

Indonesia's food and beverage market



Long-term potential but challenging access at present

Strengths

- World's 4th most populous country with demographic tailwinds.
- High geographical concentration on island of Java.
- Good theoretical complementarity of EU and Indonesian agri-food products.

Weaknesses

- Complex and dynamic regulatory landscape.
- Local partners required to fulfil legal obligations.
- Low demand at present for the main added value products from the EU.



Opportunities

- Forecast to become one of world's top economies by 2030.
- Emerging interest in healthy foods.
- May be possibilities for exports to move up the value chain over time.
- EU promotional campaign ongoing for next two years.

Threats

- Domestic production strongly favoured.
- Halal certification mandatory from 2024.
- Strong restrictions on trade in products the EU normally exports.
- Various across-the-board trade barriers.

Opportunities in niches that have the potential to grow



Chicken and beef popular **meats**. Economy beef popular but demand for premium certified products growing.



Dairy fast growing, infrastructure opening up markets and consumers starting to try different products.



While other oils dominate, **olive oil** is perceived as a healthy product by those who can afford it.



Various niche opportunities across the **confectionery** market – chocolate in particular.

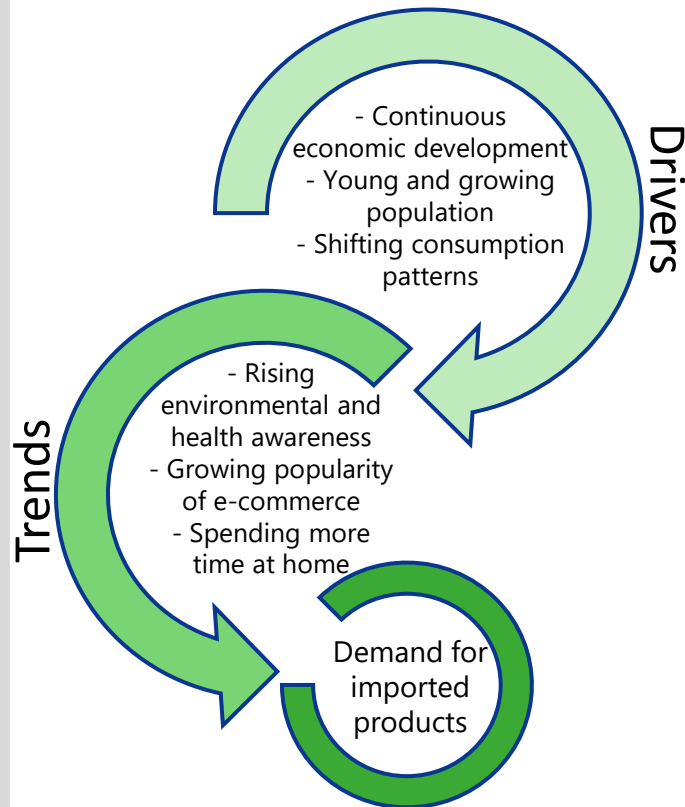


Spirits and **wine** markets small, but tourism provides some opportunities.

Java hosts key markets; Bali and Medan also interesting



Interest and consumption patterns evolving with changing population



Religion an important consideration across differing consumer types



Many young consumers in to latest trends look for quality and value.



Older generations often prioritise price over brand loyalty.



Emerging consumer group care about sustainability and look for quality brands sharing this value.