

# International Export Markets Report

South West Group



June 2020



Chamber of Commerce  
and Industry WA

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# Introduction

Being one of the largest representative council bodies in Western Australia (WA), members of the South West Group (SWG) accounts for 188,400 local jobs, 32,200 local businesses and contributes over \$28 billion towards the Western Australian Gross State Product.

Businesses located within member councils of SWG have a relatively low export footprint of just over \$19m per year, compared with Gross Regional Product (GRP) of \$28 billion which justifies a focus on developing export readiness within the region.

The group's jurisdiction spans along the south west corridor of the metro area and includes the Cities of Cockburn, Fremantle, Kwinana, Rockingham, Melville and Town of East Fremantle.

This report sets out how businesses within SWG predominantly in the food and beverage, retail, manufacturing and creative arts industries may look to expanding their businesses into offshore markets.

# Background

Australia is a nation of exporters and innovators. Western Australia (WA) shares a time zone (+/- 2hrs) with 60 per cent of the population of emerging economies in Asia and has a competitive advantage in our location to these markets.

To facilitate a business' entry into the export market, we are of the view target countries with current Free Trade Agreements (FTAs) with Australia are a useful vehicle providing certainty, a smooth transition and tangible benefits.

An FTA is an international treaty which removes barriers to trade and facilitates stronger trade and commercial ties, contributing to increased economic integration between participating countries, either two participating countries (bilateral) or multiple participating countries (multilateral).

FTAs play an important role in supporting global trade liberalisation and are explicitly allowed for and supported under the World Trade Organisation (WTO) rules.

## Current Free Trade Agreements in force

- **Australia-China Free Trade Agreement (ChAFTA)** (ED 20/12/2015)
- **Australia-Japan Free Trade Agreement (JAEPA)** (ED 15/1/2015)
- **Australia- South Korea Free Trade Agreement (KAFTA)** (ED 12/12/2014)
- **Australia-United States Free Trade Agreement (AUSFTA)** (ED 01/01/2005)
- **Australia-Hong Kong Free Trade Agreement (AHKFTA)** (ED 17/01/2020)

- **Australia-Thailand Free Trade Agreement (TAFTA)** (ED 01/01/2005)
- **Australia-Singapore Free Trade Agreement (SAFTA)** (ED 28/07/2003)
- **AANZFTA** – Australia-ASEAN Free Trade Agreement is Australia's first multi-country FTA. The countries of ASEAN - Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam - belong to one of the most dynamic economic regions in the world. (ED 1/10/2015)
- **CPTPP** – The Comprehensive and Progressive Agreement for Trans-Pacific Partnership is a multilateral agreement (FTA) between Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, Peru, New Zealand, Singapore and Vietnam. (ED 30/12/2018)

## Free Trade Agreements Concluded – not yet in force

- **Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA)**
- **Pacific Agreement on Closer Economic Relations (PACER) Plus**

## Free Trade Agreements under negotiation

- **Australia-European Union Free Trade Agreement**
- **Australia-Gulf Cooperation Council (GCC) FTA**

- **Australia-India Comprehensive Economic Cooperation Agreement**
- **Pacific Alliance Free Trade Agreement**
- **Regional Comprehensive Economic Partnership**
- **Trade in Services Agreement**

## Benefits of Australia's Free Trade Agreements

Australia's free trade agreements contribute to greater economic activity, by providing:

- FTAs facilitate market entry for exporters by removing the barriers to trade i.e. addressing tariff charges and quotas; customs procedures; government procurement policies that favour domestic industry and intellectual property protection.
- Tariff reductions/eliminations that provide a competitive edge for our exporters.
- Safeguarding against the risk of protectionist policies in other countries.
- Greater economic integration with important trading partners.
- Greater access for Australian consumers and businesses to an increased range of goods and services at more competitive prices.

It is no coincidence that countries with which we have FTA's dominate our top list of destination countries for exports both nationally and at a local level.

The ecommerce market revenue in 2019 is worth USD\$1.8 trillion, up 13.3% from 2018 and expected to have a 10.4% annual growth

## Australia's Top 12 Export Markets

- |                |                   |
|----------------|-------------------|
| 1. China       | 8. Singapore      |
| 2. Japan       | 9. United Kingdom |
| 3. South Korea | 10. Taiwan        |
| 4. USA         | 11. Indonesia     |
| 5. India       | 12. Malaysia      |
| 6. Hong Kong   |                   |
| 7. New Zealand |                   |

## Western Australia's Top 10 Export Markets

- |                |               |
|----------------|---------------|
| 1. China       | 6. India      |
| 2. Japan       | 7. Thailand   |
| 3. South Korea | 8. Taiwan     |
| 4. Hong Kong   | 9. UAE        |
| 5. Singapore   | 10. Indonesia |

## Using Ecommerce

Ecommerce is the selling and buying of goods or service using the internet and includes the transfer of data and money to complete the transaction.

