

Persimmon Industry Export Market Development Strategy 2023

*A quick overview of international trade
opportunities and considerations*

STRATEGY SUMMARY

To review the opportunities to export Australian persimmons, Hort Innovation has developed a comprehensive export market development strategy. The strategy has been produced using levies from the persimmon industry and funds from the Australian Government.

The supporting data underpinning this strategy has been prepared by market analysts and researchers McKINNA et al using its Market Potential Index (MPI) which is a framework used to filter, rank and prioritise export markets. The strategy provides a valuable resource for growers and industry more broadly to identify any trade development investment opportunities.



WHERE ARE WE NOW?

For the year ending June 2017, Australia produced 2,516 tonnes of persimmons, valued at \$10.5M.

It is estimated that more than 80 commercial persimmon growing businesses operate in Australia.

Persimmons are produced primarily in south east Queensland. Other major producing areas include Sydney Basin in New South Wales; Sunraysia, the Goulburn and Murray valley regions in Victoria, and Riverland around the South Australian and Victorian border.

While the majority of production is sold on the Australian domestic market, 143 tonnes was exported in 2016/17 chiefly to Malaysia, Singapore and Hong Kong.

WHERE DO WE WANT TO BE?

The Persimmons Strategic Investment Plan, which was developed with industry, identifies 'driving long-term domestic and export growth' as a priority. It also notes the need to focus on demand, particularly domestic and export opportunities to increase returns to growers.

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WHAT ARE THE OPPORTUNITIES?

Persimmons have cultural status in the north Asian markets of China, South Korea, Japan and Taiwan as an icon of the autumn festival, reflected in loyalty to domestically produced product and seasonal consumption. By comparison, demand in the counter-season market when Australia can supply, is much more limited.

Based on the market analysis, Australia could potentially export 450 tonnes or around 17 per cent of current total persimmon production by 2023 - an increase of 307 tonnes.

The best prospects for Australian persimmon exports appear to be in Southeast Asia and the Middle East. The strategy identifies the prime prospect markets as Hong Kong, Singapore, Malaysia, Saudi Arabia, the United Arab Emirates and Qatar and Thailand.

WHAT IS STOPPING US GETTING THERE?

A challenge for the industry has been the lack of growers with any significant scale and critical mass to have the professional resources required to manage exporting. While some growers are dealing directly with buyers in markets such as Singapore, in most instances, growers report that their exports are managed through alliances with market-based agents in the wholesale markets.

HOW ARE OUR COMPETITORS POSITIONED?

Australia's key persimmon competitors in the southern hemisphere season are New Zealand, South Africa. While Spain is a competitor in markets such as Hong Kong, it has a different seasonal window to Australia. Spain is a competitor to Australia in that it has a market presence globally that sets pricing and quality perceptions and therefore needs to be included in competitor analysis. Although Brazil is a southern hemisphere supplier, it has no presence in the prospective markets for Australia.

By world standards, New Zealand is a small player in persimmons yet it is a significantly larger exporter than Australia. The New Zealand persimmon industry has grown strongly in exports in recent years, currently trading around 13,000 tonnes, with the main markets being Australia and Thailand, which account for around 60 per cent of New Zealand's total export volume.

WHAT ARE THE NEXT STEPS?

The Strategy makes the following findings:

- Given the industry's small scale, commitment to a broader tropical industry export development plan will be vital to leveraging the finances, skills and expertise for the benefit of the persimmon industry
- Finding and exploiting niche opportunities aligned to Australia's seasonal windows will provide a platform for export growth

Following the release of these findings, Hort Innovation will work with industry to determine its appetite for levy investment and roll-out of trade related research and development activities.

This summary feeds into an overarching Australian Tropical Fruit Export Strategy which aims to:

- Encourage collaboration in the tropical fruit sector to build new export business models and supply chains
- Develop new products to secure premium pricing, underpinned by strong branding
- Engage with markets to maximise immediate opportunities while also pursuing strategic market access for the longer term

For more information on the persimmon industry, refer to the Horticulture Statistics Handbook and the industry's Strategic Investment Plan.

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