

Optimising Trade in the Australian Vegetables Industry

MT24001

-
February 2025

Hort
Innovation



Table of Contents

SECTION 01

Executive Summary

3

SECTION 03

Global Competitor Benchmarking Analysis

14

SECTION 05

Capability Gaps Assessment

37

SECTION 07

Appendix

51

SECTION 02

Introduction & Background

9

SECTION 04

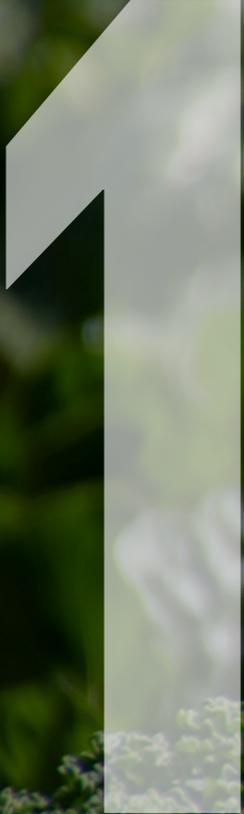
Competitor Comparative Studies

23

SECTION 06

Strategic Recommendations

42



Executive Summary

This project aimed to empower the Australian vegetable industry with a stronger understanding of its global competitive position, and clear strategies to enhance export competitiveness

PROJECT SCOPE



Conduct a global competitor benchmarking analysis, assessing Australia's vegetable export capabilities and performance against key competitors in prioritised export markets.



Assess competitor best practices, assessing how specific export capabilities or efficiencies translate into the competitor's competitive positioning within a particular market.



Develop strategic recommendations with specific actions over the short, medium and long-term that aim to enhance Australia's export competitiveness, overall strengthening trade performance, growth and sustainability.

INTENDED PROJECT OUTCOMES



Improved understanding of Australia's competitive position in the global vegetables trade market, including key areas of competitive advantage and areas for improvement.



Greater insight into successful models and best practices from leading global exporters, providing practical insights into effective and efficient export strategies.



Enhanced clarity on strategies to improve market penetration and trade performance through prioritised, practical, and actionable recommendations for industry stakeholders.

PROJECT METHODOLOGY



1 Prioritise Australia's key export markets, both mature and emerging, to provide a focused basis for the analysis of this project.

2 Identify Australia's key competitor in the prioritised export markets, covering a diverse range of competitor profiles.

3 Benchmark the competitors against Australia, considering various metrics relating to logistics costs, supply chain management, and Government support.

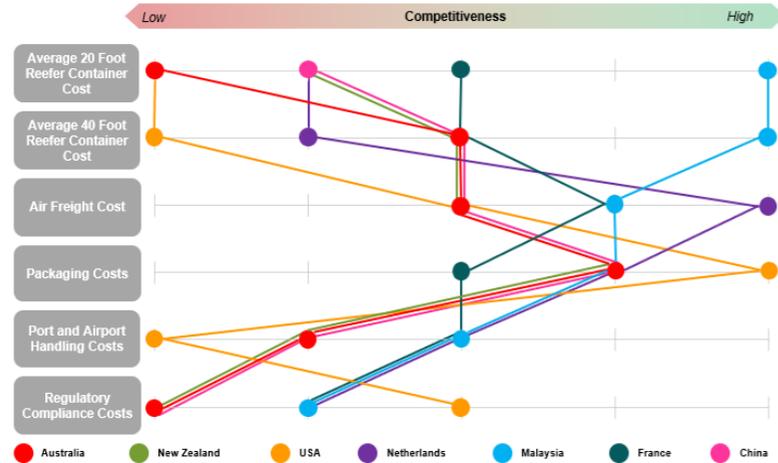
4 Conduct direct comparative studies of Australia against a key competitor within the context of a specific priority export market.

5 Conduct a capability gaps assessment, identifying Australia's areas of comparative advantage and areas for improvement.

6 Develop strategic recommendations targeted to industry and Government, aimed at improving Australia's vegetable export competitiveness.

The global benchmarking analysis evaluated Australia's performance against key competitors in regard to logistics costs, supply chain management and Government support

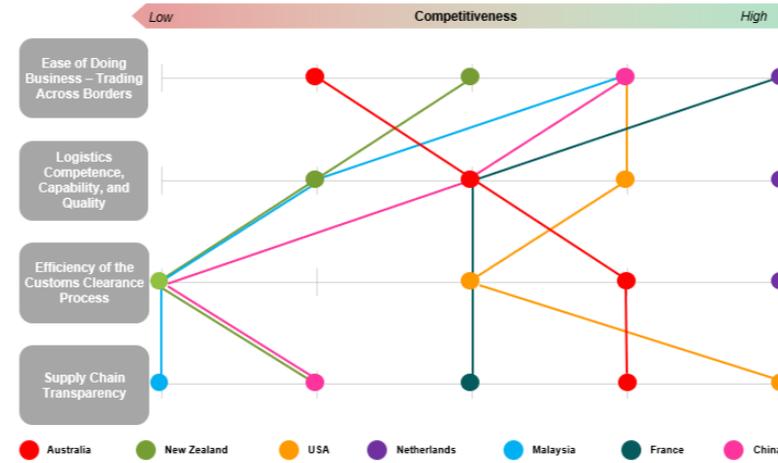
Logistics Costs



Freight and regulatory costs are the largest component of export costs for Australian exporters, with high freight costs preventing Australians from pursuing opportunities in some markets.

- Australian container costs are typically up 30-50% higher than the global average for 20-foot reefer containers and up to 28% higher for 40-foot reefers.
- The Netherlands has an efficient air freight system, which is nearly 70% more cost effective than the global average. Strong public-private partnerships have enabled the modernisation of Dutch airports and logistics hubs.
- Limited automation at ports and airports in the USA have contributed to high handling costs. The USA is more competitive in terms of regulatory costs, with costs for export certificates capped at USD\$175 per certificate.

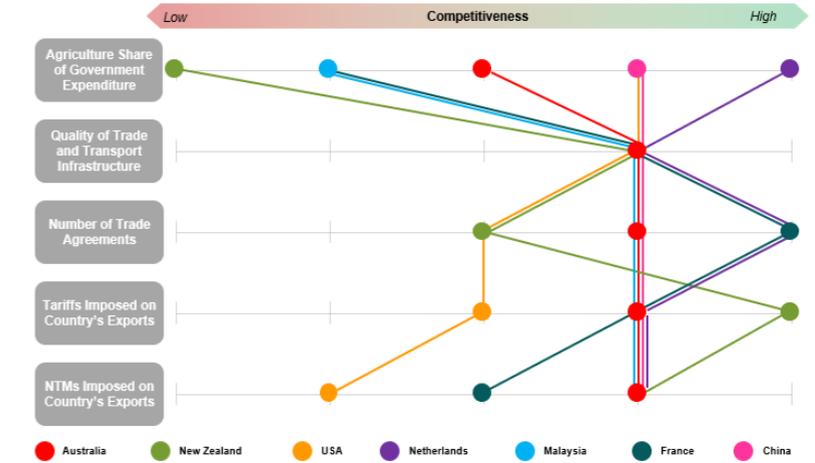
Supply Chain Management



While Australia has relatively efficient customs processes, exporters are hindered by long documentation processing times and high compliance costs.

- Dutch ports have invested in integrated technology solutions that enable port users to access information and lodge documentation in a centralised location. This has helped to reduce waiting times for exporters.
- Border compliance in the USA typically take four hours and USD\$235 per consignment. Comparatively, Australia's compliance requirements can cost USD\$1,030 and can require approximately 43 hours of time per consignment.
- Shipping lines often do not provide enough notice on line changes for Australian exporters, which can cause delays in exports. Australia and New Zealand represent a small portion of global shipping revenue, leading to less bargaining power.

Government Support



Australian trade agreements provide relatively more limited market access and commercial benefits for the vegetable industry compared to selected competitors.

- Government support for agriculture in the EU, particularly the Netherlands, is strong compared to other key competitors. Australia and New Zealand are the least subsidised in terms of value of production.
- While Australia has a large number of trade agreements, they do not always provide the strongest outcomes for the Australian vegetable industry, such as tariff reductions, market access maintenance, and sanitary and phytosanitary requirement reductions.
- New Zealand has effectively negotiated tariff reductions and market access with key competitors, providing New Zealand with a significant advantage against Australia.

Comparative studies identified and analysed successful models and best practice learnings from competitors, showcasing effective strategies to enhance export competitiveness

Trade Overview

Australia vs. Malaysia in Singapore



Malaysia holds 50% fresh vegetable market share by value in Singapore, outcompeting Australia's 8.35%, with AUD\$211.9M in exports in 2023.

Key Learnings

Malaysia has a longstanding relationship with Singapore and a strong market presence, underpinned by centralised support for Malaysian exporters, through the Malaysia External Trade Development Corporation (MATRADE), a national trade promotion agency of Malaysia. MATRADE also provides a directory of established exporters that can provide businesses with best practice.

Australia vs. USA in UAE



Australia outcompetes the USA in vegetable exports to the UAE, and further opportunities will develop with the recent UAE-Australia trade agreement, although importer reliability may pose as a challenge.

The USA capitalises on brand recognition and USA retailer partnerships that enable vegetable exporters to channel produce through reputable importers and directly into retail. Comparatively, Australian businesses can have issues with sending produce and not receiving payment. These strong USA business connections additionally allow exporters to benefit from local knowledge.

Australia vs. the Netherlands in Indonesia



The Netherlands is able to export and transport onions to Indonesia for a lower cost than Australia, with the Netherlands exporting AUD\$18.3 million in onions to Indonesia in 2023.

Advanced agricultural technology, an efficient supply chain, and strong logistical infrastructure allows for more competitive pricing than Australia. Significant investment in Dutch ports, with automated terminals, traceability technology such as Portbase, and a digital twin has allowed the Port of Rotterdam to reduce the time and cost per kilometre to market by 25-35%.

Australia vs. China in Vietnam



China exported AUD\$12.1 billion in fresh vegetables to Vietnam in 2023, benefiting from a shared border and significantly lower cost of production.

China's ability to negotiate market access with target export markets has enabled China to export a range of vegetables to Vietnam, whilst Australia only has access for cauliflowers, broccoli, celery, and onions. Stakeholders noted the Chinese Government's support for trade delegations, with the Government typically funding trade delegations and industry trips to events and conferences.

Australia vs. New Zealand in Taiwan



New Zealand outcompetes Australia on the export of onions and shallots to Taiwan, with Taiwan agreeing to tariff removal through a trade agreement with New Zealand.

New Zealand is able to effectively form trade agreements that benefit the NZ fresh vegetable industry, with tariff reductions for the export of vegetables to Taiwan, mitigating the impact of tariffs that would otherwise be an average of 18.35% across vegetables. Some New Zealand businesses are encouraged to capture value of trade agreements by leveraging datasets and forecasting and backcasting growth.

Australia vs. France in Spain



Australia competes with France on the export of onions to Spain, with France's access to Spain made easier through standard trade processes that reduce compliance time and cost.

France has invested into agricultural sector transformation with a focus on digitalisation, robotics, and genetics. USD\$2.3 billion was committed as part of the France 2030 plan to drive innovation in AgTech, with an additional €34 billion to reduce production taxes and increase support for R&D, training, and development of skills. Maintaining Australia's approach to counter-seasonal onion exports to Spain is an effective approach to ensuring a competitive price point.

The capability gaps assessment identified five priority areas based on their impact on export competitiveness and Australia’s existing capabilities in each area

The assessment identified sea freight costs, ease of doing business, the number of trade agreements, tariffs on exports, and non-tariff measures on exports, as priority areas requiring targeted support and updated strategies to enhance competitiveness. While addressing costs and supply chain efficiency is essential, the findings also emphasise that market access remains the key factor in strengthening Australia’s export position. Improving trade agreements and reducing entry barriers will be key to unlocking new opportunities and ensuring long-term competitiveness in global markets.

#		Impact on Export Competitiveness	Australia’s Capabilities
1	Sea Freight Costs	High	Low
2	Air Freight Costs	Moderate	Moderate
3	Packaging Costs	Low	High
4	Port and Airport Handling Costs	Moderate	Low
5	Regulatory Compliance Costs	Moderate	Low
6	Ease of Doing Business	High	Low
7	Logistics Competence, Capability, and Quality	Moderate	Moderate
8	Efficiency of the Customs Clearance Process	Moderate	Moderate
9	Supply Chain Transparency	Low	Moderate
10	Agriculture Share of Government Expenditure	High	Moderate
11	Number of Trade Agreements	High	Moderate
12	Tariffs Imposed on Country’s Exports	High	Moderate
13	Non-tariff Measures Imposed on Country’s Exports	High	Moderate

■ Positive
 ■ Moderate
 ■ Negative

Note: These ratings were primarily based on data from the global benchmarking analysis. However, they have been reviewed by industry stakeholders and adjusted where necessary to ensure they accurately reflect industry perspectives and real-world conditions.



The five priority areas identified in the capability gaps assessment informed the development of key strategic pillars for enhancing the export competitiveness of Australia's vegetable industry

The first strategic pillar focuses on expanding market access, which is essential for Australia's vegetable industry to remain competitive. Even a slight disadvantage compared to key competitors can significantly impact export performance, and hence should be the industry's primary strategic priority. The second pillar centres on improving logistics visibility and efficiency. While logistics costs are inherently difficult to control, greater transparency can enable better cost management, improve forecasting, and support more efficient trade operations. Additionally, enhancing supply chain efficiency – particularly in regulatory functions – can streamline export processes, reduce administrative burdens, and improve overall ease of exporting for the Australian vegetables industry.

Pillar 1: Expanding Market Access

Expand and secure market access for Australian vegetables globally by reducing trade barriers, leveraging trade agreements, and negotiating protocols with high-value and emerging market opportunities.

- A** **Support awareness/capacity building on existing trade agreements** – for example, with the recently signed UAE-Australia CEPA. As part of this, support Australian efforts to network in-market.
- B** **Negotiate market access and reduce market protocols** – with a focus on optimising existing market access opportunities to accelerate trade outcomes, such as in the Philippines, where 10 different vegetables have market access but only to foodservice and high-end restaurants.
- C** **Negotiate favourable phytosanitary pathways** – such as reductions in gamma irradiation or methyl bromide fumigation requirements for onion exports to Indonesia. Support the development of technical R&D packages to showcase Australia's sanitary and phytosanitary credentials.
- D** **Negotiate tariff reductions** – particularly in countries such as Taiwan and the EU, where high tariffs prevent cost competitiveness for Australian vegetables.

Pillar 2: Improving Logistics Visibility and Efficiency

Empower the Australian vegetable industry with greater visibility, control, and efficiency across supply chains by strengthening transparency, streamlining processes, and enabling stakeholders to take greater ownership of key processes.

- A** **Develop a digital logistics data platform** – that provides greater transparency into logistics costs such as freight costs, and potential future cost movements.
- B** **Optimise regulatory processes for growers and exporters** – ensuring it is fit for purpose based on the size, location, commodities etc. of the Australian grower or exporter.
- C** **Enable reputable growers/exporters to take on more responsibility of export certification and audit processes** - similar to the model used for Authorised Officers who are authorised to perform certain regulatory functions such as inspecting shipments.

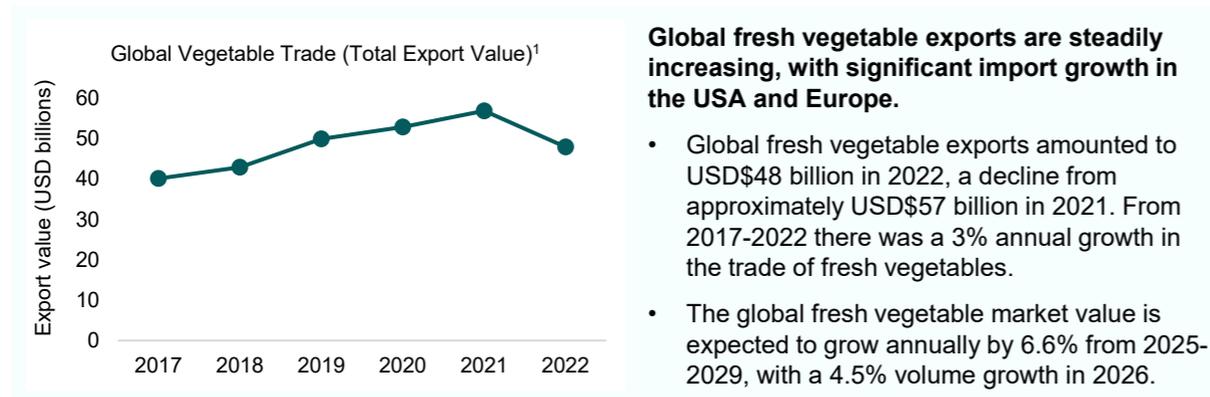
2

Introduction & Background



Whilst opportunities exist for the Australian vegetables industry, intensifying competition in the global market remains a key barrier to export performance

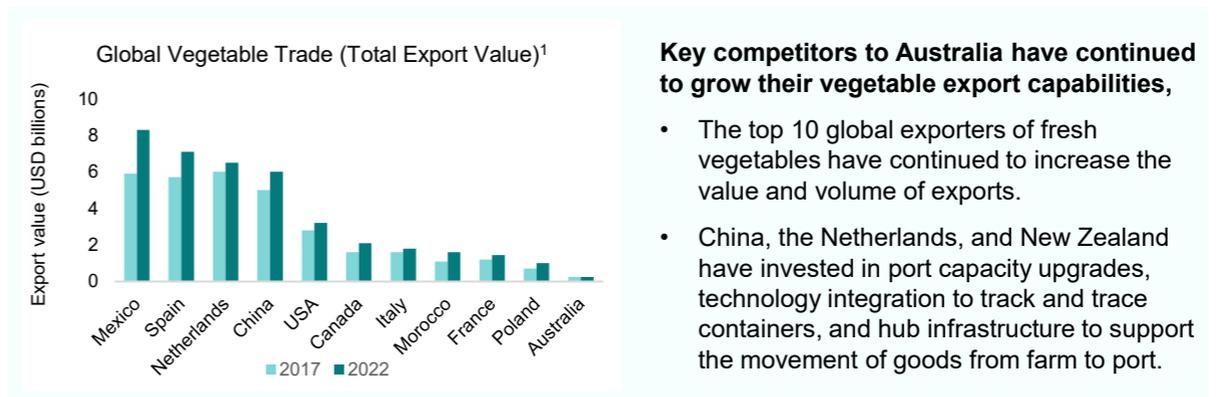
The Opportunity: Rising global vegetable consumption aligns with Australia's export potential



There are a range of factors influencing the growing interest in fresh vegetable consumption:

- The population is expected to reach 8.5 billion in 2030, with growth in India, across Africa, and Southeast Asia, with consumers requiring consistent and reliable sources of fresh vegetables** – countries are seeking reliable and consistent sources of fresh vegetables to meet the needs of their growing populations. Australia, as a country that can export vegetables year-round and with consistency will be able to continue to capitalise on this opportunity.
- Consumers, especially those in Asia, are shifting to healthier dietary options, introducing and increasing vegetables to their diets** – urbanisation, diverse dietary preferences, and growing middle classes in a number of markets, particularly Southeast Asia, further contribute to the global market for fresh vegetables. For example, consumers in Indonesia are increasingly seeking foods that offer benefits in weight management, heart health, and bone/joint health.
- Sustainability is becoming a key consideration, both in terms of stable and sustainable supplies of food, and environmental sustainability considerations** – non-tariff measures in the form of packaging, labelling, and traceability are increasing in number. While Australia has strong biosecurity practices and compliance requirements it needs to remain aware and active on negotiating market access.
- Consumers are willing to purchase high-quality produce, and growers are continuously advancing their production and export methods to improve quality** – Australian exporters with a reputation for high quality produce can demand a premium in-market, and growing middle classes are increasingly willing to pay for fresh produce over higher volume, lower quality alternatives.