Cross border ecommerce is online international trade i.e. the seller and the buyer are in different countries, use different currencies and (possibly) different languages.

Worldwide, the ecommerce market revenue in 2019 is worth USD\$1.8 trillion, up 13.3% from 2018 and expected to have a 10.4% annual growth rate reaching USD\$2.6 trillion by 2023.

Western Australia has a competitive advantage in our location. With our

proximity to Asian markets along with direct flights, this enables our exporters to quickly fulfil orders to meet overseas consumer demand.

There are some challenges in selling your products internationally including differences in language, shipping and fulfilment, understanding import regulations or navigating an alternative marketplace to getting your products listed but it remains a useful vehicle to enter foreign markets.

### Convenience and Time Saving

Consumers are increasingly using ecommerce to shop from the comfort of their own homes and have the products delivered to their doorstep saving them both time and money. Ecommerce stores are open 24/7, 365 days of the year including holidays and with time being a valuable resource, it is much more convenient to the consumer to purchase products online. There are no hassles of rushing to the store before closing time, battling through crowds, queuing to make payment, chasing staff to make a query or travelling to multiple stores in multiple locations which can be time consuming.

### Broad Consumer Reach

Traditional retail is limited in reach to its local or regional area and has a comparatively smaller consumer base to ecommerce. With high rates of internet penetration and an increasing prevalence of electronic devices, ecommerce is reachable to a wider range of consumers not only nationally but internationally. User penetration rate 52.3% in 2019 and by 2023 will grow to 61.1%.

### Quick, Easy Payments

With ecommerce, various forms of payment can be made. Electronic or digital modes consists of credit cards, debit cards, net banking and digital wallets. In some cases, cash on delivery is also acceptable. These are all quick, easy, and hassle-free ways for consumers to pay.

### Discounts and Product Availability

Consumers can do online research, compare pricing and find the best deals online. Oftentimes, certain e-commerce platforms run promotions during holiday periods to entice consumers to spend. Traditional stores have limited space to display stock whereas e-commerce stores are able to showcase a variety of stock. Harder to find items are more easily located online than in offline stores saving consumers time. Ecommerce sites provide good customer service with a chat feature or direct call with customer support.

### Feedback and Product Reviews

Consumers who shop on e-commerce sites can leave product reviews and valuable real time feedback for business owners. Positive customer reviews can increase sales and builds confidence in new potential customers. A study conducted by Spiegel Research Centre indicated that 95% of shoppers read online comments before deciding to purchase products. Reviews from repeat customers also further build trust and credibility and loyalty to your company.

# Industry Sector Export Potential

## Food & Beverage Exports

### Primary Industries

### WA's Counter-Seasonal Advantage

Food manufacturing and processing from the agricultural industry contributes strongly to the economy.

WA has a competitive advantage for the export of fresh produce due to proximity to Asian countries in the northern hemisphere counter-seasonally. Our main southern hemisphere competitors are South Africa and Chile.

Below are examples of food products exported from WA that benefit from FTAs. Clearly exporters gain significant cost savings by utilising FTAs to reduce import duty rates applied to inbound produce by overseas authorities.

Benefits will vary on a case-by-case basis depending on the applicable FTA and commodity to be exported.

Country	Product (HS code)	Base Rate (no FTA)	JAEPa	CPTPP	Notes
Japan	Grapes (0806.10)	17%	7.7%	0%	Best to obtain CPTPP
	Rolled oats (1104.12)	12%	3%	8%	Best to obtain JAEPa
	Fresh, chilled beef carcasses (0201.10)	38.5%	28.8%	26.6%	Best to obtain CPTPP
Country	Product (HS code)	Base Rate (no FTA)	JAEPa	CPTPP	Notes
Malaysia	Watermelons (0807.11)	5%	0%	5%	Best to obtain MAFTA
	Live Swine <50kg (0103.91)	15%	0% Tariff quota: 159 heads	0% Tariff quota: 112 heads	15% tariff will apply to any imports after quota is filled

### Australian Onshore Compliance

Western Australian exporters should be aware of their obligations under Australian Law, the Export Control Act 1982 administered by the Department of Agriculture. Certain goods are prescribed (controlled) goods and require an export permit. For example, a meat export license is required for exporters of beef, goat or sheep meat. For more information, please refer to [www.agriculture.gov.au/export/from-australia](http://www.agriculture.gov.au/export/from-australia).

- Export License
- Registration of Export Premises
- Phytosanitary Inspections
- Labelling and Packaging
- Specialised Certification e.g. Halal
- Export Documentation

Goods requiring inspection and/or certification prior to export are listed on the right.

