 volumes decreased by approximately 15%
- Import volumes appear to be closely related to price, price dropped to a low of \$1.46/kg CIF during July 2016, corresponding to a spike in import volumes for the same month
- Prices of imported frozen sweet corn have steadily increased over the five-year period since 2012
- Prices for frozen sweet corn imports from Belgium and Thailand were variable in 2016, whilst prices for the USA, China, Vietnam and New Zealand remained fairly stable

- Preserved corn prices were generally stable in the first half of 2016, before decreasing to a low of \$1.32/kg CIF in August and recovering to \$1.46/kg in September
- The current price is consistent with the five year average import price of \$1.44/kg
- Import volumes have increased by 35% since 2012
- Import prices for the USA and New Zealand remained stable in 2016, whilst prices for Thailand, China, Vietnam and Spain fluctuated throughout the year



### KEY TERMS

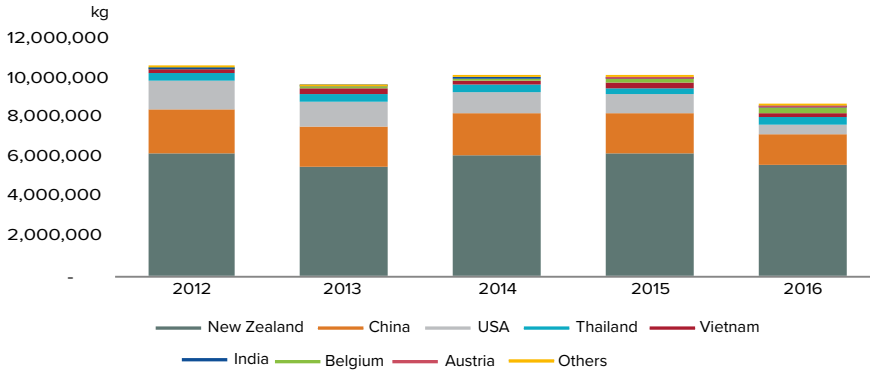
FOB: Freight on Board (e.g. price in exporting country)

CIF: Cost, Insurance and Freight (e.g. price landed in Australia)

# Sweet corn imports 2016

## WHERE DO SWEET CORN IMPORTS COME FROM?

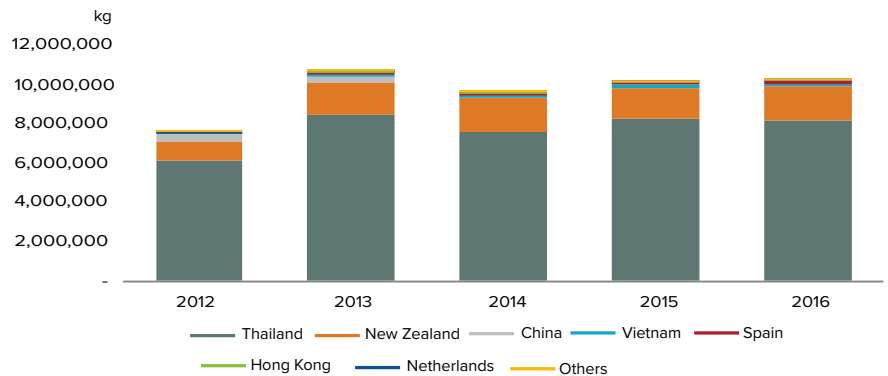
MAJOR SUPPLIER COUNTRIES FOR FROZEN SWEET CORN



- New Zealand continues to be the main major supplier country of frozen sweet corn to Australia, followed by China
- There was little change in volumes from these and other contributing countries
- New Zealand has focussed on export vegetable production

MAJOR SUPPLIER COUNTRIES FOR PRESERVED SWEET CORN

- Thailand continues to be the main major supplier country of preserved sweet corn to Australia, followed by New Zealand
- There has been a slight increase in import volumes from the Netherlands in 2016
- Thailand has invested in production and processing capacity to provide low cost export tinned corn



### Did you know?

The proper name for corn is maize. The word maize comes from the extinct Taino language which was once the principal language spoken by people of the Caribbean.<sup>3</sup>

Sweet corn is rated as one of the favourite vegetables among millennials in Australia.<sup>4</sup>

**Source:**

1 - Tradedata International; 2 - ABS. 7121.0 Agricultural Commodities, Australia 2015/16. Released 31 July 2017; 3 - Interesting corn facts - viewed May 2017 <<http://welldonestuff.com/10-interesting-facts-about-corn/>>; 4 - Colmar Brunton (2016). Millennials Online Community Full Report. Prepared for Hort Innovation project VG12078.