The Challenge: Intensifying global competition in vegetable trade demands updated support



Some of the key challenges faced by the Australian vegetable industry:



Logistics costs

Global freight supply has experienced ongoing disruptions since COVID-19, with drought in the Panama Canal and conflict in the Red Sea that has caused reroutes. These disruptions and high global demand for ships and containers have led to an increase in the average global 40-foot container cost from USD\$2,000 in 2023 to USD\$3,331 in November 2024.²



Supply Chain Management

Exporters can face lengthy processes to prepare export documents and required certificates. The extent of documentation required per consignment can incur significant costs that can make vegetable exports less competitive in-market. Australian exporters can miss sailings as a result of lengthy processing times, and time zone differences can make it difficult for exporters operating on the west coast of Australia.



Government Support

The Australian vegetable industry has limited involvement in trade discussions, with opportunities for stronger engagement that can support the industry in achieving more favourable outcomes. Without consistent maintenance of existing market access agreements and a strong approach to gaining access to new markets, the vegetable industry is at risk of losing market share to competitors' more targeted approaches, such as New Zealand's approach to waiving tariffs with Taiwan and the EU.

This study aims to strengthen Australia's vegetable export competitiveness through a stronger understanding of global competitor export capabilities and efficiencies

With growing opportunities in the global fresh vegetable market, Australia's vegetable industry should work to enhance its export competitiveness to remain viable amidst intensifying global competition. This study analyses global best practices through competitor benchmarking, case studies, and insights informed by desktop research, industry engagement, and in-market consultations, ultimately identifying strategies for strengthening Australia's global market position.



Project Drivers

Global fresh vegetable trade has experienced significant growth in recent years, having increased from US\$40 billion in 2017 to approximately US\$48 billion in 2022. This has been driven by population growth, rising incomes, and greater consumer focus on health and nutrition. A growing middle class in key export markets is also demanding high-quality, sustainably produced vegetables, creating opportunities for exporters, such as Australia, with strong credentials in food safety and quality.

Whilst the opportunity in vegetable exports for Australia exists, Australia faces increasing competition from other countries that are able to supply at lower costs, with greater efficiency, shorter lead times, and/or broader market access, highlighting the need to enhance competitiveness across key export enablers.

This project is driven by the need to assess how global competitors strengthen their export competitiveness – through strategies, capabilities, and efficiencies in logistics, supply chain management, and government support – to enable the Australian vegetables industry to identify best practices, identify gaps, and enhance positioning in the global market.



Project Objectives

The key objective of this study is to empower the Australian vegetables industry with analysis, insights and strategies to overall enhance trade performance, drive economic growth, and foster sustainability.

Core focuses of this study:



Conduct a comprehensive analysis of the Australian vegetable industry against key global competitors.



Identify key areas of competitive advantage and areas for improvement for the Australian vegetable industry to enhance market penetration and competitiveness.



Provide growers and exporters with insights into best practices for servicing priority export markets.



Develop tailored strategies for industry and Government to adopt to enhance trade performance.



Project Approach

A combination of primary and secondary research was conducted, inclusive of both qualitative and quantitative analysis. Local and in-market experts, in priority export markets and competing countries, were engaged.

This includes:

1

Desktop review – Research included academic and industry reports, Australian databases (DFAT, Micor etc.) and international databases (Comtrade, World Bank etc.);

2

Project Reference Group (PRG) – Key industry stakeholders were engaged throughout the life of the project, informing and validating analysis and findings.

3

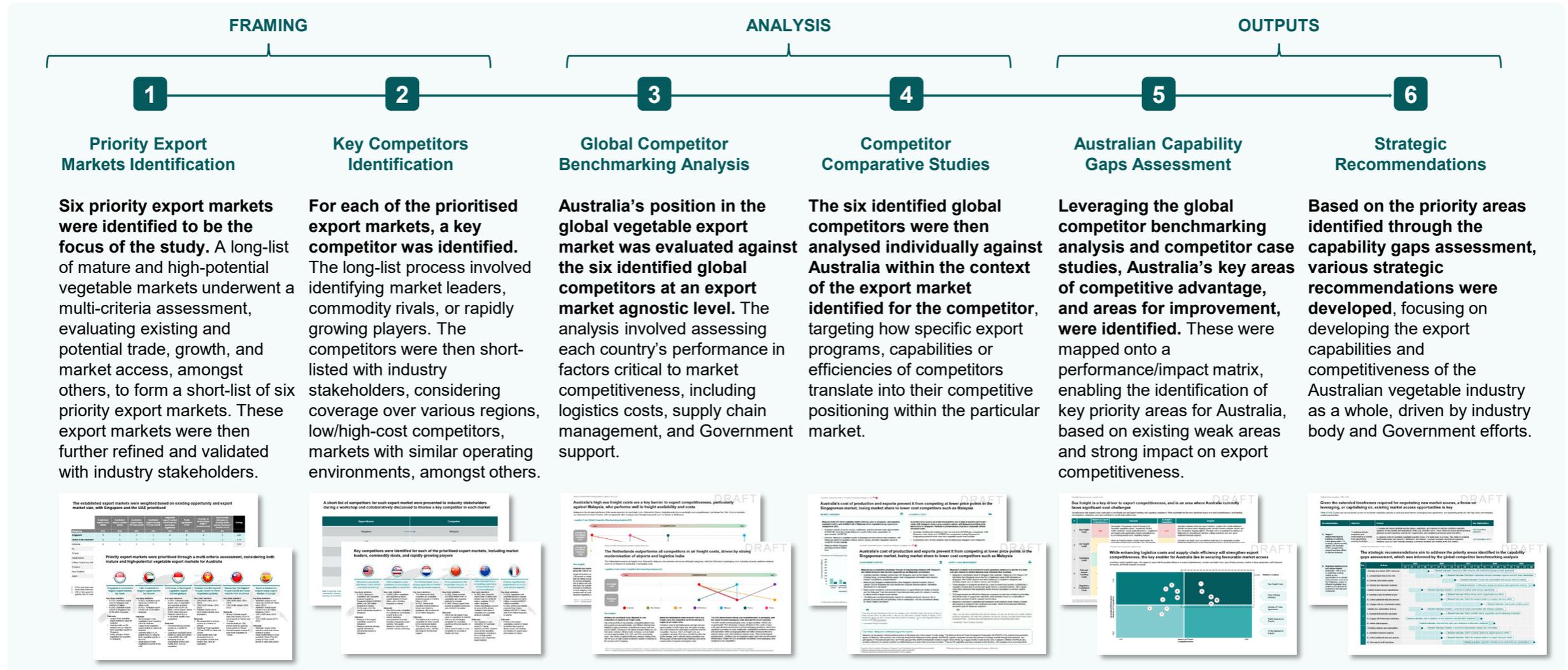
Local Consultations – Engaged with Australian growers, exporters, and industry stakeholders, gaining an understanding of existing opportunities and challenges.

4

In-market Consultations – Engaged with stakeholders from each of the competitor countries identified, to understand key competitive advantages and best practice.

A global competitor benchmarking analysis was conducted to identify Australia's areas of competitive advantage, and areas where industry most requires improvement

This study commenced with a scoping and framing exercise to identify markets to be the key focus of the analysis. A comprehensive competitor benchmarking assessment, conducted at both a broad and detailed comparative level, then highlighted areas where Australia can enhance its export competitiveness, enabling the development of prioritised strategic recommendations for industry and Government.



Six priority export markets, and a corresponding key competitor for each market, were identified and formed the focus of the report

The priority export markets were selected through a multi-criteria assessment of mature and high-potential vegetable markets, enabling a focus on optimising existing trade, whilst also considering new growth and diversification opportunities. Key competitors were then identified for each market, ensuring regional diversity, low/high-cost competitors etc., in the final short-list of competitors.

Priority Export Markets

<p>Singapore  +2% import value CAGR</p> <ul style="list-style-type: none"> • Singapore is Australia's largest export market by value for vegetables, reaching an export value of AUD\$41.43 million in 2023. • Australia holds an 8% market share by value for fresh vegetable exports to Singapore. • Nearly all types of Australian fresh vegetables are exported to Singapore. 	<p>UAE  +0.4% import value CAGR</p> <ul style="list-style-type: none"> • The UAE is Australia's largest export market for vegetables by volume, reaching an export volume of 34.86 million kgs in 2023. • It is also the second largest fresh vegetable export market by value for Australia. • Australia holds a 4.3% market share by value for fresh vegetable exports to the UAE. 	<p>Indonesia  +5% import value CAGR</p> <ul style="list-style-type: none"> • Indonesia is the largest vegetable import market globally, with a total import value of AUD\$1.24 billion. • The potential market size in Indonesia is significant, with a middle-class population of 47.85 million. • Recommended by industry stakeholders as a market of interest given high potential, barring market access challenges. 	<p>Vietnam  +19% import value CAGR</p> <ul style="list-style-type: none"> • Vietnam has had the highest import growth for fresh vegetables globally over the past decade, with a 19% CAGR in value and 18% in volume from 2013-2023. • The potential market size in Vietnam is sizeable, with a middle-class population of 39.61 million. • Recommended by industry stakeholders as a market of interest given high potential. 	<p>Taiwan  +9% import value CAGR</p> <ul style="list-style-type: none"> • Taiwan has the highest import growth for Australian onions, with a 14% CAGR in value and 12% CAGR in volume from 2013-2023. • Australia currently holds an 11% market share by value for onion exports to Taiwan. • Recommended by industry stakeholders as a key market of interest for Australian onions. 	<p>Spain  +6% import value CAGR</p> <ul style="list-style-type: none"> • Spain is Australia's largest onion export market in Europe, importing AUD\$3.49 million, and 3.38 million kgs, worth of Australian onions in 2023. • Despite Australia's small market share of onion exports to Spain (2%), the industry has seen strong 10-year CAGR growth, at 14% in value and 10% in volume between 2013 and 2023.
---	--	--	--	---	--

Key Competitors

<p>Malaysia </p> <ul style="list-style-type: none"> • Malaysia is the largest vegetable exporter to Singapore, exporting AUD\$361 million in 2023. • Malaysia performs strongly against Australia for carrot exports to Singapore, driven by competitive pricing. • Malaysia's proximity and lower logistics and supply chain costs, positions the country as a competitor with key learnings. 	<p>USA </p> <ul style="list-style-type: none"> • The USA operates in a similar environment to Australia, with comparable export logistics costs given distance to key vegetable markets. • The USA also emphasises premium market positioning for their vegetables, similarly to Australia, leveraging quality and branding to compete in global markets. 	<p>Netherlands </p> <ul style="list-style-type: none"> • The Netherlands is a strong competitor for onion exports in the Indonesian market, exporting AUD\$18 million worth of onions and shallots, in 2023. • The country has a strong agricultural sector, with key learnings for Government support. 	<p>China </p> <ul style="list-style-type: none"> • China has the largest trade value of vegetables in Vietnam, exporting AUD\$392 million worth of vegetables in 2023. • China is also the largest competitor for Australian cauliflower/broccoli exports in Vietnam, totalling AUD\$251.64 million in 2023. • China, more broadly, is a key competitor for Australia in South-East Asia. 	<p>New Zealand </p> <ul style="list-style-type: none"> • New Zealand is a key competitor for Australian onions in Taiwan, reaching AUD\$168.1 million in value, and 116.32 million kgs in volume, in 2023. • Whilst the country shares a similar operating environment to Australia, New Zealand's vegetable export competitiveness is strengthened by strong market access globally. 	<p>France </p> <ul style="list-style-type: none"> • France is the largest vegetables exporter to Spain, reaching AUD\$613 million in 2023. • Australia's key export to Spain, onions and shallots, are doubled by export value and volume, AUD\$10.3 million and 10.6 million kgs respectively, to France.
--	--	--	---	--	---



3

**Global
Competitor
Benchmarking
Analysis**

Australia and six key competitors were benchmarked on vegetable export competitiveness, assessing metrics relating to logistics costs, supply chain management, and government support

Logistics Costs:

Assessing costs associated with the export of fresh vegetables to target export markets



Supply Chain Management:

Assessing the efficiency and practicality of systems that facilitate the export of fresh vegetables



Government Support:

Assessing Government approaches to supporting the export of fresh vegetables



The following metrics were assessed to the logistics costs of Australia and key competitors:

- **Sea Freight Costs – Average 20 Foot Reefer Container:** Measures the cost of a container from the export market to the target market, for a Full Container Load.
- **Sea Freight Costs – Average 40 Foot Reefer Container:** Measures the cost of a container from the export market to the target market, for a Full Container Load.
- **Air Freight Costs:** Measures the average cost per kilogram for exporting fresh vegetables to the target market.
- **Packaging Costs:** Measures the cost for pallet wrapping for consignments being sent to the target market.
- **Port and Airport Handling Costs:** Measures loading, unloading fees, terminal charges, storage fees, inland transportation costs, documentation costs, and inspection fees for consignments going to the target market.
- **Regulatory Compliance Costs:** Measures phytosanitary certificates, customs duties and taxes, fumigation and treatment, labelling and packaging, and brokerage fees for consignments going to the target market.
- Freight costs were assessed in November 2024 and may have changed since. There is increasing volatility in global trade with announcements of tariffs by the USA and Canada.
- Freight rates can vary significantly based on the commodity being exported. Similarly, commodities requiring phytosanitary treatments or additional endorsements will incur additional costs.
- Costs are sourced from Freightos and Shipa Freight and international port and airport charge datasets.

The following metrics were assessed to understand the supply chain management of Australia and key competitors:

- **Ease of Doing Business:** Assesses the absolute level of regulatory performance over time. This included rankings on Trading Across Borders. Doing Business recorded the time and cost associated with the logistical process of exporting and importing goods.
- **Logistics Competence, Capability, and Quality:** Measures the overall level of competence and quality of logistics services, such as transport operators and customs brokers.
- **Efficiency of the Customs Clearance Process:** Measures the efficiency of customs and border management clearance (in terms of speed, simplicity, and predictability of formalities).
- **Supply Chain Transparency:** Measures the logistics professionals' perception of the ability to track and trace consignments when shipping to a country.
- The Logistics Performance Index surveys logistics professionals, offering a point in time snapshot of supply chain quality, which may not be based on specific metrics. However, scores use large sample sizes and allow for comparisons to be made between countries.
- EU countries' Ease of Doing Business scores are positively skewed as neighbouring countries used to assess trade ease are also EU countries and there is little to no time required to export products across state borders.
- Scores are sourced from World Bank's Logistics Performance Index (LPI).

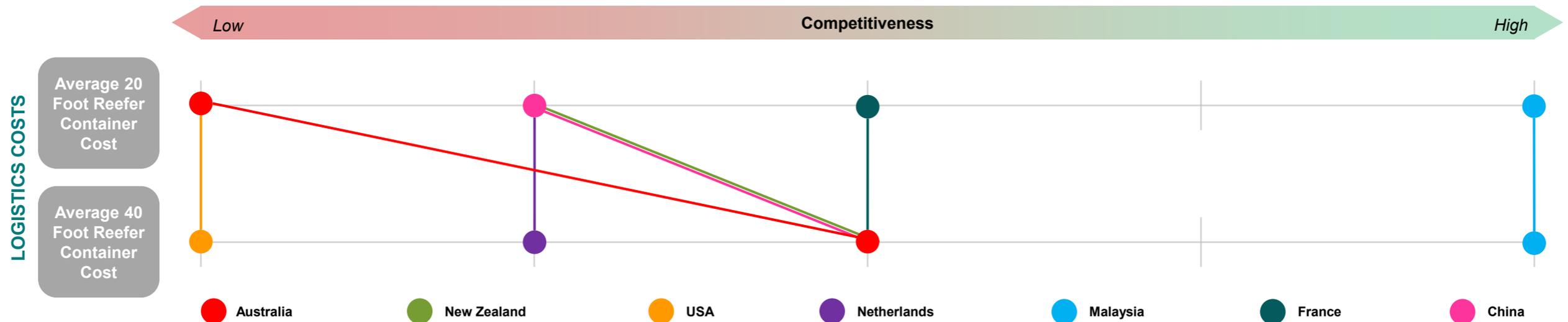
The following metrics were assessed to understand Government support of Australia and key competitors:

- **Agriculture Share of Government Expenditure:** Measures the proportion of total Government expenditure on agriculture, relative to the size of the country's horticulture sector. Indicate the level of support provided to the country's agricultural sector.
- **Quality of Trade and Transport-related Infrastructure:** Measures the perception of a country's infrastructure in terms of ports, railroads, roads, and information technology.
- **Number of Trade Agreements:** Measures the number of trade agreements, both bilateral and multilateral that a country has, to indicate the extent of activity that a country undertakes in international relations for trade reasons.
- **Tariffs Imposed on Country's Exports:** Measures the % value of tariffs imposed on the country's exports by each of the target export markets, which eliminates countries with particularly high tariffs imposed on them by others.
- **Non-tariff Measures Imposed on Country's Exports:** Measures the number of NTMs imposed on a country's exports by all other countries.
- While the number of trade agreements is indicative of a forward-facing trade agenda, the agreements themselves may not always be particularly supportive of agricultural, and specifically vegetable, export growth.
- Metrics were sourced from World Bank's Logistics Performance Index and UNCTAD's TRAINS database.

Australia's high sea freight costs are a key barrier to export competitiveness, particularly against Malaysia, who performs well in freight availability and costs

Malaysia is the strongest performer of the seven exporters for sea freight costs, followed by France. Australia ranks low in sea freight cost competitiveness, just above the USA. Costs in Australia are dependent on export location, with consignments often having to pass through major ports such as Sydney or Melbourne.

Logistics Costs Global Competitor Benchmarking Analysis (1/3)



Key Insights

Australia has relatively high sea freight costs, ranking just above the USA in overall cost competitiveness.

Supply fluctuations and distance-to-market for Australia and the USA results in container costs being approximately 30-50% higher than the global average for 20-foot containers, and up to 28% higher for 40-foot containers. Limited container availability also increases risk of delays and schedule change.¹ Industry stakeholders noted that there can sometimes only be one vessel travelling from Australia to Southeast Asia per day. Australia and New Zealand provide shipping companies with a small percentage of global revenue and, as such, they are more likely to be affected by decisions regarding container and vessel availability or routing.