#### Prescribed Goods

- Dairy products
- Eggs and egg products
- Fish and Seafood products
- Fresh fruit and vegetables
- Grains and seeds
- Hay and straw
- Live animals
- Meat and meat products
- Organic produce e.g. Honey
- Plants and plant products



## Overseas Offshore Compliance

Exporters seeking to conduct trade internationally must understand and meet each country's commercial, legal and regulatory requirements to operate successfully.

- Import procedures – customs regulations
- Export documentation and FTAs
- Taxation and tariffs
- Currency conversion and payment terms
- Agency or distributorship arrangements and contracts
- Intellectual property rights (IP)
- Risks (political, legal taxation & other in-market risks)
- Insurance
- Freight and Logistics

### Routes to Markets

Depending on the regulations of the e-commerce platform being utilised, there are several methods a product can make its way to the final customer. Some platforms (i.e.

Amazon) provide full fulfilment of shipping and handling. This means a producer in Australia is responsible for the delivery of the goods to the warehouse of the platform. Once this is completed, the platform is responsible for the safe delivery of products to the customer.

Other platforms, such as Lelong in Malaysia, offer no fulfilment options. This means producers are responsible for the entire shipping process. Businesses in Australia will be responsible for exporting the product to the country in question and maintaining the quality of the product until it reaches the final customer.

### 3rd Party Deputy Purchasing Agents

Purchasing agents act as a middleman in the delivery of products from businesses to consumers. Their role includes acquiring items; that are difficult to find on standard e-commerce channels, unavailable for shipping to their country, or too expensive via available shipping methods. Purchasing agents can buy products in-store or online on behalf of the

end-user, and then send it to them via courier or airfreight, depending on the product. The following are an example of 3rd party purchasing agents in each respective country.

### Examples

#### **NaturaCart: [naturacart.com](https://naturacart.com)**

NaturaCart is a purchasing agent specialising in natural products and organic cosmetics, however also stocks, teas, powdered beverages and honey. Natura's role is to source trending brands that have not yet opened in Japan.

#### **Gan Teck Kar: [gtkfoods.com/](https://gtkfoods.com/)**

Gan Teck Kar was established in 1991 and specialises in supplying international food and beverages, Australian products included. The privately-owned company sources a variety of products including confectionary, cereals, dairy, beverages (both alcoholic and non), condiments, meat and seafood. Australian stock currently available to Malaysian consumers include meat, stocks and a variety of long-life milks. Gan Teck Kar's main role is importation of premium products and their distribution to consumers in both Malaysia and Singapore.

China is the second largest importer of food and beverages.  
Imported food and beverage reached A\$153 Billion in 2017

## Export Markets

### China

China is the second largest importer of food and beverages. Imported food and beverage reached A\$153 Billion in 2017. Australia is the 6th largest supplier of food and beverage to China. In recent years many Australian food sectors have seen double digit growth in China.

#### FTA

- Australia-China Free Trade Agreement (ChAFTA)

#### Industry Connections

- The Australia China Business Council [www.acbc.com.au/](http://www.acbc.com.au/)
- The Western Australian Chinese Chamber of Commerce Inc [www.waccc.com.au/](http://www.waccc.com.au/)
- AustCham Shanghai [www.austchamshanghai.com/](http://www.austchamshanghai.com/)
- Food and Agribusiness Growth Centre (FIAL) [fial.com.au/](http://fial.com.au/)
- Australian Institute of Food Science and Technology (AIFST) [www.aifst.asn.au/](http://www.aifst.asn.au/)
- Overseas Counsellors Network [www.agriculture.gov.au/market-access-trade/overseas-network](http://www.agriculture.gov.au/market-access-trade/overseas-network)

Trade Shows	Location	Month
NFBE International Food and Beverage Expo	Shanghai	April
AIFE (Asia International Import Food Expo)	Beijing	April
China International Green Food & Organic Food Expo	Beijing	April
China International Fisheries Expo	Xiamen	April
China Food and Drinks Fair	Chengdu	March
Bakery China	Shanghai	May
FBIE – Food & Beverage China Fair – Import & Export	Shanghai	May
Wine Expo	Shanghai	May
SIAL China	Shanghai	May
IFE China	Guangzhou	June
CIPFE	Guangzhou	September
FMA China	Guangzhou	September
FHC China	Shanghai	October
Expo Finefood Shanghai	Shanghai	March

**Note: Dates may be rescheduled due to Covid19.**

## Japan

Japan ranks as the third largest economy in the world and Australia's second largest trading partner. Direct flights from Perth to Japan now provide renewed opportunities for perishable and high value agri-foods/beverage products.