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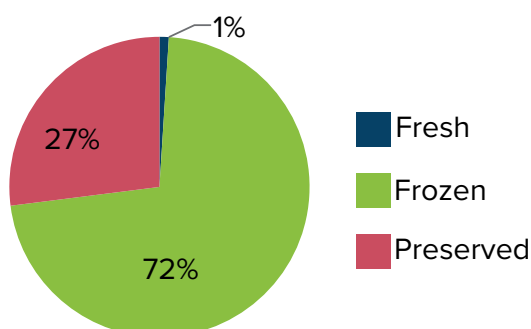
# Other & mixed vegetable imports 2016

## SNAP SHOT

- In addition to quantities of beans, capsicum, peas and sweet corn, Australia imports mixtures of frozen and preserved vegetables, typically as 500g-1kg packets
- In 2016, total imports of other and mixed vegetables were 55,501 tonnes<sup>1</sup>
- Australia produced a wide range of other vegetables including lettuce, carrot and turnip, cauliflower and broccoli, pumpkin, squash and guards and other vegetables

## WHAT TYPES OF OTHER AND MIXED VEGETABLES ARE IMPORTED TO AUSTRALIA AND WHY?

PROPORTION BY WEIGHT OF FRESH, FROZEN AND PRESERVED OTHER MIXED VEGETABLES IN 2016



- Import data groups together 'other and mixed vegetables', to blended crop types, and rare vegetables
- Australia imports other and mixed vegetables as fresh, frozen or preserved vegetables
- The majority (72%) of other and mixed vegetable imports in 2016 were frozen, typically those found in supermarket freezers
- Fresh cauliflower, broccoli, carrots and pumpkins are sometimes imported in very small quantities
- Other fresh vegetable imports made up less than 1% of all other and mixed vegetable imports in 2016 and have remained under 400 tonnes/annum for the past four years
- The total volume of preserved and dried vegetable imports increased by 34% in 2016 compared to 2015 volumes and there has been a nearly twofold increase (89%) over the last five years

## THE FACTS: OTHER & MIXED VEGETABLE IMPORTS INTO AUSTRALIA

### PRICE AND QUANTITY<sup>1</sup>

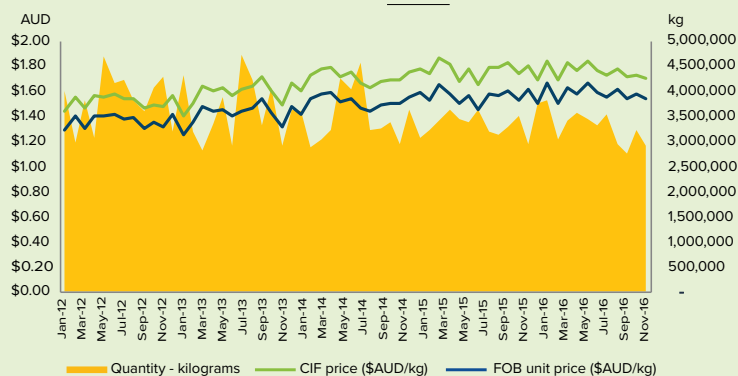
- Overall import prices of frozen other and mixed vegetables have remained steady over the last five years averaging \$1.67/kg
- Over the same five year period, import volumes of frozen other and mixed vegetables have decreased by around 13%

### KEY TERMS

FOB: Freight on Board (e.g. price in exporting country)