Freight costs for Australia can be heightened due to weight restrictions, limiting the maximum load per container.

Industry consultations informed that regulations often constrain Australian exporters to shipments of approximately 26 tonnes per reefer, while competitors such as China can load 30 tonnes per container, reducing their overall cost and increasing their competitiveness. Australian exporters can be subject to fines if they exceed weight limits. Alternatively, they can apply for special permits, which incurs additional costs.² Each State and Territory vary in vehicle mass limits.

Freight costs for Tasmania are high due to shipments requiring transit through Melbourne before they can be exported.

Shipping services to Australia often pass through multiple ports, extending routes, limiting freight availability, and increasing costs based on fuel requirements. Shipments from Tasmania to Melbourne can cost approximately AUD\$3,200, which can cause Tasmanian exporters to be less competitive in global markets.

Over the past decade, China has grown their export capabilities and port operation efficiency through Government subsidies.

From 2010-2018, China's shipping industry received approximately USD\$132 billion from 2010-2018 to support port efficiency and capacity.⁴ As such, they have been able to remain competitive on container costs.

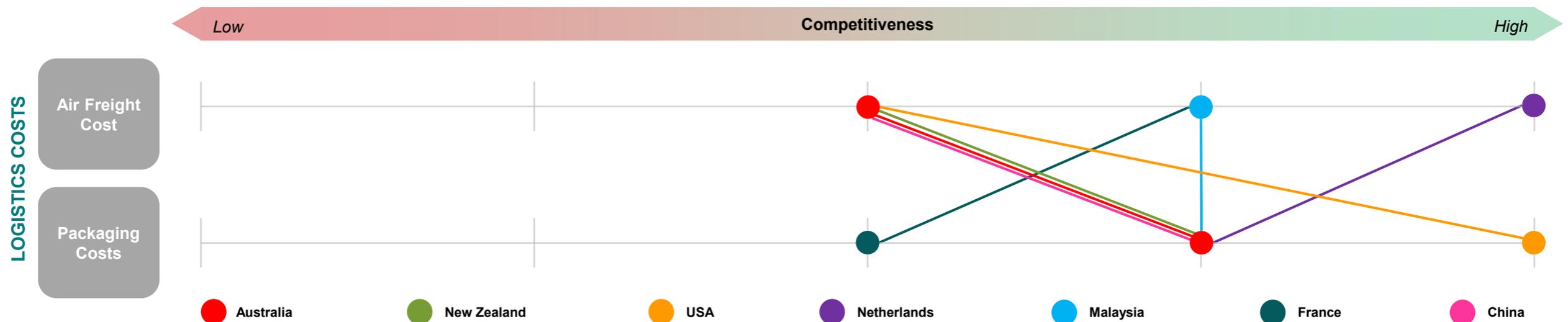
Notes: (1) Cost competitiveness is relative to the global minimum, maximum, and average. Container costs are based on competitor exports to the six priority export markets.

Source: (1) [container-stevedoring-monitoring-report-2022-23.pdf](#); (2) [Container Weight Limitations - Cargo Network International Pty Ltd](#); (3) [Ministerial Directions for the Operation of the Tasmanian Freight Equalisation Scheme](#); (4) [Hidden Harbors: China's State-backed Shipping Industry](#)

The Netherlands outperforms all competitors in air freight costs, driven by strong modernisation of airports and logistics hubs

The Netherlands excels in air freight costs, followed by Malaysia, who performs well across all freight categories, while the USA leads in packaging costs; Australia, however, performs relatively poorly in air freight and moderately in packaging costs.

Logistics Costs Global Competitor Benchmarking Analysis (2/3)



Key Insights

Similarly for sea freight costs, Malaysia is cost competitive in regard to air freight costs.

Due to its proximity to key markets, competitive labour costs, strong public-private partnerships, and efficient infrastructure, Malaysia is able to maintain competitive pricing for both sea and air freight. Compared to the global average, Malaysia's 20-foot reefer container, 40-foot reefer container, and air freight cost sit at approximately 12%, 29%, and 33% respectively lower. The country's logistical efficiency reduces waiting times, with its focus on high-volume production enables a reduction in the cost per unit for shipping.

Whilst the Netherlands ranks relatively low in sea freight costs, the competitor performs strongly in regard to air freight costs.

Container costs for the Netherlands are high, between approximately 14-29% higher than the global average, due to the distance for sea freight to reach the selected competitor. However, Dutch air freight costs are competitive, at nearly 70% more cost effective than the global average, due to efficient airport operations and strong public-private partnerships that have allowed for modernisation of airports and logistics hubs.

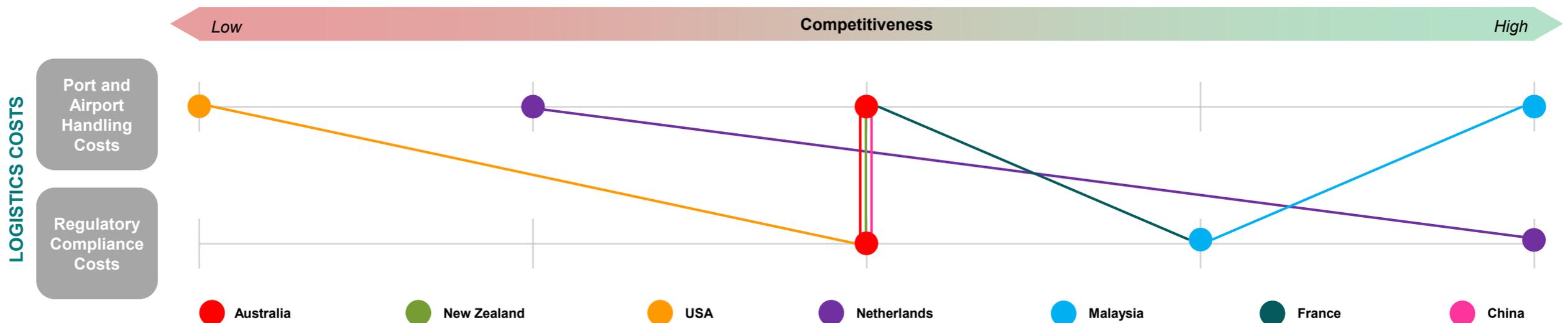
The USA demonstrates strong cost competitiveness in packaging, with the lowest recorded packaging costs amongst the seven countries.

The USA had the lowest packaging costs, at approximately USD\$22 per wrapped pallet. This advantage is largely attributed to the country's large-scale agricultural production and extensive packaging operations, which drive significant economies of scale. Additionally, substantial investment in robotics and automation within packaging facilities has further enhanced efficiency, reduced labour costs, and minimised material waste. These technological advancements, combined with an integrated supply chain and well-developed infrastructure, enable the USA to maintain consistently lower packaging costs compared to key competitors.

High port, airport, and regulatory costs are limiting Australia's competitiveness, particularly compared to Europe and Malaysia

All countries performed relatively well compared to the global average for packaging costs. Australia's port and airport handling costs and regulatory and compliance costs act as a significant barrier to efficient trade, with Australian operators facing a range of handling fees and regulatory costs both per consignment and on an ongoing basis to maintain their certifications or clearances to export.

Logistics Costs Global Competitor Benchmarking Analysis (3/3)



Key Insights

The USA has high port and airport handling costs due to limited automation.

The USA is less competitive in port costs relative to other nations, with strikes in 2024 at 16 ports causing disruptions that amplified existing inefficiencies and increased costs.¹ Ports in the USA are also less automated than major global ports due to union agreements, increasing turnaround times and costs.¹ Regulatory compliance costs in the USA are relatively more competitive, with the Federal Food Drug and Cosmetic Act authorising the Food and Drug Administration to collect fees to recover costs. However, these costs are capped at USD\$175 per certificate.²

Australia's port fees are a constraint to strengthening export competitiveness.

Australia has specific licensing requirements for various logistics and distribution services, including air cargo agents and customs brokers. Port operators have been able to impose fees such as gate fees, which exporters cannot avoid. Industry stakeholders reported that it is unclear how these additional fees are being used, with limited impact to operational efficiency at the port. Stakeholders also indicated limited port operator competition was a barrier to reducing costs, with operators able to charge gate fees that exporters cannot avoid.

Any Australian organisation seeking to export food must have suitable premises, equipment, work practices, and food safety systems.

Australian Companies need to comply with the range of WH&S laws and obligations under the Corporations Act. Australian exporters are also subject to audits by the Department of Agriculture.³ Whilst exporters can have staff registered as Authorised Officers, there are associated fees of AUD\$328 for an application and audits of AUD\$47 per 15 minutes that cause costs to be high. These costs may not necessarily be associated with the export of each consignment, meaning that they are costs in addition to handling, compliance, and packaging costs.

Fluctuating levies on transport operators in Australia can increase costs beyond control.

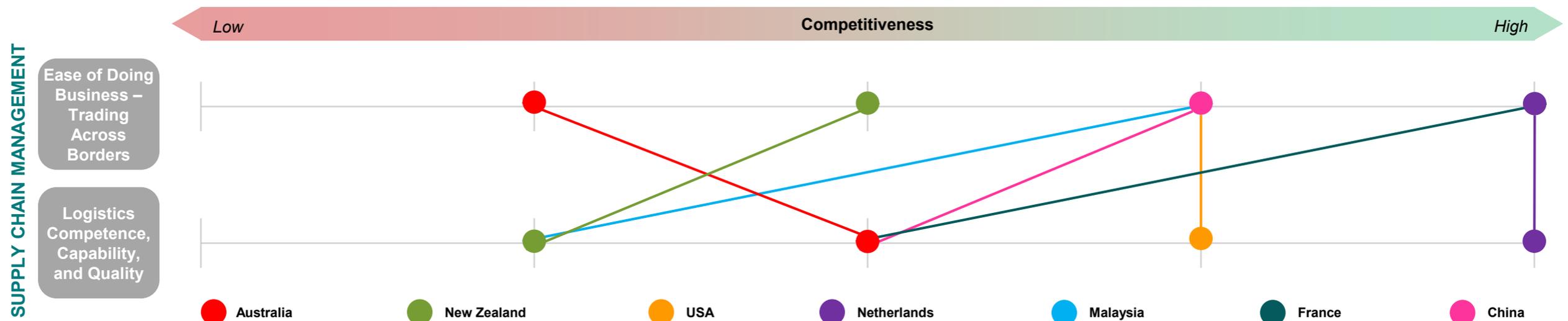
Australian cargo owners typically enter into multi-year agreements with a consortium that includes the shipping service, stevedore, and empty container park. While these prices are bundled, levies on transport operators can change over the contract period, with the cargo owner having limited ability to influence this price.⁴

Notes: (1) Cost competitiveness is relative to the global minimum, maximum, and average. Averages of handling and regulatory costs were used, as costs and regulations can differ between vegetables.
 Source: (1) [Why U.S. agriculture needs efficient ports: A call for modernization](#); (2) [Export Certificate Fees | FDA](#); (3) [Exporting from Australia – DAFF](#); (4) [container-stevedoring-monitoring-report-2022-23.pdf](#)

Australia's competitiveness is limited by complex requirements for cross-border trade, whilst the Netherlands leads in logistical and customs efficiency

Australian exporters are subject to a range of regulatory requirements that can increase costs for exporting, with annual fees and audits. While Australia ranks well on efficiency of the customs clearance process, this can be limited by working hours of customs officers. Stakeholders indicated that Dutch port operators are almost always contactable for any issues and are responsive to delays.

Supply Chain Management Global Competitor Benchmarking Analysis (1/2)



Key Insights

France and the Netherlands lead in trading across borders, benefiting from the EU's unified trade system and streamlined export requirements.

Both countries achieved the highest ranking for trading across borders, largely due to the EU's unified regulations, which simplify export procedures and minimise bureaucratic hurdles. A key advantage is the standardised pest and disease management protocols across EU member states, which significantly reduce the need for extensive customs checks and inspections. This regulatory alignment facilitates faster clearance times, lower administrative costs, and enhances overall trade efficiency, strengthening France and the Netherlands' competitive position in global markets.

Australia's performance in trading across borders highlights areas for improvement in comparison to global benchmarks.

Australia's trading across borders score of 70.3 is significantly lower than the OECD high income score of 94.3 and is also slightly below the East Asia and Pacific score of 71.6, where the average compliance time is longer than Australia but generally less expensive.³ Notably, the varying time zones across Australia can pose a challenge, and require overtime requests from west coast exporters that they are charged for.

Dutch ports use technological solutions to improve logistics capabilities, and China has invested in port capacity expansion.

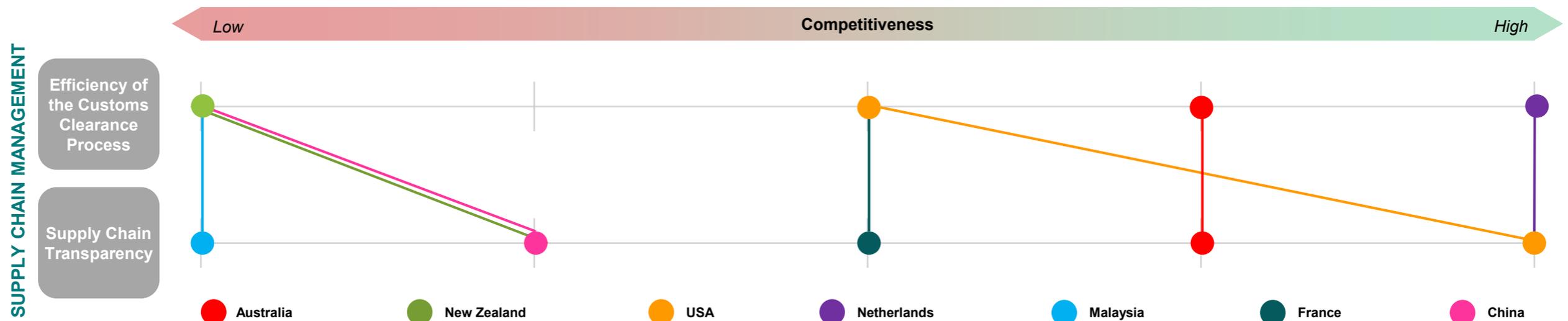
The port of Rotterdam integrated Portbase, which enables a centralised point of information for users across the value chain, increasing logistics quality. China's Yangshan Port was ranked first out of 348 ports globally for efficiency, primarily as a result of significant investment in automation and rail connectivity.⁷ Comparatively, Melbourne was ranked 313th, reflecting key operational challenges. Australia's port efficiency has been impacted by industrial strikes and restrictive enterprise agreements, which limit automation adoption and prioritise tenure-based promotions.⁸

Notes: (1) Cost competitiveness is relative to the global minimum, maximum, and average. Container and air freight costs are based on competitor exports to the six priority export markets. Source: (1) [Doing Business in United States - World Bank Group](#); (2) [Doing Business in Australia - World Bank Group](#); (3) [Trading across Borders - Doing Business - World Bank Group](#); (4) [Exporting from Australia – DAFF](#); (5) [Simplifying Australia's trade system | Austrade](#); (6) [container-stevedoring-monitoring-report-2022-23.pdf](#); (7) [China's Yangshan Port Tops New Container Port Performance Index - May 18, 2023](#); (8) [Overview - Lifting productivity at Australia's container ports: between water, wharf and warehouse](#)

While Australia ranked highly for customs efficiency and supply chain transparency, the Netherlands facilitates streamlined clearance processes and extensive freight traceability

The Netherlands has highly automated and efficient logistical systems that support their trade infrastructure. Australian exporters are subject to a range of regulatory requirements that can increase costs for exporting, with annual fees and audits. While Australia ranks well on efficiency of the customs clearance process, this can be limited by working hours of customs officers.

Supply Chain Management Global Competitor Benchmarking Analysis (2/2)



Key Insights

Whilst Australia performs relatively well compared to the global average, the customs clearance process remains a key operational challenge for exporters.

For the United States, the time required for border and documentary compliance typically takes about four hours at a cost of USD\$235 per shipment of goods.¹ Comparatively, Australia’s border compliance and documentary compliance costs can typically be USD\$1030 and can require approximately 43 hours of time to fulfil compliance requirements per shipment of goods.² Australian stakeholders indicated that compliance time could be longer during busy periods and that it can cause consignments not to be loaded onto vessels.

Navigating Australia’s trade environment can be complex, with businesses facing various regulatory and logistical challenges.

Australia has over 200 regulations for imports and exports that businesses may need to comply with.⁵ Australian businesses also reported that shipping lines often did not provide enough notice on line changes, causing delays.⁶ Australians in the export industry are subject to the ‘fit and proper person test’ when applying for export licences.⁷

The Netherlands leads in customs clearance efficiency and has innovative technological solutions integrated into port operations.

The Port of Brisbane developed the blockchain-based Trade Community System to improve traceability.⁹ The Port of Rotterdam adopted a range of solutions, including the development of the central Container Tracking System, which enables uniform, port-wide arrangements with Customs.¹⁰ Similarly, New Zealand’s Lyttelton Port launched Track & Trace with PortConnect on 4 November 2024, aiming to improve information flows and standardise how customers interact with ports across New Zealand.¹¹

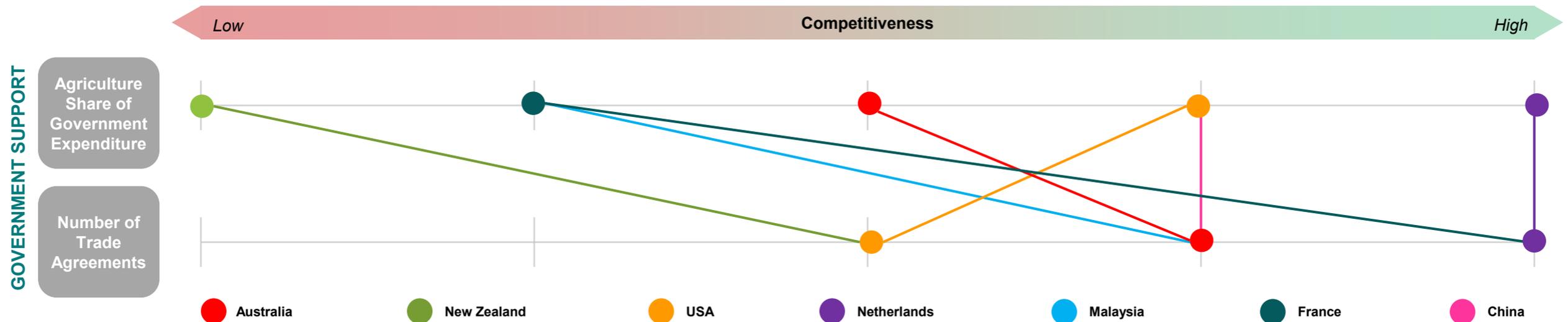
Notes: (1) Cost competitiveness is relative to the global minimum, maximum, and average.