### FTA

- Australia-Japan Free Trade Agreement (JAEPA)
- CPTPP – The Comprehensive and Progressive Agreement for Trans-Pacific Partnership

### Industry Connections

- Japan External Trade Organization [www.jetro.go.jp/en/](http://www.jetro.go.jp/en/)
- Ministry of Agriculture, Forestry and Fisheries Japan [www.maff.go.jp/](http://www.maff.go.jp/)
- Australia Japan Business Co-operation Committee [www.ajbcc.asn.au/](http://www.ajbcc.asn.au/)

Trade Shows	Location	Month
Wine & Gourmet Japan	Tokyo	TBA
Foodex Japan	Chiba	TBA

**Note: Dates may be rescheduled due to Covid19.**

## Republic of Korea

Australian food exports to Korea were A\$2.6 billion in 2018, which was the fourth highest market share. Australia is positioned as a trusted supplier of quality agricultural products.

### FTA

- Australia- South Korea Free Trade Agreement (KAFTA)

### Industry Connections

- Animal and Plant Quarantine Agency (QIA) under MAFRA [www.qia.go.kr/listindexWebAction.do](http://www.qia.go.kr/listindexWebAction.do)
- Australian Government Department of Agriculture and Water Resources [www.agriculture.gov.au/](http://www.agriculture.gov.au/)
- Ministry of Food and Drug Safety [www.mfds.go.kr/index.do?mid=688&seq=34718](http://www.mfds.go.kr/index.do?mid=688&seq=34718)
- Ministry of Oceans and Fisheries [www.mof.go.kr/eng/index.do](http://www.mof.go.kr/eng/index.do)

Trade Shows	Location	Month
Seoul Food & Hotel 2020	Seoul	September
Busan International Food Expo	Busan	TBA
Busan International Seafood & Fisheries Expo	Busan	November
Seoul International Café Show	Seoul	November
Gwangju International Food Fair	Gwangju	November

**Note: Dates may be rescheduled due to Covid19.**

## Hong Kong

Hong Kong imports 95% of its food and beverages. The market is trending toward convenient foods that are high quality, healthy and sustainable. WA's competitive advantage is its brand: clean green and healthy (underpinned by strict biosecurity regulations).

### FTA

- Australia-Hong Kong Free Trade Agreement (AHKFTA)



### Industry Connections

- The Australian Chamber of Commerce in Hong Kong [www.austcham.com.hk/](http://www.austcham.com.hk/)
- Hong Kong Trade and Development Council [www.hktdc.com/](http://www.hktdc.com/)

Trade Shows	Location	Month
Vinexpo Hong Kong	Hong Kong	May
Hong Kong Food Expo	Hong Kong	August
Seafood Expo Asia	Hong Kong	September
Hong Kong Food Festival	Hong Kong	December

**Note: Dates may be rescheduled due to Covid19.**

### Singapore

Singapore relies heavily on food imports. Australia is one of the largest suppliers of food and beverage to Singapore. In 2016 Australia exported A\$1.2 billion worth of food and beverages to Singapore. There is a specific market for Australian wine, in 2016 Australian wine exports to Singapore were valued at A\$73 million.

#### FTA

- CPTPP – The Comprehensive and Progressive Agreement for Trans-Pacific Partnership

### Industry Connections

- Singapore Food Agency [www.sfa.gov.sg/](http://www.sfa.gov.sg/)
- Enterprise Singapore [www.enterprisesg.gov.sg/](http://www.enterprisesg.gov.sg/)

Trade Shows	Location	Month
FHA Food & Beverage Asia	Singapore	March
World Food Fair	Singapore	September
SBA – Sweets & Bakes Asia	Singapore	March
Prowine Asia – Singapore	Singapore	March

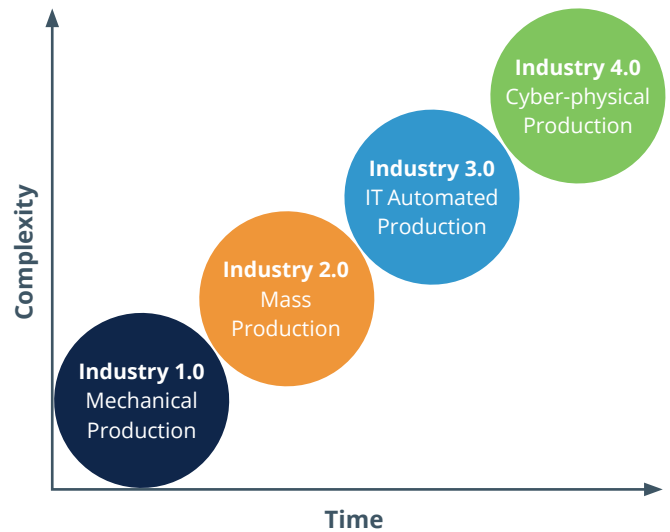
**Note: Dates may be rescheduled due to Covid19.**

# Manufacturing and Engineering

## METS, Technology and Advanced Manufacturing

Manufacturing is a vital part of the Australian economy. It is Australia's seventh largest industry for employment and sixth largest for output. It accounts for 11% of annual export earnings and has the highest business expenditure on Research & Development (BERD) of any industry. It employs close to one million people across 47,530 employing companies.