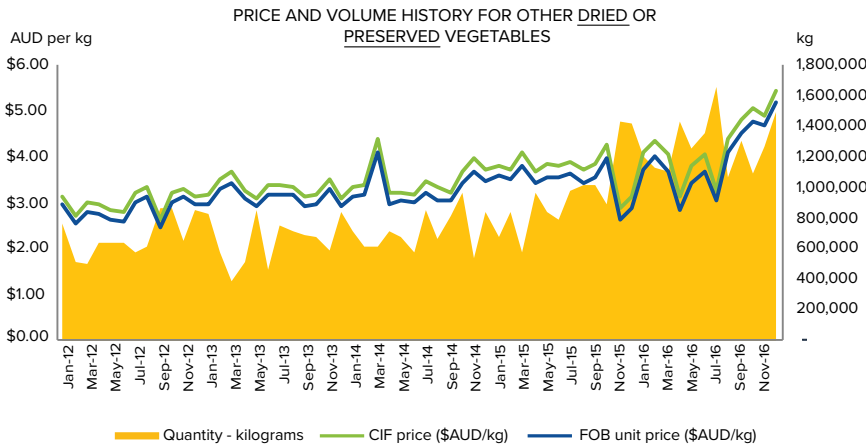
CIF: Cost, Insurance and Freight (e.g. price landed in Australia)

PRICE AND VOLUME HISTORY FOR FROZEN MIXED VEGETABLES





# Other & Mixed Vegetable Imports 2016

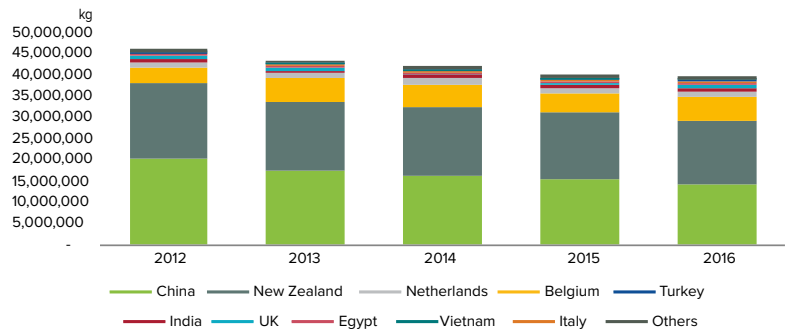


- Volumes and prices of imported preserved and dried vegetables were highly variable during 2016
- Import prices reached a historical high of \$5.41/kg in December 2016
- Total import volumes for 2016 are 34% higher than 2015
- Over a five year period from 2012, the average annual import price has increased by about 41%
- Import volumes have almost doubled over this same period, increasing by about 89%

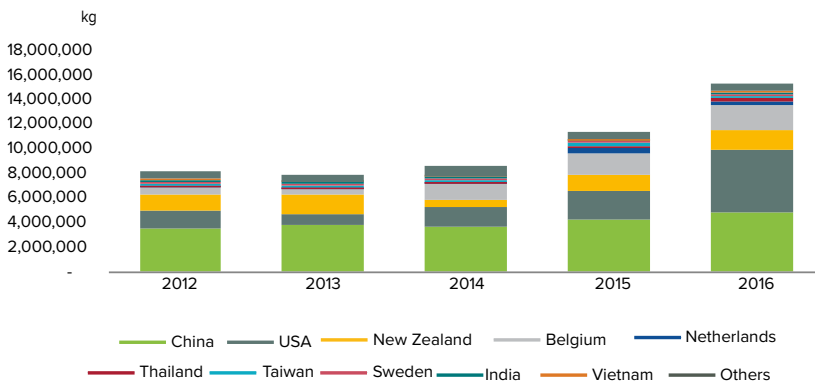
## WHERE DO IMPORTS COME FROM?

- China and New Zealand continue to be the major supplier countries, followed by Belgium. These countries provide low cost frozen mixtures of vegetables.
- Imports from China have decreased since 2012
- The decrease in Chinese imports is most likely due to improvements in domestic production of broccoli and cauliflower
- Imports from Belgium have remained relatively stable and as in previous years product is entering into private label and branded product

MAJOR SUPPLIER COUNTRIES FOR FROZEN MIXED VEGETABLES



MAJOR SUPPLIER COUNTRIES FOR PRESERVED OR DRIED VEGETABLES



- Most other preserved and dried vegetable imports are from China, the USA, New Zealand and Belgium
- Volumes of imports increased significantly in 2016 from the main major supplier countries and EU countries increased in 2015

Source:  
1 - Tradedata International

RMCG

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