Source: (1) [Doing Business in United States - World Bank Group](#); (2) [Doing Business in Australia - World Bank Group](#); (3) [Trading across Borders - Doing Business - World Bank Group](#); (4) [Exporting from Australia – DAFF](#); (5) [Simplifying Australia’s trade system | Austrade](#); (6) [container-stevedoring-monitoring-report-2022-23.pdf](#); (7) [China’s Yangshan Port Tops New Container Port Performance Index - May 18, 2023](#); (8) [Overview - Lifting productivity at Australia’s container ports: between water, wharf and warehouse](#); (9) [PowerPoint Presentation](#); (10) [Towards a single port-wide truth - Portbase](#); (11) [Track & Trace of containers and vessels - Lyttelton Port Company](#)

Australia's ability to develop trade agreements and impact from NTMs position Australia well against some competitors, but New Zealand's recent EU-NZ FTA provides an advantage

Whilst Australia performs strongly in terms of Government support, developed competitors such as France, Netherlands, and New Zealand are more competitive across government financial support and trade agreements. The Australian vegetable industry is often under-represented in trade discussions and, as such, there are often minimal benefits for industry that come from trade agreements.

Government Support Global Competitor Benchmarking Analysis (1/2)



Key Insights

Government support for agriculture in the EU, particularly the Netherlands, is strong compared to other key competitors.

The Netherlands announced a 60-million-euro subsidy scheme for Dutch farmers, focusing on innovation, primarily as it relates to reducing emissions.¹ Farmers in the EU also benefit from a range of support programs, such as the Basic Payment Scheme, which has an annual expenditure of 18 billion euros.² Australia and New Zealand receive the lowest subsidy rates of any country, at approximately 4 per cent of the value of production.³ Approximately 35 per cent of the value of production in the EU is subsidised.³

There is room for improvement in Australia's ability to negotiate trade agreements.

In the international industry consultations, it was indicated that Australia's capability to establish trade agreements can be limited. Chinese trade agreements are often developed on a larger scale and establish access for a range of commodities concurrently. Chinese market access regulations are also more relaxed than Australia, and China will often waive regulations as part of their trade agreements. However, while this enables trade, it introduces significant risk of disease for Chinese markets.

New Zealand's Free Trade Agreements with the EU have positioned them competitively in the global market.

While New Zealand scored lower for number of trade agreements, New Zealand's recent success in signing the EU-NZ has provided New Zealand with a competitive advantage over Australia, which does not have a free trade agreement with the EU. NZ onion exports to the EU compete with Australian onion exports, but with the removal of NZ tariffs, Australian exporters will struggle to compete in-market, with Australian onions facing a 25% tariff.⁴ Australia and competitors face an average tariff of 18.35% for fresh vegetable exports to Taiwan, whilst the Agreement between New Zealand and the Separate Customs Territory of Taiwan, Penghu, Kinmen, and Matsu on Economic Cooperation removes tariffs for NZ vegetable exports.

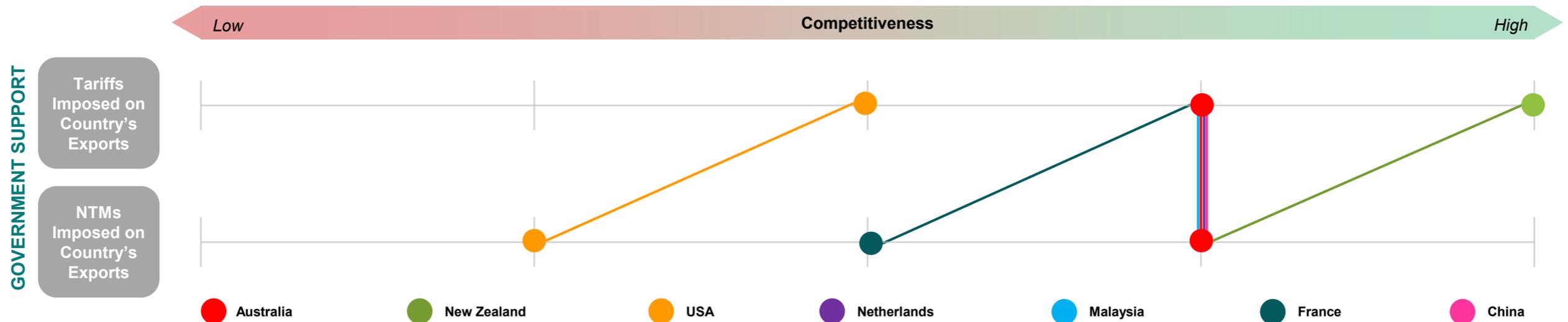
Notes: (1) Cost competitiveness is relative to the global minimum, maximum, and average.

Source: (1) Netherlands launches farm innovation and relocation grants - Swine news - pig333, pig to pork community; (2) Special Report 10/2018: Basic Payment Scheme for farmers; (3) Agricultural Subsidy Programs – Econlib; (4) Tariffs for exporting 07031010006 to Taiwan | Tariff finder tool

Australia's trade infrastructure, ability to develop trade agreements, and impact from NTMs position Australia well against most competitors

Whilst Australia performs strongly in terms of Government support, developed competitors such as France, Netherlands, and New Zealand are more competitive across government financial support and trade agreements. The Australian vegetable industry is often under-represented in trade discussions and, as such, there are often minimal benefits for industry that come from trade agreements.

Government Support Global Competitor Benchmarking Analysis (2/2)



Key Insights

Australian stakeholders suggested that while Australia has a large number of trade agreements, they could have a stronger focus on agriculture.

In industry consultations, it was noted that horticulture, and particularly vegetables, often have limited representation in trade discussions. As such, Australian trade agreements often do not focus on reducing tariffs and NTMs for vegetables being exported to the target market. Comparatively, New Zealand has been able to waive fumigation requirements for onion exports to Indonesia and has no tariffs for vegetables exported to Taiwan, providing a significant competitive advantage.

Australia's messaging in-market was highlighted in industry consultations as a key barrier.

Target markets have reported limited consistency in the range of messaging that Australia provides through federal and state trade missions, industry bodies, and Australian businesses. For example, target markets recognise Australia and messaging around Australian provenance, however marketing of state-specific goods does not resonate with consumers overseas, and different Australian groups use unique branding or colour schemes.

Australia has strong biosecurity and export requirements for goods, placing it in a strong position to comply with NTMs imposed by other countries.

Australia's strong pest and disease management approaches allow producers and exporters to market goods as high-quality and safe, although these requirements do come at an additional cost, requiring goods to be sold at a premium price point.

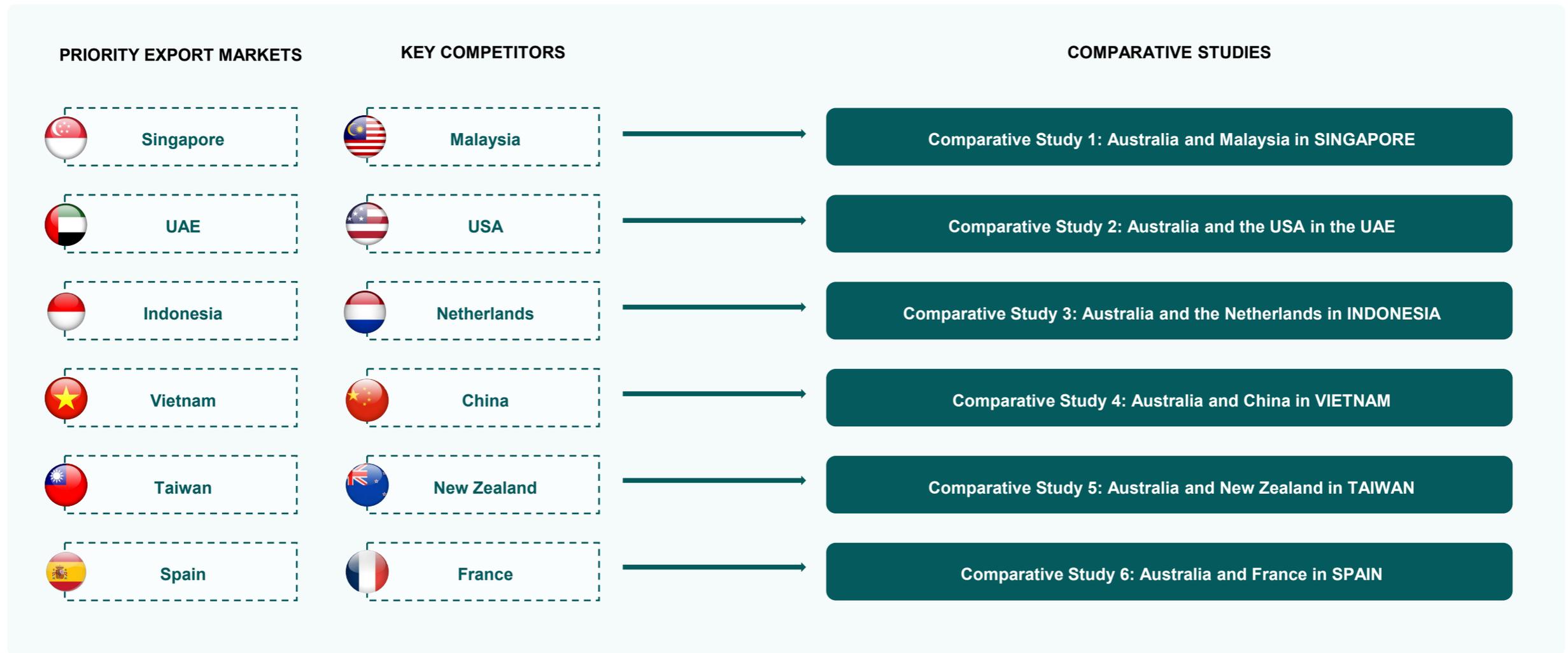


4

Competitor Comparative Studies

Each of the six identified competitors were assessed individually in comparison to Australia, within the context of one of Australia’s priority export markets

A key competitor was identified for each of Australia’s six priority export markets*, developing a pairing for the competitor comparative studies. While the global competitor benchmarking analysis assesses competitors’ performance on a broader vegetable export competitiveness level (market agnostic), the competitor comparative studies target how logistics costs, supply chain management, and Government support play out in reality against Australia in priority export markets, and overall how it contributes to export performance. The six comparative studies are outlined below.



Notes: (1) Priority export markets were chosen based on a number of factors, including whether they were established export markets for Australia, emerging vegetable importers, or onion-specific markets for Australia. All countries increased their vegetable imports by value from 2015-2022.

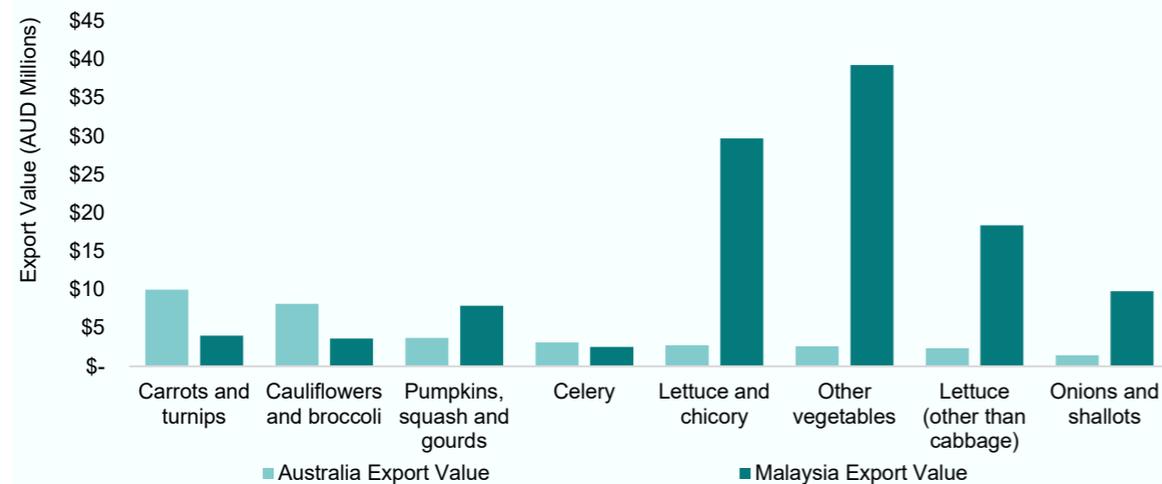
Australia's cost of production and exports prevent it from competing at lower price points in the Singaporean market, losing market share to lower cost competitors such as Malaysia

MARKET OVERVIEW

Malaysia holds 50% fresh vegetable market share by value in Singapore, outcompeting Australia's 8.35%, with AUD\$211.9M of Malaysian fresh vegetables being exported to Singapore in 2023.

- Australia's exports of carrots, turnips, cauliflowers, and broccoli were worth approximately AUD\$18.2M, more than double Malaysia's exports of the same commodities, at approximately AUD\$7.6M.
- However, Malaysia's vegetable exports to Singapore are more diverse than Australia's, with Malaysian exports of pumpkins, lettuce, chicory, onions, and other vegetables valued at AUD\$116.1M and Australia's exports valued at AUD\$36M.
- Malaysia utilises Singapore as a market for a broader range of fresh vegetable exports, providing a level of market breadth and depth that Australian exporters do not currently have.

Australian and Malaysian Key Exports to Singapore by Value

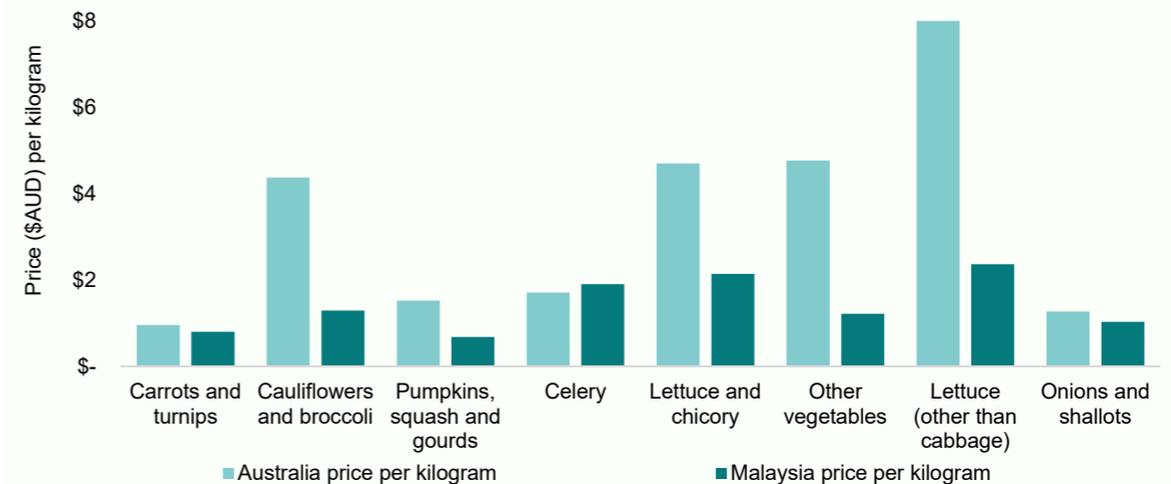


LOGISTICS COSTS

Australia's price point is generally uncompetitive due to high production and freight costs, with Singapore being a price sensitive market, with Malaysia benefitting from land access to Singapore. Australia's premiumisation of produce marginally offsets increased costs.

- Australian handling and compliance costs can cost up to AUD\$850 per consignment, while Malaysia's costs can be up to AUD\$550 per consignment, making Singapore an unappealing market for lower value fresh vegetable exports from Australia.
- In December 2024, 40-foot container rates for Malaysia to Singapore were AUD\$2,500-\$3,500, while rates for Australia were AUD\$5,000-\$6,000.
- Australian producers indicated that air freight for fresh vegetable exports from Australia to Singapore is generally cost prohibitive, and air freight is not required to such an extent for Malaysian exports to Singapore, as sea freight typically takes 2-4 days.¹

Australian and Malaysian Key Exports to Singapore by Price Point



Malaysia's strong market presence in Singapore is reinforced by the support of trade bodies, which play a key role in promoting Malaysian exports globally, including vegetables

GOVERNMENT SUPPORT

Malaysia has a competitive advantage through its longstanding relations with Singapore and market presence that has been supported by the Malaysian Government.

- Australia maintains strategic partnerships with Singapore, such as the Supply Chains Working Group, to ensure effective supply chain management and enable trade missions, industry consultations, and promotions.¹
- Malaysia and Singapore established the Johor-Singapore Special Economic Zone in January 2025 to streamline the cross-border flow of goods between nations, with further discussions of a rail project.²
- Malaysia has invested in a strong market presence to support Malaysian traders in-market, and the Malaysian Trade Development Corporation provides grants for company's seeking to attend events in target export markets.
- The Malaysian Government provides support for vegetable producers; however, this is primarily to increase the self-sufficiency level of commodities, with the Government aiming to reduce reliance on imports.³

”

Countries like Singapore, Hong Kong, and Japan value food safety and they see sustainability as being able to maintain a consistent supply into the market. There is an opportunity to support Australia's credentials and maintain a consistent message in-market that will make Australian vegetable exports more appealing.

– Australian Vegetable Grower

SUPPLY CHAIN MANAGEMENT

Malaysia's proximity and investment in port operations enables it to operate at a lower cost and respond to market demands more efficiently than Australia.

- Malaysia is considerably closer to Singapore than Australia – Malaysia's Port Klang is 425 kilometres from Singapore versus the Port of Melbourne being 8,080 kilometres to Singapore. The shorter distance also allows Malaysia to compete in categories that Australia cannot, such as lettuce, chicory, and tomatoes.
- Trade decisions in Singapore are driven by a need to ensure food security; Australia has a reputation of being able to provide high quality food in a consistent manner, with a supply chain that is protected from geopolitical events and less susceptible to extreme weather events.
- ESG requirements are difficult for Malaysian companies to meet due to limited local facilities and infrastructure to support new standards, while Australia's focus on sustainability in agriculture positions it well to compete into the future.
- Malaysia is investing in expanding port operations on the Malacca Strait, aiming to double port capacity to compete in the Southeast Asia region, which will increase port efficiency and lower costs for Malaysian exporters.⁴

”

Often, we will have customers that ask for onions, we can do 26 tons on a reefer without breaking regulations, but often the customer will ask for 28 tons, but that would mean we're breaking the law – we have laws and regulations that our competition don't have.

– Australian Fresh Produce Exporter

Case Study – Malaysia's centralised support for exports

Malaysia has developed a strong market presence in Singapore due to the support of trade bodies. The Malaysia External Trade Development Corporation (MATRADE) is the national trade promotion agency of Malaysia, with a primary role to develop and promote Malaysian exports globally. MATRADE supports companies develop their presence in foreign markets through trade missions, and participation in international trade fairs. MATRADE also provides Market Development Grants to support these efforts; up to approximately AUD\$100,000 over a company's lifetime. MATRADE also provides a directory of exported products to enable businesses to learn from successful exporters. There are 92 vegetable exporting companies in the directory, with examples of successful products.