A PWC report: Transforming Australian Manufacturing – Preparing Businesses and Workplaces for Industry 4.0, stipulates that the fourth industrial revolution will bring with it the addition of end to end digitalisation and data integration offering automation, machine to machine and human to machine communication as well as rapid technological improvements and full scale digitilisation in manufacturing.

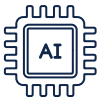


### Examples of Industry 4.0 Technologies and Processes



#### Industrial Internet of Things (IIoT)

Embedded technology for machines to communicate, record and interact with the external environment using the Internet as a means of communication.



#### Artificial Intelligence (AI)

Increased autonomy in machinery.



#### Augmented and Virtual Reality

Information and images overlayed onto real images.



#### Automation

Use of machines to undertake tasks once performed by humans.



#### Big Data Analytics

Powerful technology able to examine large data to reveal insights.



#### 3D Printing (additive manufacturing)

Production of solid objects from a digital model to enable rapid prototyping and custom creation of products.

Examples of manufacturing technologies set for growth and increased adoption in the future. Source: PwC

Western Australia's 350 METS companies account for 26 per cent, or around \$23 billion of Australia's total METS sector. Several Western Australian companies such as Ausdrill, acQuire Technology Solutions and Micromine are world leaders.

Exporting is key to the future of the sector and METS Ignited has worked to foster even higher levels of export within the industry. Austrade and Mets Ignited, jointly run the METStech Passport, in partnership with Expande, in collaboration with Fundacion Chile.

For information on METS projects, engagement and industry opportunities, visit [metsignited.org/](https://metsignited.org/)



## Export Markets

- China
- Fiji
- Philippines
- Singapore
- United States of America

### Industry Connections

- Innovative Manufacturing Cooperative Research Centre (IMCRC) [www.imcrc.org/](http://www.imcrc.org/)
- SAE International [www.sae.org/](http://www.sae.org/)
- Entrepreneurs' Program [www.business.gov.au/Grants-and-Programs/Entrepreneurs-Programme](http://www.business.gov.au/Grants-and-Programs/Entrepreneurs-Programme)
- Advanced Manufacturing Growth Centre (AMGC) [www.amgc.org.au/](http://www.amgc.org.au/)
- Medical Technologies & Pharmaceuticals Growth Centre (MTP Connect) [www.mtpconnect.org.au/](http://www.mtpconnect.org.au/)
- Australian Advanced Manufacturing Council [www.aamc.org.au/](http://www.aamc.org.au/)
- Austmine Ltd [www.austmine.com.au/](http://www.austmine.com.au/)
- Geoscience Australia [www.ga.gov.au/](http://www.ga.gov.au/)
- METS Ignited [metsignited.org/](http://metsignited.org/)

## Advanced Manufacturing & Engineering

Trade Shows	Location	Month
Tradefest	Shanghai	April
Globally	Monthly	April
Digital Manufacturing Week	Liverpool, UK	October
Hannover Messe - IAMD	Hannover, Germany	April
India Manufacturing Technology Show	Gandhinagar, India	September
Asiamold	Guangzhou, China	February
Viva Technology	France	November
Expo Food Technology	Lima, Peru	July

### METS and Technology

Trade Shows	Location	Month
Exponor	Antofagasta, Chile	May
MiningWorld Russia	Moscow, Russia	October
IMARC	Melbourne, Australia	October
MiningTech South America	Santiago, Chile	April
Geofluid	Piacenza, Italy	September
Asia Pacific Int Mining Exhibition (AIMEX)	Sydney, Australia	August
MINExpo International	Las Vegas, USA	September

**Note: Dates may be rescheduled due to Covid19.**



## Retail & Distribution Exports

### Apparel, Fashion, Textiles and Cosmetics

With a wide range of internationally successful companies, Australian textile and apparel businesses are familiar with the challenges of operating in a global industry valued at US\$3 trillion.

Some examples of internationally successful Australian fashion companies include Cotton On Group (Cotton On, Supre, Ruby and Factorie); Specialty Fashion Group (Millers, Crossroads, Katies, Rivers, City Chic); Country Road Group (Country Road, Mimco, Politix, Trenery and Witchery) and Premier Investments (Smiggle, Just Jeans, Portmans, Peter Alexander, Dotti, and Jacquie-E).

The industry is poised for a dynamic period ahead with increased demand from the growing middle-class of Asian markets, significant growth in e-commerce globally, improvements in textile technology, innovative fabrics and world-class education capabilities.

# Export Markets

## China

Mid-to-high-income earners in China have increasingly become interested in renowned fashion labels, fashion items of fine quality, trendy styles and more unique, innovative or niche pieces of fashion or apparel. This provides Australian fashion labels and the more boutique, creative lifestyle designers with opportunities and potential to gain access in the Chinese market.

