

# Indonesia

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## Foreign Trade

U.S. exports of agricultural products rose 3% to US\$2.9 billion in 2014, reaching a new record high, but consumer ready exports from the U.S. dropped 3% to US\$577.8 million. Since the economic forecast is positive it is clear that imported food products in the form of raw materials, food ingredients and finished products should be able to grow and serve the growing modern retail and food service sectors as well as the food processing industry. Top 2014 processed food exports from the U.S. to Indonesia included milk powder; other processed foods; ingredients and beverage bases; whey protein; lactose and syrups; french fries; cheese; and cooked and prepared shellfish. Indonesia is the largest market in Southeast Asia for exports of U.S. agricultural products, importing over 25% of the regional total and remains the 8<sup>th</sup> largest market overall.

Although the volume and growth in U.S. agricultural exports may make Indonesia seem like a relatively easy market to access, that is not the case. There are numerous challenges in entering the market which include weak purchasing power of the majority of the population, poorly developed infrastructure, including ports and cold storage facilities outside of the main island of Java, and import regulations are often complex and nontransparent, thus requiring close business relationships with a local agent. Getting an import registration (ML) number for imported retail packaged food products is complicated, but required. Labels must be written in Indonesian and attached before entering Indonesia. Consumers tend to require smaller package sizes and importers tend to require smaller shipment sizes, making it difficult for some companies to ship to Indonesia.

### Best Product Prospects:

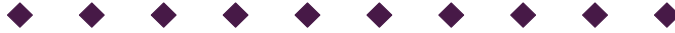
Fresh fruits demonstrate better growth potential than any U.S. product categories already present in the Indonesian market. U.S. processed fruit and vegetables products, as well as snack foods, have also shown growth. Some of the best-selling processed foods include frozen french fries, popcorn, corn chips, mixed fruit juices, frozen and canned vegetables, ice cream, raisins, jams, almonds, baking mixes, dressings, sauces, and seasonings. There are good opportunities for high-value U.S. items that are not yet imported in significant quantities. These include potato chips, breakfast cereals, baby foods, organic foods, and specialty

- *Indonesia is the most populous Southeast Asian nation and is the largest market in the region for U.S. agricultural exports, which totaled \$3 billion in fiscal year 2014.*
- *Indonesia ranks as the United States' eighth-largest market worldwide, with top U.S. agricultural exports including soybeans, wheat, cotton, dairy, and feeds and fodder.*
- *Opportunities exist for exporters to serve Indonesia's tourist market, Indonesia's aspirational time-sensitive urban population, and Indonesia's growing food processing industry.*

## ***We Are Here to Help***

*<http://www.foodexport.org>*

Exporting is an excellent way to increase sales. Without help, exporting is a complex business. Under the Food Export Association of the USA, a variety of programs and personal assistance with exporting is available. Everything is designed to help an interested company gain exporting knowledge and make it a smoother process. Thank you for expressing interest in exporting your Nebraska product.



### **Export Education**

Export Essentials Online: An educational introduction to the fundamentals and logistics of exporting. Through ten different modules, you will be guided through extensive information regarding your product and what exporting can do for your company.

### **Analyze Market Potential**

Market Builder: A customized package of services to help U.S. suppliers find the right market and buyer for their products through importer feedback on their products, competitive market research and importation analysis, distributor referrals and importer lists, and assistance with in-market meetings.

### **Export Assistance**

Food Export Helpline: A service which offers customized, one-on-one assistance on a wide variety of export-related topics. You'll speak with an industry expert who can help answer any questions such as, "Does my product have any potential in other countries?"

*"The representatives of Food Export-Midwest have always been a pleasure to work with and have been extremely helpful with any questions or claims that we have. Overall, this program has allowed us to expand our distribution coverage and increase sales over the past years." -Jennifer McDaniel of Premium Nutritional Products (August 2015)*

### **Enter New Markets**

Buyers Mission: Events that bring qualified, international buyers to the U.S. to meet face-to-face with U.S. producers. These events allow for potential business connections and feedback about a product's exporting future.

### **Trade Missions**

Food Show Plus: A tradeshow enhancement service that provides assistance to U.S. producers, aiding them in preparation for meetings with international buyers to create a more effective product presentation.

### **Increase Market Share**

The Branded Program: A program that helps your company, product, and brand gain exposure through international marketing. This program provides a 50% reimbursement of approved international marketing and promotion.

**For More Information Contact:**



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