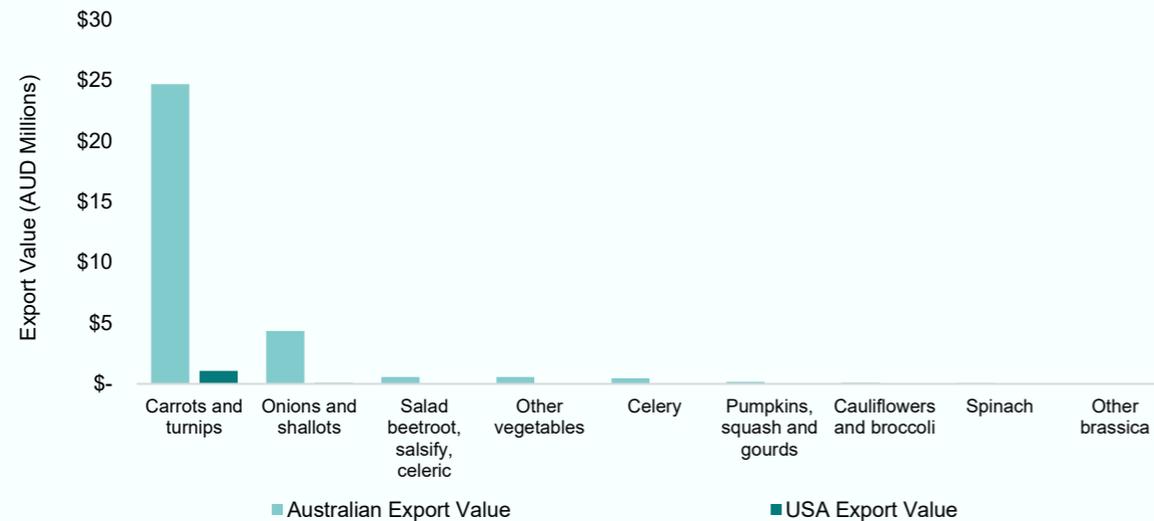
The USA's lower compliance costs and efficient logistical networks enables the competitor to supply to the UAE at a lower price point than Australia

MARKET OVERVIEW

Australia outcompetes the USA in the value of fresh vegetable exports to the UAE, with the UAE providing a key opportunity as a hub for re-exporting to other destinations in the Middle East.

- Australia exported approximately AUD\$24.6 million worth of carrots and turnips to the UAE in 2023. However, Australian exporters reported that they have experienced difficulty in being paid when exporting produce to the UAE, reducing their willingness to trade into the UAE.
- The UAE is an attractive market for a range of global competitors, with European, Asian, and North American exporters exporting vegetable commodities to the UAE. In 2023, Australia's export market share in the UAE was 4.3%, with AUD\$31.3 million in fresh vegetable exports.

Australian and USA Key Exports to UAE by Value

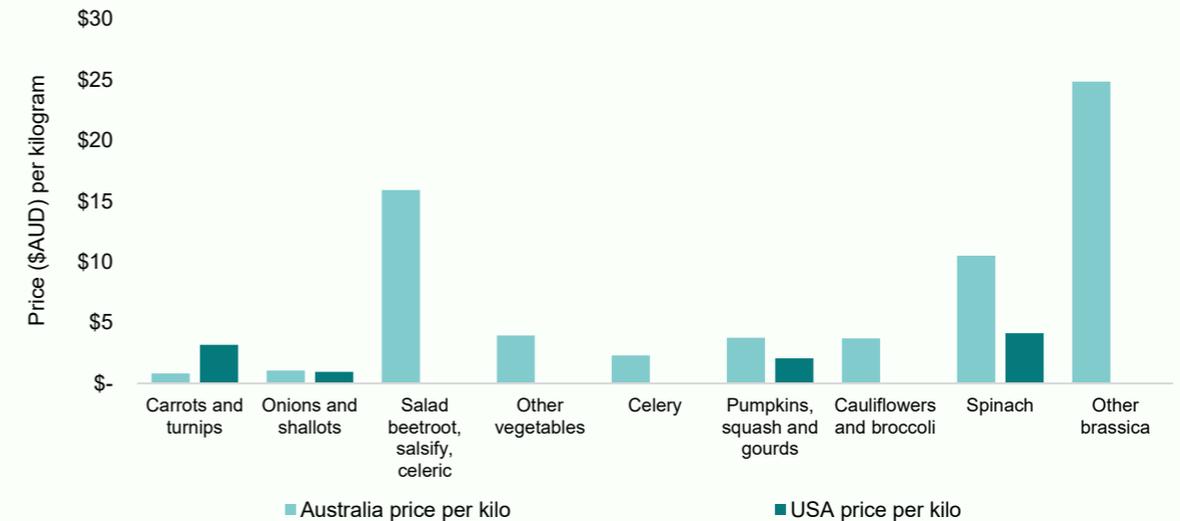


LOGISTICS COSTS

As a competitor with similar logistical and operational costs, the USA is able to outcompete Australia on price for pumpkin, squash, gourd, and spinach exports to the UAE due to lower compliance costs and efficient logistical networks.

- Spinach from Australia is exported for AUD\$10.51 per kilogram while the USA exports spinach for AUD\$4.13 per kilogram. Stakeholders in the USA indicated that strong domestic infrastructure allows for more efficient transport to ports, with a sophisticated network of rail, truck, and inland river systems.
- Reefer container rates for Australia and the USA are comparable, with 40-foot reefers costing between AUD\$5,000-\$6,000 for Australia and AUD\$5,500-\$8,000 for the USA. Handling and compliance costs for exports to the UAE for the USA are more competitive than Australia, at approximately AUD\$800 while costs can be up to AUD\$1,400 per consignment for Australian vegetable exporters.

Australian and USA Key Exports to UAE by Price Point



Whilst Australia and the USA have similar operating environments, the USA capitalises on their major retailers to drive penetration into export markets like the UAE

GOVERNMENT SUPPORT

The UAE is a key market in the Middle East, with the Australian and UAE Governments signing a new trade agreement, providing a competitive advantage to Australia through streamlined trade processes and a reduction in tariffs.

- The UAE-Australia Comprehensive Economic Partnership Agreement (CEPA) signed in November 2024 will eliminate the 5% tariffs on horticultural products.¹ Further, the CEPA will accommodate faster customs clearance and reduced costs in proving the originating status of goods, and it will provide mechanisms to resolve non-tariff barriers.²
- Stakeholders indicated that Australia is more competitive than the USA in pursuing trade agreements in the region, noting that the last Free Trade Agreement signed by the USA was with Panama in 2012. Australia's forward-looking trade agenda allows Australian businesses to be well-positioned in dealing with non-tariff measures.
- In 2023, the Biden Administration announced USD\$1.2 billion in funding for the Regional Agricultural Promotion Program, which aimed to diversify and expand market opportunities for, primarily across Asia, Latin America, the Middle East, and Africa.³

”

The USA has not signed a new trade agreement in some time, which presents a challenge when competing in the UAE, and it gives Australia a competitive advantage more broadly.

– Australian Government Trade Representative

SUPPLY CHAIN MANAGEMENT

The USA is able to utilise international retailer connections to establish reliable supply chains, while Australian exporters face risk in exporting and not receiving payment. The USA also has a more extensive domestic logistics network that can support exports.

- The USA capitalises on its brand recognition, often connecting its trade opportunities with brands such as Walmart, enabling it to trade goods directly from the USA to an American retailer in the export market. This is particularly beneficial in the UAE, as 34% of customers are willing to pay higher prices for premium products. Consumers also see foreign brands as luxurious, allowing the USA to capitalise on its highly reputable and well-known brands.²
- Due to the distance to market, Australia is limited in the products it can export, particularly due to less cold chain infrastructure compared to the USA – Australia has 0.4 m³ of temperature-controlled warehouse space per person while the USA has 0.6 m³ per person.⁴
- Australia's port infrastructure is unlikely to receive a significant boost in automation, as a result of enterprise agreements that limit automation. Similarly, in the USA, ports were shut down in October 2024 by unions that requested to limit automation.

”

We get emails from everywhere - lots of customers from around the world – you can sell and not get paid, and there is no recovery anywhere; you can get some sort of insurance but can maybe only recover half the cost of the container - can't tell who is genuine and who isn't.

– Australian Fresh Produce Exporter

Case Study – USA partnering with retailers to ensure avenues to market

The USA capitalises on brand name recognition of major retailers to rapidly grow the presence of products in-market. In the UAE, Walmart partnered with Majid Al Futtaim to operate the Carrefour chain. This enables USA exporters to deal with Walmart domestically and subsequently have their produce offered under the Carrefour brand in the UAE. As a result, USA exporters benefit from local knowledge and an existing infrastructure network.⁵ Carrefour operates hypermarkets and supermarkets that provide fresh food, and there are online stores available that sell Walmart products in the UAE.⁶

Australia maintains a small market share in Indonesia, with competitors such as the Netherlands able to capitalise on efficient logistics to export at a lower cost

MARKET OVERVIEW

Australian exporters noted that the Netherlands is able to produce and export onions to Indonesia at a volume and price per kilogram that sets a floor for the market that Australia struggles to compete with.

- Australia exported AUD\$2.2 million in onions in 2023, with vegetable exports totalling AUD\$2.9 million. Comparatively, the Netherlands exported AUD\$18.3 million in onions, with no other fresh vegetables exported to Indonesia.
- Indonesia is driven by food security, with Australia being a safe and reputable supplier into the Indonesian market, with geopolitical events having less impact than on some of Australia's competitors.

Australian and Dutch Key Exports to Indonesia by Value

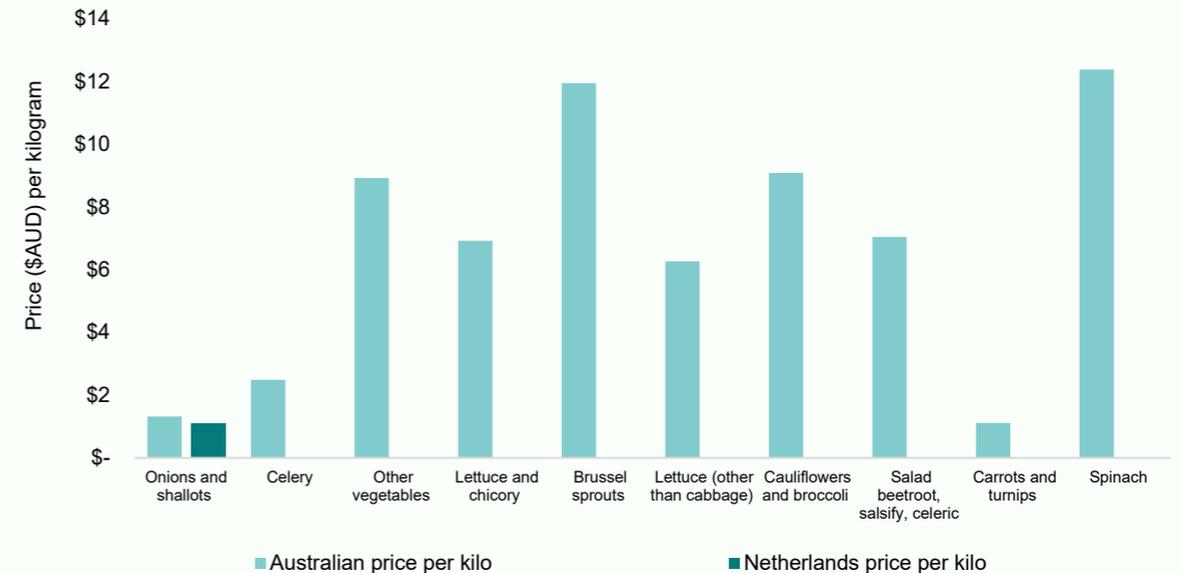


LOGISTICS COSTS

Advanced agricultural technology, efficient supply chain, and strong logistical infrastructure allows for more competitive pricing for Dutch exporters.

- 40-foot reefer containers cost Australian exports AUD\$5,500-\$6,500 and cost Dutch exporters AUD\$5,500-\$7,500, primarily due to the distance of travel required. The Netherlands is able to outcompete Australia on logistics costs with shorter distances to ports, and handling and compliance costs of up to AUD\$550 per consignment, versus Australia's costs of up to AUD\$1,150 per consignment to Indonesia.
- Efficient logistics and port operations have enabled Dutch onions and shallots to be exported at a lower price point of AUD\$1.1 per kilogram, compared to Australia at AUD\$1.33 per kilogram, despite longer shipping times.

Australian and Dutch Key Exports to Indonesia by Price Point



The Netherlands' exports to Indonesia benefit from Government support, including subsidies for producers and substantial investments in automation and infrastructure at Dutch ports

GOVERNMENT SUPPORT

Australia's longstanding relationship with Indonesia positions Australia well to engage in dialogue; however, Australian stakeholders indicated that it is essential to maintain and negotiate market access to avoid losing market share to competitors.

- Australia benefits from trade agreements such as the Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA) and the ASEAN-Australia-New Zealand Free Trade Agreement, which removed import duties. The average tariff placed on imports of Australian fresh vegetables in Indonesia is 2.28%. Fresh vegetable imports from the Netherlands have an average tariff of 5.41%, making Australian imports more competitive.
- Stakeholders indicated that approximately 20% of producer costs are subsidised by the Dutch Government; however, this is primarily aimed at environmental outcomes, management practices, and keeping farmers on-farm, rather than on trade exports or market access.
- Australian exporters also reported that Indonesian NTMs, such as the requirement to fumigate onions, is limiting opportunities for Australian exports. Stakeholders noted that there are opportunities for maintenance of market access by Australia.

”

We have the IA-CEPA with Indonesia that the industry was satisfied with when it settled, it gave some good benefits to the industry in terms of quotas. I think we just need to push a little further to negotiate the removal of some other barriers like customs valuations because there are great growth opportunities in Indonesia.

– Australian Vegetable Industry Expert

SUPPLY CHAIN MANAGEMENT

Significant investment and automation in Dutch ports has enabled exporters to operate at a lower cost, although Australia can capitalise on shorter shipping times to Indonesian markets.

- Australian exporters have an advantage in exporting fresh vegetables from the west coast of Australia, with shipments able to reach Indonesia within four days, whereas shipments can take 10 days from Brisbane.
- Australia is approximately 50% closer to Indonesia than Indonesia's average trading partners. Indonesia's average supplying market distance is 5,207 kilometres, enabling Australia to respond more quickly to market demands, particularly when competing with the Netherlands.
- Logistics efficiency in the Netherlands is higher than Australia as a result of port automation, implementation of blockchain technology for traceability, and AI.² Ports have partnered with technology companies to trial data analytics, digital twins, and smart berthing systems that reduce the need for personnel, limit human error, and enhance safety.³

”

AgTech innovation, including glasshouses, and the efficiency at the busiest ports, Antwerp and Rotterdam, is amazing; you can always get in touch with people at ports when there are issues.

– Australian Government Trade Representative

Case Study – Dutch port efficiency and automation

The Port of Rotterdam's automated terminals increases efficiency and productivity, ultimately reducing the time and cost per kilometre to reach distant markets such as Indonesia by 25%-35%.¹⁴ Traceability is enhanced for users through automated vehicles, digitised services, and Portbase integration. To reduce port waiting times, the Netherlands has also developed a digital twin to provide data on water levels, salinity, wind speeds, visibility, and currents. Dutch producer and exporter awareness and use of this technology helps to lower freight costs, save fuel, and expedite export consignment loading.¹⁵

China significantly outcompetes Australia in volume and value of fresh vegetable exports to Vietnam, driven by cost competitive prices

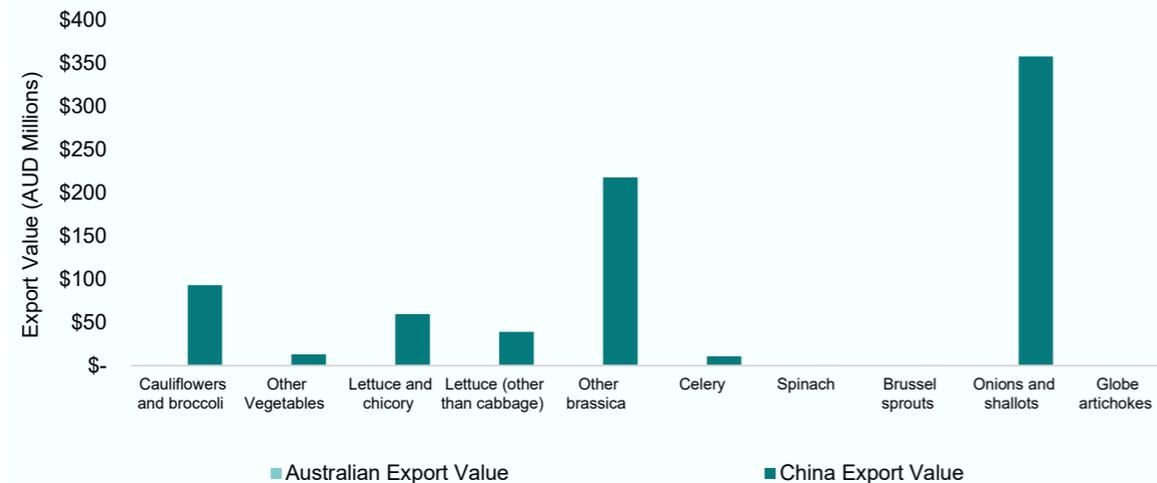
MARKET OVERVIEW



China's fresh vegetable exports to Vietnam totalled AUD\$12.1 billion in 2023, with Australia exporting AUD\$2.9 million in vegetables to Vietnam.

- Australia currently has market access to Vietnam for cauliflower, broccoli, celery, and onions. In 2023 Australia exported AUD\$341,754 of cauliflowers and broccoli and AUD\$102,966 of celery. Comparatively, China exported AUD\$1 billion in fresh vegetables to Vietnam, with AUD\$357 million of onions and shallots, AUD\$217.6 million of brassica, and AUD\$151 million of carrots.
- Stakeholders indicated that the shared land border between China and Vietnam is porous, enabling Chinese exporters to send high volumes of fresh vegetables at low cost. To compete, Australian exporters need to target more affluent consumers and expatriates that otherwise do not have access to Australian produce.
- China is able to export a range of shorter shelf-life vegetables to Vietnam due to the proximity.