Australia is recognised by local consumers as having a clean and green environment with good quality products and brands. Some Australian exporters have already taken advantage of this competitive edge and are established suppliers of skincare, baby care and hair care products.

### FTA

- Australia-China Free Trade Agreement (ChAFTA)

### Industry Connections

- The Australia China Business Council [www.acbc.com.au/](http://www.acbc.com.au/)
- The Western Australian Chinese Chamber of Commerce Inc [www.waccc.com.au/](http://www.waccc.com.au/)
- AustCham Shanghai [www.austchamshanghai.com/](http://www.austchamshanghai.com/)

Trade Shows	Location	Month
Canton Fair	China	June
Intertextile Shenzhen Apparel Fabrics	China	July
China International Fashion Fair	China	March & Sept
ISPO Shanghai	China	July

**Note: Dates may be rescheduled due to Covid19.**

## Philippines

The Philippines is a key market for global retail brands. Australian fashion labels have a niche in the Philippines with several brands active in that market. Australian fashion used to be synonymous with just swimwear. However, Australia has gained recognition in the market as a supplier of trendy, unique, high quality and affordable street clothes and party wear as well as fashion swimwear. By way of market entry, Australian brands/labels have partnered with Filipino companies to facilitate brand building, marketing and distribution.

Social media is widely used, hence the importance of visual marketing material on company websites and social media platforms. The ecommerce platform, Instagram shops, is a popular online shopping platform in the Philippines. It caters to consumers who shop for cheaper pricing over the quality of the product.

To gain market entry for cosmetic products, partnering with a local distributor will facilitate the onshore product registration, importing requirements and customs regulations, as well as the branding and marketing. For further information visit [aseancosmetics.org/asean-cosmetics-directive/](http://aseancosmetics.org/asean-cosmetics-directive/)

The following onshore requirements must be adhered to for cosmetic products entering the Philippines:

1. All cosmetic products must be registered with the Food and Drug Administration (FDA), Philippines.
2. A Certificate of Goods Manufacturing Practice issued by a Government Health Agency and authenticated by the Territorial Philippine Consulate.
3. Products containing active or restricted ingredients must be registered.

### FTA

- Australia-ASEAN Free Trade Agreement (AANZFTA)

## Industry Connections

- Philippine Retailers Association [www.philretailers.com/](http://www.philretailers.com/)
- Department of Trade & Industry-Export Marketing Bureau  
[www.genglobal.org/department-trade-and-industry-export-marketing-bureau](http://www.genglobal.org/department-trade-and-industry-export-marketing-bureau)
- Chamber of Cosmetics Industries of the Philippines [ccphilippinesinc.com/](http://ccphilippinesinc.com/)
- ASEAN Cosmetics Association [aseancosmetics.org/asean-cosmetics-directive/](http://aseancosmetics.org/asean-cosmetics-directive/)

Trade Shows	Location	Month
Global Entrepreneurship Congress	Riyadh	October
Philbeauty Pasay	Philippines	June
Philippine Garment & Fashion Expo	Philippines	July

**Note: Dates may be rescheduled due to Covid19.**

## Thailand

The personal care and personal effects sector is one of the more prominent in Thailand, with demand increasing from a population entering higher paying service sectors within cities and becoming increasingly image-conscious; the rise of Thai women entering the workforce with enhanced discretionary spending ability, and a large, buoyant tourism sector.

Thai spending on personal care and personal effects is forecasted to rise from THB 489.8 billion (\$A 19.2b) in 2017 to THB 648 billion (A\$ 25.4b) in 2021. This 7.3 per cent per year growth is the fastest of any household spending category in the region.

E-commerce platforms and the emergence of multi-brand retail chains has changed the way Thais source personal care and beauty products. The Thais are digital-savvy, users of social media and online shopping platforms.

There is opportunity for WA exporters to export the following products:

- herbal, natural and organic products with multifunctional benefits
- dermocosmetics
- anti-ageing solutions
- senior wellbeing products
- maternity and baby care products

## FTA

- Australia-ASEAN Free Trade Agreement (AANZFTA)
- Thailand-Australia Free Trade Agreement (TAFTA)

## Industry Connections

- The Thailand Board of Investment [www.boi.go.th/en/index/](http://www.boi.go.th/en/index/)
- Australian-Thai Chamber of Commerce [www.austchamthailand.com/](http://www.austchamthailand.com/)
- Australia Thailand Business Council [www.aust-thai.org.au/](http://www.aust-thai.org.au/)

Trade Shows	Location	Month
Bangkok International Fashion Fair (BIFF)	Thailand	October
Bangkok International Leather Fair (BIL)	Thailand	October
Cosmoprof CBE ASEAN	Thailand	September
In-Cosmetics Asia	Thailand	November

**Note: Dates may be rescheduled due to Covid19.**

# Opposing seasons between Hong Kong and Australia provide WA exporters with an opportunity to increase sales in Hong Kong

## Hong Kong

Hong Kong is a net importer of almost all consumer products and the leading regional international shopping hub for North Asia. As a fashion capital, Hong Kong is a trendsetter, with high-end consumers seeking unique, quality designs. Opportunity exists for Australian consumer products, including beauty and health, fashion, and lifestyle products in this market. The city has low trade barriers and is accessible to a variety of international goods.

