# Agricultural export markets continue to diversify – August 2022

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## ASEAN overtakes China as Australia’s largest agricultural and fisheries export destination

* Australia’s agricultural and fisheries export markets **were more diversified in 2021-22**.
	+ The proportion of exports that went to Australia’s top-5 markets has fallen from a high of 60% in 2019-20 to 51% in 2021-22.
* Record wheat and cotton exports to ASEAN countries saw **the proportion of exports to the ASEAN region exceed exports to China**.

## Drivers of export diversification in 2021-22

* Favourable seasonal conditions, commercial decisions by Australian industry and the Australian government’s support of trade expansion initiatives all contributed to increased diversification in 2021-22.
* Increased rainfall led to higher crop production, including wheat, canola, barley and cotton.
	+ Wheat exports to Indonesia, Vietnam and the Philippines increased.
	+ Barley exporters found new markets in the Middle East, Asia and Latin America.
* Restrictive trade measures affected exports to China. However, China’s demand for Australian wheat and sorghum grew.
* Herd rebuilding affected the value of exports to major beef markets, such as Japan, Korea and the US.
* In 2021-22, the Australian Government opened or improved access to 46 agricultural and fisheries export markets, worth a potential $337 million.

Figure 1: Value of agricultural and fisheries exports by destination



Figure 2: Proportion of exports to top 4 markets, wheat, beef, barley and wine, FY 2019-20 and FY 2021-22











## Outlook for diversification

* High grain production in 2022-23 is likely to see continued high export values to ASEAN.
* Beef production is likely to increase, leading to a larger proportion of exports to Japan, the US and Korea.
* Recent trade agreements with India and the UK have created new diversification opportunities.