Australian and Chinese Key Exports to Vietnam by Value



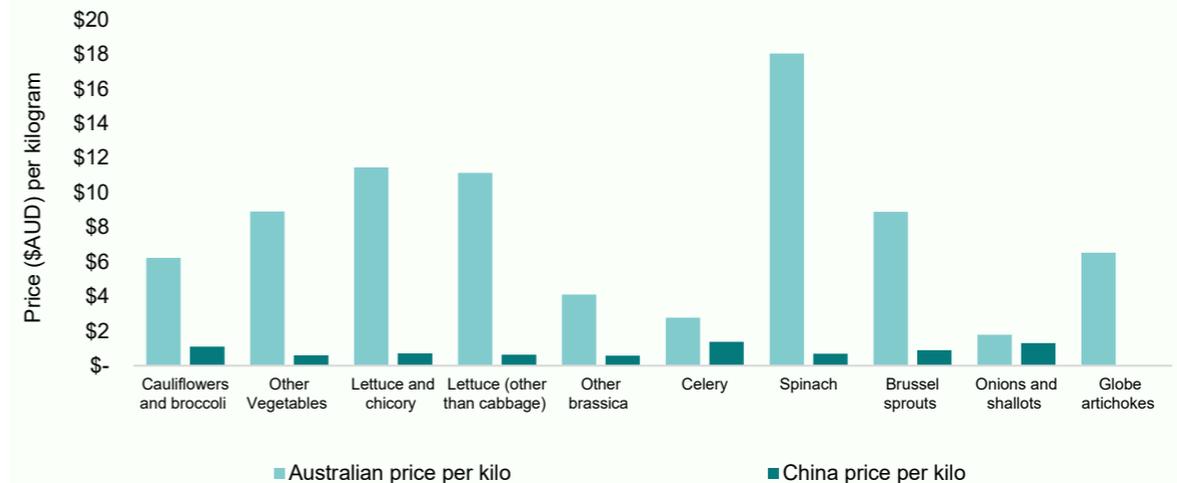
LOGISTICS COSTS



China competes in Vietnam by offering low-cost, high-volume vegetable exports, benefiting from economies of scale and competitive logistics costs.

- 40-foot reefer containers from China to Vietnam can cost AUD\$4,900-\$5,900 and AUD\$5,400-\$6,400 for Australian exporters, although China can send produce by land at a lower cost.
- Lower production and logistics costs enable China to sell produce for 10-30% lower prices than other competitors. Australia's largest fresh vegetable export to China by value, cauliflowers and broccoli, are exported for AUD\$6.23, whereas China is able to export cauliflowers and broccoli for AUD\$1.11, with China able to export for approximately 80% less than Australia.
- Vietnam requires a phytosanitary certificate for fresh vegetable imports, but phytosanitary certificates cost less for Chinese exporters than for Australian exporters, allowing China to export fresh vegetables at a more competitive price point.

Australian and Chinese Key Exports to Vietnam by Price Point



Compared to Australia, China offers a more diverse range of products to the Vietnamese market, strengthening its position as a key supplier

GOVERNMENT SUPPORT

China's negotiation of market access allows it to export a broader range of vegetables to Vietnam, allowing Chinese producers and exporters to diversify their offerings.

- Australian fruit industries maintains a presence in Vietnam through events such as the Vietnam-Australia Fresh Produce Networking Event, supported by the Australian Fresh Produce Alliance. The Australian vegetable industry has limited presence at these events or as part of delegations to Vietnam, despite having market access for cauliflowers, broccoli, celery, and onions.
- Stakeholders indicated that Chinese negotiations of market access to countries such as Vietnam is conducted at a broader level than Australian negotiations. For example, China negotiates access for a broad range of commodities at once, whereas Australia typically negotiates on a 2-2 basis, with pairs of commodities provided access.
- While Chinese negotiations are successful at gaining market access, stakeholders noted the increased risk of exposure to pest and disease when waiving sanitary and phytosanitary requirements for reciprocated market access.

”

Australia has a big presence in-market, particularly at conferences and expos, and there's a lot of support from industry in terms of contributions and funding. Really because of their size, the Chinese Government funds more of their industry activities in-market than Australia does, so it can be a bit difficult to compete with that.

– Australian Vegetable Industry Stakeholder

SUPPLY CHAIN MANAGEMENT

China's proximity to Vietnam, along with its established trade network, enables the country to consistently export a range of fresh year round.

- China's proximity to Vietnam allows China to export a range of shorter shelf-life products that Australia may not be able to export. China shares a border with Vietnam, which has enabled trade through 26 'border gate economic zones'.¹ As long-term trade partners and with cultural similarities, China and Vietnam have close connections, allowing for easier facilitation of trade.
- Chinese vegetables consistently enter Vietnam, and other Asian markets on a weekly basis, making it challenging for other competitors to find windows of opportunity. This unpredictability limits Australia's ability to respond effectively in the market.
- China delivers a competitive edge through lower prices and a diverse range of varieties, driven by innovations in AgTech, global expertise in agronomy, and improved supply chain management.

”

Chinese vegetables are going to those Asian countries every week, unless there's a maximum residue limit issue; it can be hard for Australia to find windows of opportunity, we don't know it's happening unless it happens, and then it's too late.

– Australian Fresh Produce Exporter

Case Study – China's advancement of AgTech and supply chain management systems

China has been able to rapidly grow their vegetable production and outcompete other countries in exporting to South East Asia. The rapid growth has been underpinned by advancements in greenhouse cultivation technologies, efficient supply chain management, further transparency of farm practices, and the expansion of e-commerce platforms.^{2,3} Additionally, the strategic recruitment of experienced agronomists from across the globe such as USA, Korea and Chile, has significantly contributed to the industry's success.³ This trend has led to several competitive advantages of China's products that the Vietnamese market values, including the 10–30% lower price compared to those from other countries, and a wide range of varieties,^{3,4} which enhances the marketability of China's fresh vegetables.

Whilst Australia and New Zealand share similar operating costs, New Zealand outcompetes Australia significantly in the Taiwanese market

MARKET OVERVIEW

New Zealand has a significant competitive advantage over Australia and other major players, with the removal of the 18.35% tariff on fresh vegetable exports to Taiwan.

- Australia primarily exports onions, shallots, carrots, turnips, and asparagus to Taiwan. New Zealand outcompetes Australia in onion exports, with New Zealand having no tariffs imposed on their fresh vegetable exports to Taiwan. Comparatively, Australia has an average tariff of 18.35% imposed on fresh vegetable exports to Taiwan.
- Australia has a cross-sectoral approach to engaging Taiwanese importers and consumers, with the Australian Food and Wine Collaboration Group, Dairy Australia, Meat & Livestock Australia, Wine Australia, and Seafood Industry Australia holding roundtable discussions and attending events in Taiwan to market Australian produce. Australia also hosts delegations from Taiwan to showcase Australia's credentials as a reliable and sustainable producer of fresh vegetables.

Australian and New Zealand Key Exports to Taiwan by Value

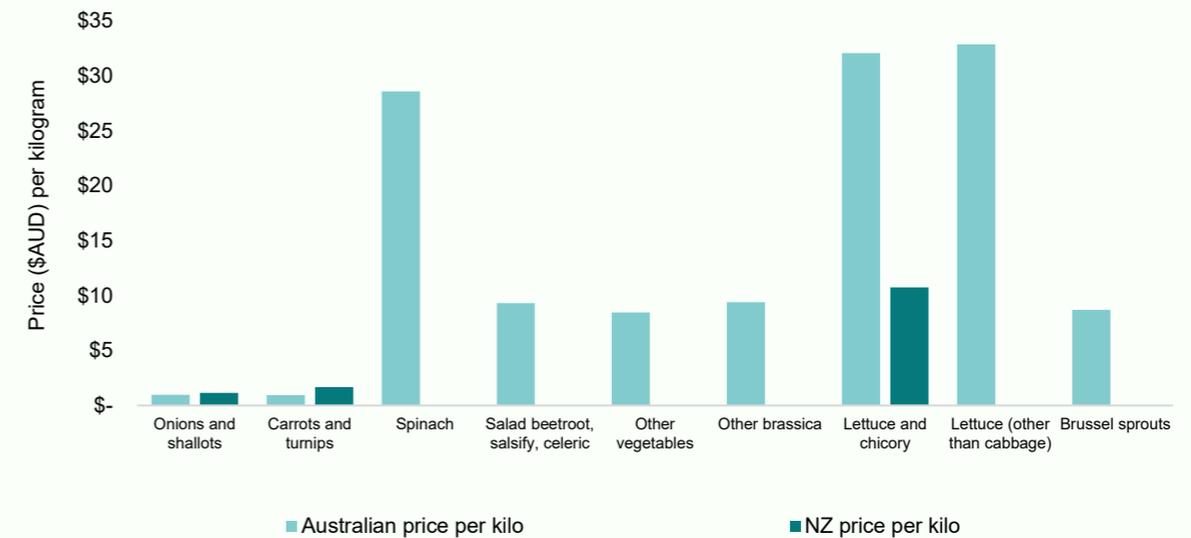


LOGISTICS COSTS

As Australia and New Zealand face similar operating environments, logistics costs are relatively comparable and pose a key challenge to competitiveness.

- Australia and New Zealand's export price point per kilogram for onions, shallots, carrots, and turnips is comparable, with Australia more competitive than New Zealand. 40-foot container rates are similar; Australian rates are AUD\$5,300-AUD\$6,300 and New Zealand rates are AUD\$4,800-AUD\$5,800.
- In industry stakeholder consultations, it was noted that New Zealand's Ministry of Primary Industries is approximately 28% cost recovered, whilst the Department of Agriculture, Fisheries and Forestry is approximately 50% cost recovered from export documents and inspections.

Australian and New Zealand Key Exports to Taiwan by Price Point



New Zealand benefits from a trade agreement with Taiwan that removes tariffs on all exports, while Australian exports are less competitive due to high tariffs

GOVERNMENT SUPPORT

New Zealand outcompetes Australia in Taiwan due to New Zealand's strong trade agreement, which has removed the significant tariff on vegetables exported to the Taiwanese market.

- Extensive phytosanitary requirements, additional declarations and endorsements for Australian fresh vegetables can inhibit export of produce such as carrots and globe artichokes. Taiwan does not permit the import of Australian beans.
- New Zealand has been active in pursuing favourable trade agreements, such as the agreement with Taiwan that removed tariffs over time on all of New Zealand's exports to Taiwan.¹
- myNZTE provides guidance on how businesses can establish operations in export markets, which can help businesses better capture the value of trade agreements.²
- New Zealand Foreign Affairs and Trade tracks the number of non-tariff barriers by region and the monetary impact of those barriers. The page also directs exporters to product-specific points of contact and contains a number of case studies to support exporters in understanding how to mitigate the effects of barriers.⁷

”

Our Government has been pushing to execute trade agreements and there has been an increase in the number of trade agreements to allow businesses to diversify as much as possible. To really capture value of the trade agreements, businesses need to have good datasets to compare previous performance and performance under a trade agreement.

– New Zealand Industry Expert

Case Study – New Zealand's effective and growing trade agreements

The Agreement between New Zealand and the Separate Customs Territory of Taiwan, Penghu, Kinmen, and Matsu on Economic Cooperation (ANZTEC), signed in 2013, is a trade pact that eliminates tariffs and custom duties on a majority of New Zealand's exports to Taiwan, increasing New Zealand's in-market export competitiveness.^{5,1} Provisions for mutual recognition of sanitary and phytosanitary measures ensure streamlined processes and consistent quality standards, fostering trust in New Zealand's clean, green agricultural reputation.⁶ For products like onions and shallots, ANZTEC provides tariff-free access, fills supply gaps during Taiwan's offseason, and meets consumer demand for premium, fresh produce.

SUPPLY CHAIN MANAGEMENT

New Zealand is investing in a range of logistics hubs, port upgrades, and automation to ensure that New Zealand can meet increasing export requirements.

- The New Zealand Government has invested in projects such as the Ruakura Superhub, which aims to meet a 60% increase in freight volumes by 2042, with NZD\$40 million invested.
- The New Zealand Government has identified limited reliable data and evidence on freight, which makes it hard to target resources, make decisions, and forecast accurately. To alleviate issues with a lack of data, New Zealand has invested in solutions such as PortConnect, a port community system that allows shipping lines, transporters, importers, exporters, freight forwarders, and regulators to deal with ports. These capabilities include real-time event notifications, export transshipment moves, export pre-advance, and data on vessel schedules in one place.³
- New Zealand has also invested in a Trade Single Window to allow users to register, submit, and clear export documents and information.
- Both Australia and New Zealand export supply chains face similar issues of port delays, inflexible port operations, high fees, and inefficient customs.⁴

”

We get messages from shipping lines that unless we increase the ability to ship and have more efficient ports, we will need to start shipping to super ports, which means we would need to use feeder vessels, and that would put us at a disadvantage. Shipping companies are able to tell us that because we make up something like 0.1% of their global revenue.

– New Zealand Industry Expert

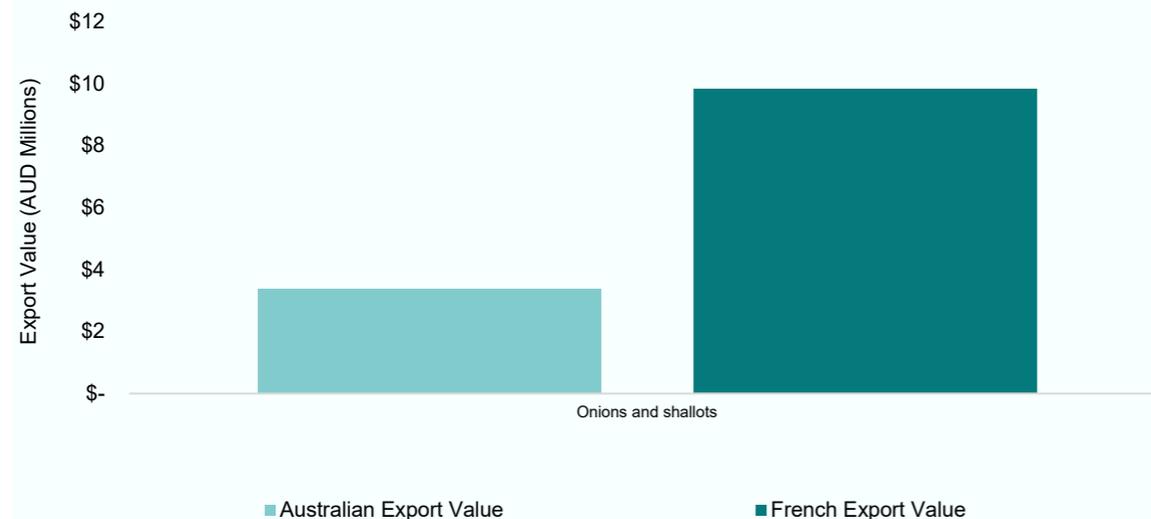
France outcompetes Australia in Spain for onions and shallots, driven by proximity and lower logistical costs

MARKET OVERVIEW

Spain is an attractive market for Australia, as Australian onion exporters can target the EU with competitively priced produce whilst EU production is decreased.

- Australia exported AUD\$3.4 million in onions to Spain in 2023, with Europe being an accessible market due to the long shelf-life of onions. Australian onion exporters primarily target Spain early in the season, maintaining competitive pricing because of reduced domestic and EU production of onions, with Australia providing counter-seasonal onion production. Comparatively, France exported AUD\$9.8 million in onions to Spain in 2023.
- Consumers are becoming increasingly interested in sustainable practices, providing opportunities for Australia to market its clean, green credentials to Spanish consumers.¹

Australian and French Key Exports to Spain by Value

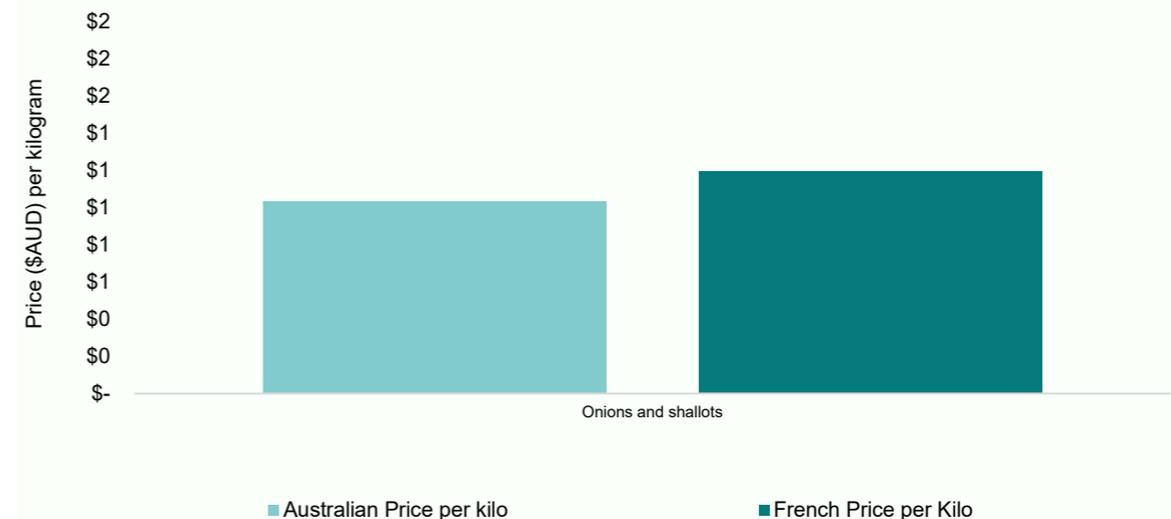


LOGISTICS COSTS

Time-to-market and logistical costs for France to export onions to Spain are significantly lower than Australia, with high freight costs making Europe an unattractive market for some smaller Australian exporters.

- 40-foot reefer containers from Australia to Spain cost AUD\$6,500-\$7,500. From France to Spain, 40-foot reefers cost AUD\$3,000-\$4,000, although France and Spain share a land border, reducing transportation costs.
- Handling and compliance costs for Australian vegetable exporters can be up to AUD\$1,400 per consignment. For French exporters, costs can be up to AUD\$950, with costs being lower due to harmonisation of processes under EU standards.
- Some Australian vegetable exporters felt that Europe was too distant a market, preferring to focus on Asian markets because of more reliable shipping services.

Australian and French Key Exports to Spain by Price Point



France's EU membership provides trade advantages in exporting vegetables to Spain, while Australia faces challenges without a free trade agreement that eases market access

GOVERNMENT SUPPORT

France benefits from being an EU member, which provides trade benefits when exporting vegetables to Spain. Australia faces challenges against France and other competitors with higher tariffs.

- The French Government is pursuing an agriculture sector transformation underpinned by digitalisation, robotics, and genetics. The French Government committed USD\$2.3 billion as part of the France 2030 plan to drive growth and innovation in AgTech, to improve farming efficiency and sustainability.¹ France has also allocated €34 billion to reducing production taxes, increasing support for R&D, training, and development of skills. The agrifood industry is one of five strategic sectors with funds allocated.²
- The proposed EU-Australia Free Trade Agreement included potential benefits for horticulture, however was not signed due to broader agricultural considerations. Consequently, Australian fresh vegetable exports to Spain face an average tariff of 13.12%, whilst competitors such as New Zealand have secured zero tariffs for a majority of vegetables.

”

With changes in competitor tariffs going into the EU, like that from the EU-NZ FTA, Australian exports to Europe will most likely reduce. I would say that within a couple of years we will be struggling to compete.

– Australian Onion Exporter

SUPPLY CHAIN MANAGEMENT

Whilst Australia may find windows of opportunity in Spain during poor harvesting seasons, France's geographic location and status within the EU's unified trade system provides it with a competitive advantage in the Spanish market.