Ecommerce is growing with Hong Kong with shoppers doing online research ahead of visiting retail outlets. Importers and retailers in Hong Kong will often seek exclusivity to secure brand/product uniqueness to avoid price competition.

Comparable to WA's counter seasonal advantage in the food and beverage sector, opposing seasons between Hong Kong and Australia provide WA exporters with an opportunity to increase sales in Hong Kong with trans-seasonal rather than season-specific clothing and apparel.

Consumers are increasingly seeking safe, high quality and organic skin care and cosmetic products. With Australia's reputation as a clean, green, ethical producer, the opportunity exists for WA exporters to leverage this advantage.

The following skin care products are in high demand:

- anti-ageing products
- skin-whitening products
- sun-protection products
- natural colour cosmetics and mineral make up
- natural or organic functional hair care products
- men's grooming products.

## FTA

- Australia-Hong Kong Free Trade Agreement (AHKFTA)

## Industry Connections

- Hong Kong-Australia Business Association [www.hkaba.com.au/](http://www.hkaba.com.au/)
- The Australian Chamber of Commerce in Hong Kong [www.austcham.com.hk/](http://www.austcham.com.hk/)
- Hong Kong Apparel Society [www.hkapparel.com.hk/](http://www.hkapparel.com.hk/)
- Hong Kong Fashion Designers Association [www.hkfda.org/](http://www.hkfda.org/)
- Hong Kong Research Institute of Textiles & Apparel [www.hkrita.com/home.php](http://www.hkrita.com/home.php)

Trade Shows	Location	Month
Cosmoprof Asia	Hong Kong	November
Natural and Organic Products Asia	Hong Kong	November
HKTDC Hong Kong Fashion Week for Fall/Winter	Hong Kong	July
StartmeupHK Festival	Hong Kong	April
Melbourne Fashion Festival	Australia	August

**Note: Dates may be rescheduled due to Covid19.**



# Creative Industry Exports

## Tourism, Events and Creative Industries

The Australian creative industries sector boasts:

- Industry growth driven by the digital revolution and demand for digital and design services across the whole economy.
- More than 611,000 employed in the creative industry sector.
- 122,564 registered businesses in Australia, earning \$3.2 billion from exports.

## Art

International engagement with Australian arts is an important source of revenue through sales, royalties and copyright. This can be difficult to measure across the sector because different art forms have different ways of generating international revenue.

Over one million international tourists attended festivals, fairs and cultural events in 2017, an increase of 61% since 2013.

## Industry Connections

International Federation of Arts Council and Culture Agencies (IFACCA) [ifacca.org/en/](http://ifacca.org/en/)

Council of Australian Museum Directors [camd.org.au/](http://camd.org.au/)

Australian Council for the Arts [www.australiacouncil.gov.au/](http://www.australiacouncil.gov.au/)

Tourism Council Western Australia [www.tourismcouncilwa.com.au/](http://www.tourismcouncilwa.com.au/)

Western Australia Gourmet Escape [gourmetescape.com.au](http://gourmetescape.com.au)

Over one million international tourists attended festivals, fairs and cultural events in 2017, an increase of 61% since 2013

## Export Markets

Importers	Imported value in 2014	Imported value in 2015	Imported value in 2016	Imported value in 2017	Imported value in 2018
World	15,132,146	19,001,122	14,505,194	15,010,566	18,804,482
United States of America	6,111,337	8,573,652	6,703,126	7,280,302	8,036,490
Hong Kong, China	942,814	1,797,598	913,326	814,733	2,348,200
United Kingdom	3,492,173	4,096,692	2,147,370	1,837,941	2,069,534
Switzerland	1,292,110	1,569,415	1,335,491	1,333,617	1,827,524
United Arab Emirates	90,750	58,184	90,937	602,699	1,196,110
France	868,940	423,868	350,101	519,425	522,144
Japan	231,338	294,615	313,476	462,396	433,266
Germany	519,402	269,811	270,072	249,378	336,659
Korea, Republic of	65,899	117,876	266,050	268,977	326,515
Singapore	180,947	199,197	412,050	571,591	230,174
Canada	149,107	227,040	142,162	96,187	145,099
Austria	128,430	124,696	140,886	127,225	136,358
Italy	63,135	67,977	49,939	67,934	124,891
Netherlands	45,427	82,990	64,719	61,718	105,915
Luxembourg	9,797	1,739	84,338	16,216	95,948
Belgium	102,480	82,525	65,250	78,921	88,691
China	148,667	132,411	177,064	25,677	86,589

Source: Trade Map, International Trade Centre

The above table of export markets is reflected in the tables below showing the value of the art products imported by each region, Asia, America, European Union (incl. UK) and Middle East from 2015 to 2019.