- Australian onion exporters target gaps in Spain's market; for example, drought in Spain in 2023 led to a decrease in domestic production and an opportunity for Australian exporters.³ However, if Europe experiences a strong harvest season, Australian vegetable exporters face significant challenges in competition and have limited opportunities in Spain's market.
- France's supply chain management benefits significantly from the EU's unified trade system, which streamlines export procedures and reduces bureaucratic hurdles, providing an advantage over Australia in markets like Spain. The EU's standardised pest and disease management protocols also reduce customs checks and inspections, enabling French exporters to clear faster and at lower administrative costs. This enhances France's competitiveness, enabling quicker, most cost-effective market access compared to Australia, where export procedures and logistics can be more complex and costly.

”

There are factors outside of Australia's capabilities that impact export performance. For example, if Europe has a good season, then there's not much we can do to export to Europe.

– Australian Vegetable Industry Stakeholder

Case Study – France's narrative around the provenance of produce

French producers often develop narratives around the unique qualities of their products to establish an aspect of premiumisation, allowing them to be sold at a higher price point. France is the leading producer of traditional shallots in Europe, cultivating 40,000 tonnes annually. Of this, 90% are long shallots, while 10% are demi-long varieties.⁴ Traditional shallots are planted and harvested by hand. A portion of French shallots are granted Protected Geographical Indication (PGI) status, and approximately 3% are produced organically.⁴ Shallot farmers from the Beauce and Drôme region of France formed a new brand in 2024 to market the unique qualities of shallots from those regions.⁵ While the provenance of those two regions was promoted, packaging also contained clear red, white, and blue colouring to maintain connection to France.



50

Capability Gaps Assessment

Sea freight is a key driver to export competitiveness, and is an area where Australia currently faces significant cost challenges

Australia faces high logistics costs, particularly in sea freight, port and airport handling, and regulatory compliance. While sea freight has the most significant impact on export competitiveness, port handling and regulatory compliance costs also contribute to overall trade inefficiencies.

#		Impact on Export Competitiveness	Rationale	Australia's Capabilities	Insights
1	Sea Freight Costs	High	Sea freight is the primary mode of transport for Australian vegetable exports, in particular 40-foot reefer containers, due to pallet dimensions. Heightened sea freight costs significantly impact competitiveness by increasing landed costs, impacting margins.	Low	Australia's distance from key export markets, coupled with a trade imbalance globally and fewer direct shipping routes, results in fewer container vessels and less competitive shipping options. The high cost is exacerbated by reliance on Melbourne for international shipment, adding complexity and cost, given additional transport required.
2	Air Freight Costs	Moderate	Whilst air freight provides a faster transit option for perishable or high-value vegetables, it is considerably more expensive than sea freight. The impact on export competitiveness is moderate, as only a limited subset of vegetables rely on air transport.	Moderate	Australia's air freight costs are relatively high due to its geographic location, limited direct flight routes to key international markets, and lower frequency of air cargo services. The relatively small scale of Australia's air freight industry limits the availability of cost-effective shipping options, further impacting competitiveness.
3	Packaging Costs	Low	Packaging plays a key role in maintaining product quality, extending shelf life, and meeting market regulations. However, while packaging contributes to overall export expenses, they do not significantly impact cost competitiveness.	High	Australia's packaging costs are typically comparable to competitors such as New Zealand, the Netherlands, with wrapping costs for the three countries costing approximately 25% below the global average cost, with an average cost of AUD\$125 amongst the selected global competitors per pallet wrapped and packaged.
4	Port and Airport Handling Costs	Moderate	Handling costs at Australian ports and airports add a significant expense to export logistics, particularly depending on container size, time at port etc.. However, these costs are not as significant as freight costs.	Low	Handling costs can often be high to offset Australia's higher fuel prices, and airlines may incorporate carbon offsetting costs or charge for stringent biosecurity protocols to be carried out on freight being exported. Stakeholders also felt that high costs were not indicative of highly efficient port operations.
5	Regulatory Compliance Costs	Moderate	Compliance with export regulations, certifications, and phytosanitary requirements is essential to exporting, and can be resource-intensive and costly. While not as high as freight costs, these costs can disproportionately impact small and medium-sized Australian exporters, reducing overall competitiveness.	Low	Australia has an extensive range of regulatory requirements, with over 200 regulations for Australian exporters to comply with in addition to importing country requirements. Stakeholders indicated that Australian regulations often exceed the requirements of importing countries, posing as an additional barrier.

Note: (1) These ratings were primarily based on data from the global benchmarking analysis. However, they have been reviewed by industry stakeholders and adjusted where necessary to ensure they accurately reflect industry perspectives and real-world conditions.

Inefficiencies in export processes can significantly impact the vegetable sector’s export competitiveness, contributing to additional complexity, time, and costs

Australia faces challenges in ease of doing business, in regard to trading across borders, which significantly impacts export competitiveness. The efficiency of the customs clearance process also remains a key constraint. While supply chain transparency and logistics capability are relatively sufficient, further improvements could enhance overall export efficiency.

#		Impact on Export Competitiveness	Rationale	Australia's Capabilities	Insights
6	Ease of Doing Business – Trading Across Borders	High	A well functioning regulatory environment and efficient trade processes are critical to Australia’s vegetable export competitiveness. Complex and time-consuming export procedures increase costs, create delays, and reduce reliability for Australia’s vegetable exports.	Low	Stakeholders have reported delayed processing of documents that have led to missing sailings, which have incurred additional costs and significant losses for exporters. Exporters also reported challenges with east and west coast time differences, noting that cut-off times for documentation are based on east coast hours, meaning exporters in WA need to have phytosanitary and other documents in earlier in their working day or they risk having to request overtime which can incur additional costs.
7	Logistics Competence, Capability, and Quality	Moderate	The efficiency and reliability of logistics networks directly influence cost, timeliness, and consistency of vegetable exports. While strong logistics infrastructure, including cold chain management and efficient intermodal transport is essential for maintaining product quality, it is not a critical factor for exporting vegetables.	Moderate	While Australia’s overall logistics network is relatively strong, Tasmanian exporters face challenges due to reliance on Melbourne ports for transport. Australia has also experienced industrial action at DP World’s container terminals in Brisbane, Sydney, Melbourne, and Fremantle from October 2023 to January 2024, which caused backlogs in consignments being shipped. In 2024, Australian cargo owners reported instances of not being able to return empty containers within the designated free period, due to delays in containers initially being made available.
8	Efficiency of the Customs Clearance Process	Moderate	The efficiency of the customs clearance process has a moderate impact on export competitiveness due to its impact on delays. An efficient process enhances ability to compete globally by ensuring timely deliver to markets, and improving reliability, which is critical for maintaining strong trade relationships.	Low	Documentary compliance for Australian exporters typically takes 43 hours across border compliance requirements and documentary compliance and costs USD\$1030 per consignment, whereas the East Asia and Pacific average is USD\$490.50. Approximately 30 hours of time is required per consignment for port or border handling, which can cost USD\$517.
9	Supply Chain Transparency	Low	Supply chain transparency has a low impact on export competitiveness. While being able to track consignments effectively improves reliability, it does not have a direct an impact on competitiveness as logistics costs or supply chain inefficiencies.	High	While Australia ranked equal 11 th in Tracking and Tracing this was behind competitors such as the Netherlands and USA, which have centralised ship and container tracking capabilities, avoiding manual and time-consuming approaches by freight owners to locate their containers. Providing improved transparency capabilities can allow freight owners to better forecast freight movements.

Note: (1) These ratings were primarily based on data from the global benchmarking analysis. However, they have been reviewed by industry stakeholders and adjusted where necessary to ensure they accurately reflect industry perspectives and real-world conditions.

Expanding and securing favourable market access in key export markets is key for Australia to compete in global markets

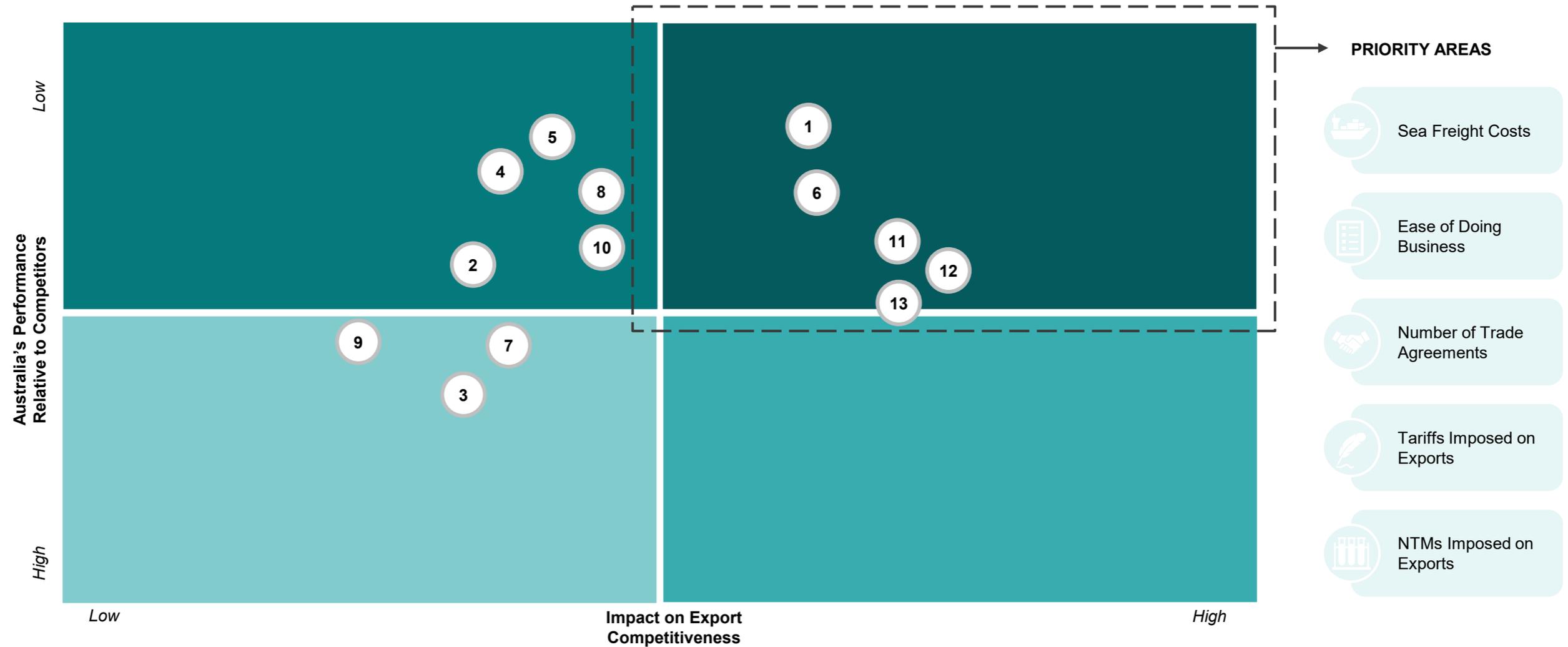
Relative to global competitors, Australia performs moderately in agriculture share of government expenditure, the number of trade agreements, and the tariffs and non-tariff measures imposed on its exports. However, these factors are critical in enabling export competitiveness, and even a slight disadvantage relative to competitors can significantly impact Australia’s ability to compete effectively globally.

#		Impact on Export Competitiveness	Rationale	Australia’s Capabilities	Insights
10	Agriculture Share of Government Expenditure	High	A high share of government expenditure on agriculture enhances export competitiveness significantly by supporting critical areas, such as R&D, infrastructure, market access initiatives, and grower subsidies. This investment enables growers to improve productivity, reduce costs, and overall deliver to markets more competitively.	Moderate	Australia has one of the least subsidised agricultural industries compared to key competitors, with approximately 4% of the value of production subsidised, similar to New Zealand. Comparatively, the EU subsidises ~35% of the value of production. Australian exporters are supported by programs such as the Export Market Development Grant and trade delegations to export markets to promote Australian industries. Stakeholders indicated that Australian horticulture, and particularly the vegetable industry, has a limited presence in some of these delegations.
11	Number of Trade Agreements	High	Trade agreements can lower tariffs, reduce non-tariff barriers, and create preferential market access for Australian vegetable exporters. These trade terms, depending on the scope and depth of each agreement, can directly influence Australia’s ability to compete with other competitors.	Moderate	Australia continues to pursue trade deals with key markets, with the UAE-Australia Comprehensive Economic Partnership signed in November 2024, which will see reduced tariffs for Australian vegetables and other commodities. In contrast, Australia has limited opportunities in the EU as competitors such as New Zealand have signed beneficial agreements that make New Zealand vegetable exports more competitive.
12	Tariffs Imposed on Country’s Exports	High	Tariffs directly impact price competitiveness in export markets. Lower tariffs can improve price positioning significantly compared to competitors, or position Australia on the same playing field as competitors, and encourage greater export volumes, making this a critical factor for export competitiveness.	Moderate	Australia had the second highest average tariff rate across the target export markets versus the selected competitors, at 6.02%. This puts Australia at a comparative disadvantage when trading into countries such as Spain (13.12% average vegetable tariff) and Taiwan (18.35% average vegetable tariff), whilst New Zealand has a 1.83% and 0% tariff for vegetable exports to those countries, respectively.
13	Non-tariff Measures Imposed on Country’s Exports	High	Non-tariff Measures (NTMs) such as quarantine requirements or phytosanitary treatment regulations can impact produce quality, add compliance costs, extend lead times, and introduce uncertainty for exporters. If NTMs are overly restrictive or inconsistent, they can limit market access and significantly impact competitiveness.	Moderate	Australia has strong biosecurity requirements in place, which position it well to deal with a range of non-tariff measures; however, these requirements can incur additional costs for exporters. Stakeholders noted that Australia often has requirements above that of the importing country, which lead to additional processes. Requirements such as fumigation of onions into Indonesia is a challenge for Australia’s exports compared to competitors such as New Zealand, who have been able to waive the fumigation requirement.

Note: (1) These ratings were primarily based on data from the global benchmarking analysis. However, they have been reviewed by industry stakeholders and adjusted where necessary to ensure they accurately reflect industry perspectives and real-world conditions.

While enhancing logistics costs and supply chain efficiency will strengthen export competitiveness, the key enabler for Australia lies in securing favourable market access

Australia's largest capability gaps, with respect to areas with the greatest influence on export competitiveness, includes sea freight costs, ease of doing business, number of trade agreements, tariffs imposed on exports, and NTMs imposed on exports.

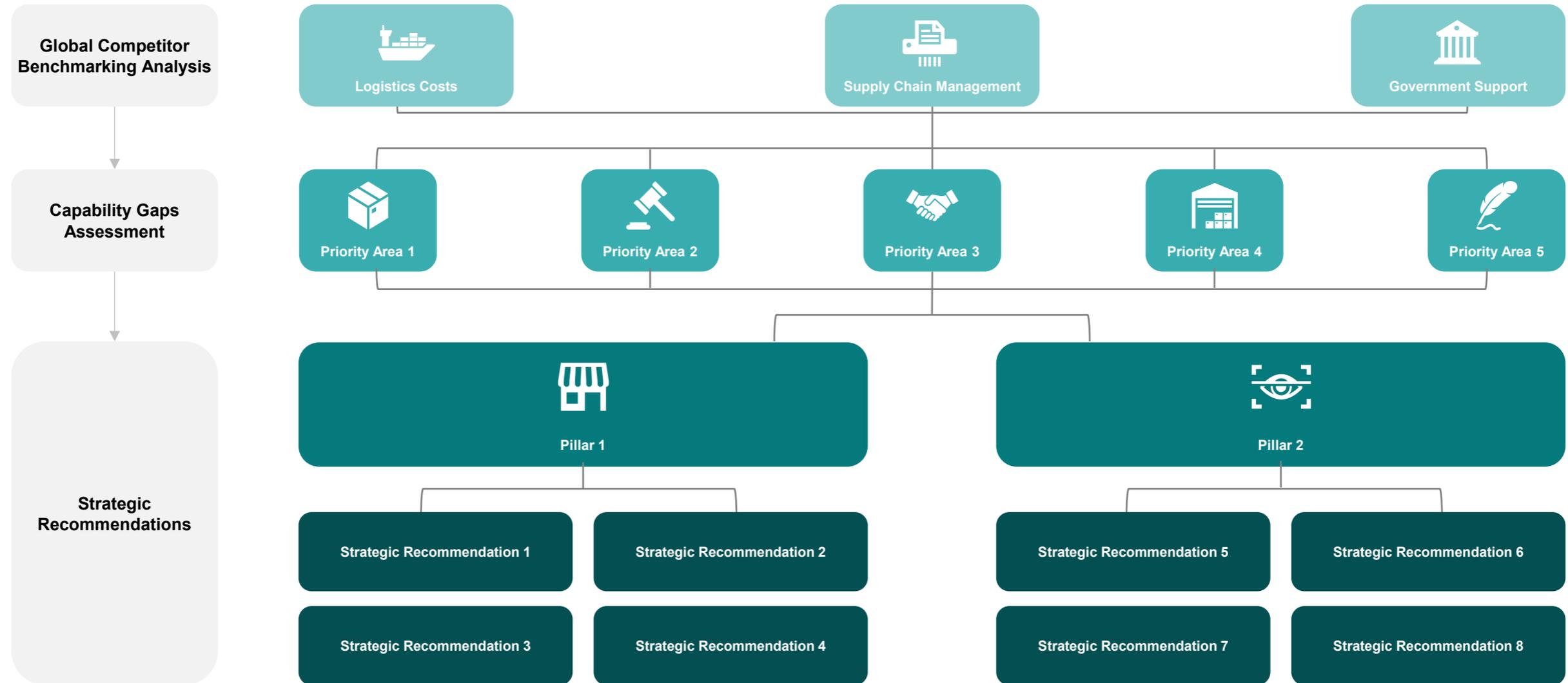


A vibrant display of fresh vegetables, including leafy greens, radishes, onions, cauliflower, and broccoli, arranged in wooden crates. The scene is brightly lit, showcasing the natural colors and textures of the produce.

6

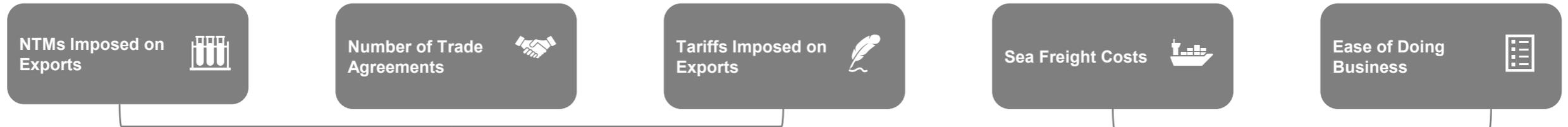
Strategic Recommendations

The strategic recommendations aim to address the priority areas identified in the capability gaps assessment, which was informed by the global competitor benchmarking analysis



Expanding market access is critical to enhancing Australia’s export competitiveness, while improving logistics visibility and efficiency can further support export performance

PRIORITY AREAS



STRATEGIC PILLARS

1
EXPANDING MARKET ACCESS

Expand and secure market access for Australian vegetables globally by reducing trade barriers, leveraging trade agreements, and negotiating protocols with high-value and emerging market opportunities.

Rec A

Support capacity building on existing trade agreements

Rec B

Negotiate market access and reduce market protocols

Rec C

Negotiate favourable phytosanitary pathways

Rec D

Negotiate tariff reductions

2
IMPROVING LOGISTICS VISIBILITY AND EFFICIENCY

Empower the Australian vegetable industry with greater visibility, control, and efficiency across supply chains by strengthening transparency, streamlining processes, and enabling stakeholders to take greater ownership of key processes.

Rec A

Develop a digital logistics data platform

Rec B

Optimise regulatory processes for growers and exporters

Rec C

Enable reputable exporters to take on more responsibility of export processes

COMPETITOR LEARNINGS

While Australia has favourable market access in certain countries, its limited access in others severely impacts its ability to compete. New Zealand operates in a similar environment to Australia, yet is able to compete more effectively in global markets due to its strategic trade agreements. Notably, New Zealand benefits from a 0% tariff on exports to Taiwan and the EU, giving its exporters a significant competitive advantage in these markets. Additionally, New Zealand has also negotiated favourable phytosanitary pathways, such as not being required to undergo fumigation for onions to Indonesia, further improving competitiveness through product quality and cost reduction. As such, Australia can learn from New Zealand’s approach to securing favourable trade agreements, and negotiating for more efficient market access to enhance its export competitiveness.

The Netherlands, Malaysia and New Zealand each offer valuable lessons for improving Australia’s logistics and regulatory efficiency. The Netherlands’ Portbase integration enhances port operation visibility, encompassing various real-time logistics data metrics for export shipments. In Malaysia, trade is facilitated through a single site, allowing submission of data, re-use of information, synchronised processing, and quick release of cargo. Additionally, New Zealand’s Ministry for Primary Industries (MPI) has a highly effective framework, with approximately 28% of costs recovered and consistently positive feedback from exporters. By learning from these international examples, Australia can improve both its logistics and regulatory functions to strengthen its export competitiveness.

Given the extended timeframes required for negotiating new market access, a focus on leveraging, or capitalising on, existing market access opportunities is key

Pillar 1 (1/2): Expand and secure market access for Australian vegetables globally by reducing trade barriers, leveraging trade agreements, and negotiating protocols with high-value and emerging market opportunities.

Recommendation	Objective	Actions	Key Stakeholders
<p>A. Support awareness/capacity building on existing trade agreements – for example, with the recently signed UAE-Australia CEPA. As part of this, support Australian efforts to network in-market.</p>	<p>To enhance industry awareness and understanding of existing trade agreements, ensuring Australian exporters can fully leverage market access opportunities and strengthen in-market networks to drive export growth.</p>	<p>I. Develop and deliver targeted exporter guides, workshops, and webinars to educate Australian vegetable exporters on the benefits and mechanisms of the UAE-Australia CEPA. These resources should provide practical guidance on tariff reductions, market entry requirements, and compliance processes under the CEPA.</p>	<p>Hort Innovation, AUSVEG</p>
		<p>II. Organise visits for Australian vegetable exporters to key UAE trade hubs (e.g. Dubai, Abu Dhabi) to establish direct relationships with importers, distributors, and retailers. Leverage Australian government-supported initiatives, such as Team Australia branding, to enhance credibility and visibility in the UAE market.</p>	<p>AUSVEG, Hort Innovation, Austrade</p>
		<p>III. Develop case studies and best practice guides, publishing success stories of Australian vegetable exporters who have effectively leveraged the CEPA to expand into the UAE, providing insights on overcoming barriers. Distribute materials via industry newsletters, trade events, and/or Government channels to maximise reach.</p>	<p>Hort Innovation, AUSVEG</p>
		<p>IV. Monitor and evaluate the impact of capacity-building initiatives through feedback and surveys to refine and update training to respond to market changes. Conduct periodic reviews of support resources to ensure they remain aligned with evolving market conditions, regulatory updates, and other exporter needs.</p>	<p>Hort Innovation</p>
<p>B. Negotiate market access and reduce market protocols – with a focus on optimising existing market access opportunities to accelerate trade outcomes, such as in the Philippines, where 10 different vegetables have market access but only to foodservice and high-end restaurants.</p>	<p>To enhance market access for Australian vegetables by negotiating trade protocols, with a strategic focus on markets where partial access exists, enabling competitiveness in the shorter term.</p>	<p>I. Work with Australian Government agencies (DAFF and DFAT) to prioritise markets, such as the Philippines, where partial market access already exists, in trade negotiations. Advocate for a strategic focus on expanding access within these markets, ensuring alignment with broader trade policy objectives.</p>	<p>DAFF, DFAT, AUSVEG</p>
		<p>II. Develop a case highlighting that Australian vegetables are already successfully entering the Philippine market through foodservice, reinforcing the rationale for broader retail and wholesale market access. This may include showcasing existing compliance with Philippine import regulations, or where phased market access expansion has been successfully implemented.</p>	<p>Hort Innovation, AUSVEG</p>
		<p>III. Collect additional data and analysis, including scientific research supporting the safety of Australian vegetables, an economic impact assessment for improved market access, and a risk assessment (SPS barriers, political matters etc.), amongst others, to further support the case for expanding market access in the Philippines.</p>	<p>Hort Innovation, AUSVEG</p>
		<p>IV. Engage with the Department of Agriculture (DA) and the Bureau of Plant Industry (BPI) in the Philippines to negotiate the expansion of market access beyond high-end foodservice to mainstream wholesale and retail markets. Address key regulatory and technical barriers, including food safety and phytosanitary requirements.</p>	<p>DAFF, DFAT</p>

Optimising market access for Australian vegetables, through favourable phytosanitary pathways or tariff reduction, is key to improving competitiveness

Pillar 1 (2/2): Expand and secure market access for Australian vegetables globally by reducing trade barriers, leveraging trade agreements, and negotiating protocols with high-value and emerging market opportunities.

Recommendation	Objective	Actions	Key Stakeholders
C. Negotiate favourable phytosanitary pathways – such as reductions in gamma irradiation or methyl bromide fumigation requirements for onion exports to Indonesia. Support the development of technical R&D packages to showcase Australia’s sanitary and phytosanitary credentials.	To secure more favourable phytosanitary pathways for Australian vegetable exports by negotiating reductions in stringent import requirements, such as for onions in Indonesia, placing Australia on a level playing field with New Zealand who negotiated a waiver for fumigation of onions.	I. Work with Australian Government agencies (DAFF and DFAT) to prioritise high-potential markets, and specific phytosanitary barriers impacting vegetable exports in these markets. Advocate for reduced/new treatment requirements where specific evidence supports alternative risk management approaches.	DAFF, DFAT, AUSVEG
		II. Develop technical R&D packages to demonstrate Australia’s phytosanitary credentials, conducting research and compiling data on Australia’s pest and disease management systems. Present evidence-based alternatives to irradiation and fumigation that maintain biosecurity standards while reducing trade barriers.	Hort Innovation, AUSVEG
		III. Engage with Indonesian Authorities, such as the Indonesian Ministry of Agriculture (MoA), to present scientific evidence supporting less stringent phytosanitary treatments. Collaborate with Indonesian regulators to establish alternative risk management measures that ensure compliance.	DAFF, DFAT
		IV. Initiate pilot programs that test the effectiveness of alternative treatments, such as cold storage, as substitutes for gamma irradiation or methyl bromide fumigation. Partner with Australian exporters and Indonesian importers to monitor the success of these alternatives and gather data on their impact on regulatory compliance.	DAFF, DFAT, AUSVEG
D. Negotiate tariff reductions – particularly in countries such as Taiwan and the EU, where high tariffs prevent cost competitiveness for Australian vegetables.	To improve the cost competitiveness of Australian vegetable exports by negotiating tariff reductions, similarly to New Zealand who has removed the average tariff on vegetable exports to Taiwan and the EU, improving cost competitiveness.	I. Conduct an analysis of Australian vegetable exports to identify and prioritise vegetable commodities and export markets that will derive the greatest benefit from tariff reductions. Prioritise markets where high tariffs are inhibiting competitiveness, focusing on those with the largest growth potential for Australian exports.	Hort Innovation, AUSVEG
		II. Undertake economic analysis to quantify the impact of existing tariffs on the competitiveness of Australian vegetable exports. Highlight the potential economic benefits, such as increased export volumes, price competitiveness, or job creation to strengthen the case for tariff reductions.	Hort Innovation, AUSVEG
		III. Collect any additional data and analysis, including scientific research supporting the safety of Australian vegetables, and a risk assessment (SPS barriers, political matters etc.), amongst others, to further support the case for reducing tariffs.	Hort Innovation, AUSVEG
		IV. Leverage upcoming or ongoing trade negotiations, such as the EU-Australia FTA, to maintain regular dialogue with trade official to present economic analysis, case studies etc., and advocate the case for tariff reductions. Highlight potential synergies in ongoing negotiations which may involve broader sets of commodities.	DAFF, DFAT

The strategic recommendations aim to address the priority areas identified in the capability gaps assessment, which was informed by the global competitor benchmarking analysis

Rec.	Actions	2025				2026				2027				2028				2029							
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
A	I. Develop and deliver CEPA resources				●	Desired Outcome: Create up-to-date resources with practical knowledge on trade agreements																			
	II. Conduct trade visits to the UAE						●	Desired Outcome: Build direct connections between Australian exporters and UAE trade stakeholders																	
	III. Develop case studies guides								●	Desired Outcome: Provide real-world insights and success stories to industry															
	IV. Monitor and implement feedback																					●	Desired outcome: Continuously update and improve trade agreement resources		
B	I. Identify market access opportunities			●	Desired Outcome: Establish a short-list of existing market access opportunities																				
	II. Develop a case for market access						●	Desired Outcome: Build a strong case to support advocacy efforts																	
	III. Collect additional data and analysis						●	Desired Outcome: Gather the required evidence to support advocacy efforts																	
	IV. Engage with key Government bodies																					●	Desired Outcome: Gain broader market access		
C	I. Identify key commodities of focus			●	Desired Outcome: Establish a short-list of markets/commodities with stringent regulations																				
	II. Develop technical R&D packages						●	Desired Outcome: Gather scientific data to support the case for alternative treatments																	
	III. Engage with Indonesian Authorities																					●	Desired outcome: Gain acceptance for trial shipments with alternative treatments		
	IV. Initiate pilot programs																					●	Desired outcome: Showcase the safety and compliance of alternative treatments		
D	I. Prioritise markets and commodities			●	Desired Outcome: Establish a short-list of high potential markets and commodities																				
	II. Undertake economic analysis						●	Desired Outcome: Gather economic analysis to support advocacy efforts																	
	III. Collect additional data and analysis						●	Desired Outcome: Gather the required evidence to support advocacy efforts																	
	IV. Advocate for tariff reductions																					●	Desired outcome: Gain tariff reductions in key markets/for key commodities		

The strategic recommendations aim to address the priority areas identified in the capability gaps assessment, which was informed by the global competitor benchmarking analysis

Pillar 2 (1/2): Empower the Australian vegetable industry with greater visibility, control, and efficiency across supply chains by strengthening transparency, streamlining processes, and enabling stakeholders to take greater ownership of key processes.

Recommendation	Objective	Actions	Key Stakeholders
A. Develop a digital logistics data platform – that provides greater transparency into logistics costs such as freight costs, and potential future cost movements.	By having access to accurate, up-to-date logistics information, similarly to the Netherlands Portbase, exporters can better forecast market trends, assess potential cost fluctuations, and make more informed decisions when planning and expanding into new markets.	I. Engage with industry stakeholders to identify the most relevant data points that would provide actionable insights for Australian exporters. This may include current shipping costs, transit times, historical pricing trends, and potential disruptions (e.g. port strikes, weather conditions).	Hort Innovation, AUSVEG
		II. Establish an industry-managed dataset by engaging exporters to regularly input key logistics data, enabling the aggregation of freight cost, transit etc. insights. This process should involve implementing secure and clear digital reporting mechanisms to ensure consistent data entry, enabling more accurate trend analysis.	Hort Innovation, AUSVEG
		III. Design a platform that offers a user-friendly interface for businesses of all sizes to access real-time logistics data. The platform should offer dashboards that display key metrics, with consideration to incorporating predictive analytics to enable businesses to visualise potential shifts in logistics costs and market conditions.	Hort Innovation, AUSVEG
		IV. Develop a monitoring system for continuous improvement by collecting feedback from platform users to identify areas where data accuracy, user interface, and functionality can be improved. Establish regular updates to ensure that the platform stays relevant to changing market conditions and evolving business needs.	Hort Innovation, AUSVEG
B. Optimise regulatory processes for growers and exporters – ensuring it is fit for purpose based on the size, location, commodities etc. of the Australian grower or exporter.	To further develop a regulatory framework that is efficient, responsive, and tailored to the needs of exporters, ensuring streamlined processes, reduced administrative burdens, and greater flexibility to facilitate trade and market access.	I. Revise cut-off times for export documentation and compliance processes to accommodate exporters in all Australian time zones. Consider a more flexible approach, such as introducing staggered cut-off times or extending deadlines to account for west coast exporters, to reduce delays, missed shipments, and overall improve efficiency.	DAFF
		II. Implement NEXDOC into existing regulatory frameworks to streamline export documentation and improve administrative efficiency. Ensure seamless integration between NEXDOC and existing systems to minimise disruptions and ensure real-time updates on export documentation.	DAFF
		III. Enable more flexibility in phytosanitary requirements, particularly where Australia’s internal standards exceed the requirements of importing countries. This could adopt a risk based approach, where exporters with long track records of compliance be given discretion to meet the necessary phytosanitary standards based on the importing country’s regulations.	DAFF, AUSVEG
		IV. Establish a continuous monitoring system to gather feedback from exporters on their experience with DAFF regulatory processes and systems. This feedback should be closely monitored to track emerging trends or issues, and used to inform ongoing enhancements to ensure procedures and systems remain responsive, efficient, and fit-for-purpose for all exporters across Australia.	Hort Innovation, AUSVEG

The strategic recommendations aim to address the priority areas identified in the capability gaps assessment, which was informed by the global competitor benchmarking analysis

Pillar 2 (2/2): Empower the Australian vegetable industry with greater visibility, control, and efficiency across supply chains by strengthening transparency, streamlining processes, and enabling stakeholders to take greater ownership of key processes.

Recommendation	Objective	Actions	Key Stakeholders
<p>C. Enable reputable growers/exporters to take on more responsibility of export certification and audit processes - similar to the model used for Authorised Officers who are authorised to perform certain regulatory functions such as inspecting shipments.</p>	<p>To enhance the efficiency and effectiveness of the export process for Australian vegetables by enabling growers and exporters to take on greater responsibility for export processes, ultimately reducing the regulatory burden on Government agencies and increasing competitiveness in global markets.</p>	<p>I. Develop a comprehensive case to present to DAFF, demonstrating the benefits of allowing certain Australian vegetable producers and exporters to take on greater responsibility for certification, compliance, and/or clearance functions. This may include case studies from other sectors and/or international markets where similar frameworks have been successfully implemented, and have led to greater efficiency, cost reduction, and export performance, amongst others.</p>	<p>Hort Innovation, AUSVEG</p>
		<p>II. Propose a risk-based approach to certification responsibilities, such as the phytosanitary component, where reputable exporters with strong track records of compliance are allowed to manage their own certification and clearance processes. Consider a model that also differentiates between high-risk and low-risk vegetable commodities. For example, with low-risk commodities such as carrots, exporters could be allowed to handle and manage certification and compliance.</p>	<p>Hort Innovation, AUSVEG</p>
		<p>III. Collaborate with DAFF to develop a framework that allows certified Australian vegetable growers and exporters to take on responsibilities related to certification, compliance, and clearance processes. This framework should outline clear guidelines, roles, and expectations, ensuring that exporters can meet the necessary regulatory requirements while streamlining the process.</p>	<p>DAFF, AUSVEG</p>
		<p>IV. Develop a pilot program in collaboration with reputable exporters to test the proposed risk-based compliance model for low-risk products, such as carrots. The pilot should evaluate efficiency, inspection requirements, and compliance metrics. Based on pilot outcomes, scale the approach and refine the model for broader industry implementation.</p>	<p>Hort Innovation, AUSVEG</p>



7

Appendix

Data was gathered from various sources to understand the logistics costs, supply chain management, and Government support of Australia and its key competitors

The raw data presented below have been sourced from various international databases and are subject to fluctuations depending on seasonality, market conditions, and other external factors. To enhance accuracy and relevance, these data points have been reviewed and validated by industry stakeholders throughout this project, to inform more reflective and accurate ratings in the global competitor benchmarking analysis. Note, ongoing market dynamics may impact future assessments.

	Logistics Costs						Supply Chain Management				Government Support				
	Average 20-foot reefer cost	Average 40-foot reefer cost	Air freight cost per kilogram	Packaging costs	Port and airport handling costs	Regulatory compliance costs per consignment	Ease of doing business - trading across borders	Logistics competency, capability, and quality	Efficiency of the customs clearance process	Supply chain transparency	Agriculture share of Government expenditure (relative to hort sector size)	Quality of trade and transport-related infrastructure	Number of Trade Agreements	Tariffs imposed on this country's vegetable exports	Non-tariff measures imposed on this country's exports
Australia	\$5,200	\$6,200	\$10	\$101	\$395	\$495	70.3	3.9	3.7	4.1	4.99%	4.10	20	6%	4410
China	\$4,700	\$5,700	\$9	\$95	\$372	\$447	86.5	3.8	3.3	3.8	27.18%	4.00	26	6%	4398
New Zealand	\$5,033	\$6,033	\$10	\$103	\$397	\$493	84.6	3.7	3.4	3.8	0.26%	3.80	16	1%	4372
Malaysia	\$3,283	\$4,283	\$8	\$76	\$307	\$330	88.5	3.7	3.3	3.7	3.18%	3.60	24	6%	4351
United States	\$5,625	\$7,667	\$9	\$22	\$450	\$150	92	3.9	3.7	4.2	28.36%	3.90	16	9%	4764
France	\$4,458	\$5,833	\$7	\$138	\$279	\$233	100	3.8	3.7	4	1.82%	3.80	49	5%	4460
Netherlands	\$4,833	\$6,833	\$4	\$75	\$283	\$167	100	4.2	3.9	4.2	47.72%	4.20	49	5%	4409

Note: (1) Costs are in AUD, and gathered from sources including Freightos, Shipa Freight, UN COMTRADE, World Bank's Logistics Performance Index, and World Bank's Ease of Doing Business scores. (2) Average costs are calculated from freight rates between a competitor and the 6 priority export markets identified for this project. (3) Port and airport handling costs were collected from publicly available data, although stakeholders noted that they may receive special rates from operators, which can influence costs. (4) Regulatory compliance costs cover processes such as phytosanitary treatments and documentation costs. (5) Tariffs imposed on the country's vegetable exports is an average of tariff across the 6 competitor countries.

Acknowledgements

We thank the following organisations for their contribution to the report through involvement in stakeholder consultations: Favco, Crozasia, Wynyon, Sumich, MATRADE, DFAT, and AUSVEG.