## Asia

Unit: US Dollar thousand

HS Code	Product label	Imported value in 2015	Imported value in 2016	Imported value in 2017	Imported value in 2018	Imported value in 2019
9701	Paintings, e.g. oil paintings, water colours and pastels, and drawings	2,830,924	2,506,031	2,947,491	4,854,625	5,394,960
9706	Antiques of > 100 years old	711,098	942,467	736,762	715,187	1,225,844
9703	Original sculptures and statuary in any material	574,438	571,409	439,418	744,499	764,166
9705	Collections and collector's pieces of zoological, botanical, mineralogical, anatomical, historical...	155,311	164,541	149,649	176,091	233,214
9702	Original engravings, prints and lithographs	22,604	39,461	31,570	34,886	119,248
9704	Postage or revenue stamps, stamp-postmarks, first-day covers, postal stationery, stamped paper...	15,063	13,929	7,943	14,799	13,007

## America

Unit: US Dollar thousand

HS Code	Product label	Imported value in 2015	Imported value in 2016	Imported value in 2017	Imported value in 2018	Imported value in 2019
9701	Paintings, e.g. oil paintings, water colours and pastels, and drawings	9,135,657	7,152,429	7,440,664	8,286,663	8,152,223
9703	Original sculptures and statuary, in any material	1,335,170	1,375,870	1,305,383	1,933,979	1,700,220
9706	Antiques of > 100 years old	1,368,624	1,336,606	1,270,610	1,355,881	1,624,894
9705	Collections and collector's pieces of zoological, botanical, mineralogical, anatomical, historical	369,405	397,695	347,014	378,610	538,574
9702	Original engravings, prints and lithographs	185,394	203,941	341,898	243,217	193,064
9704	Postage or revenue stamps, stamp-postmarks, first-day covers, postal stationery, stamped paper	11,656	31,617	10,522	23,964	22,463

## European Union (EU28)

Unit: US Dollar thousand

HS Code	Product label	Imported value in 2015	Imported value in 2016	Imported value in 2017	Imported value in 2018	Imported value in 2019
9701	Paintings, e.g. oil paintings, water colours and pastels, and drawings	5,260,132	3,313,520	3,101,308	3,637,242	3,470,732
9705	Collections and collector's pieces of zoological, botanical, mineralogical, anatomical, historical...	1,402,046	1,367,733	1,240,205	1,151,342	990,612
9703	Original sculptures and statuary, in any material	1,037,425	793,288	662,876	805,292	795,763
9706	Antiques of > 100 years old	918,095	614,944	358,475	558,646	448,776
9702	Original engravings, prints and lithographs	176,486	109,403	87,313	130,105	116,133
9704	Postage or revenue stamps, stamp-postmarks, first-day covers, postal stationery, stamped paper...	53,151	47,062	50,302	41,583	40,253

## Middle East

Unit: US Dollar thousand

HS Code	Product label	Imported value in 2015	Imported value in 2016	Imported value in 2017	Imported value in 2018	Imported value in 2019
9701	Paintings, e.g. oil paintings, water colours and pastels, and drawings	173,823	164,056	698,480	1,306,586	190,737
9706	Antiques of > 100 years old	11,827	34,979	27,535	42,331	79,287
9705	Collections and collector's pieces of zoological, botanical, mineralogical, anatomical, historical...	7,062	7,937	10,177	47,048	72,979
9703	Original sculptures and statuary, in any material	60,337	35,521	40,945	75,932	66,595
9702	Original engravings, prints and lithographs	3,210	2,514	3,279	2,533	7,999
9704	Postage or revenue stamps, stamp-postmarks, first-day covers, postal stationery, stamped paper...	202	283	358	470	539

Creative industries in Taiwan are thriving due to increased government support and a growing interest in the arts and culture sector amongst the people

Trade Shows	Location	Month
Affordable Art Fair	Melbourne	September
Art Basel	Hong Kong, Miami	September
The Other Art Fair	London, Sydney, Brooklyn	June - Sept
Art Stage Singapore	Singapore	January
Shanghai International Art Fair	China	November
Olympia International Art and Antiques Fair	UK	June
World Art Dubai	Dubai	October
Sharjah Stamp Exhibition	Sharjah	November

**Note: Dates may be rescheduled due to Covid19.**

## Taiwan

Creative industries in Taiwan are thriving due to increased government support and a growing interest in the arts and culture sector amongst the people.

The Australian visual arts sector has niche opportunities in Taiwan, particularly in contemporary video work, photography and painting. Taiwanese collectors are increasingly searching for international artists, with many young collector's keen to acquire new and affordable works both domestically and internationally. The awareness and interest of Australian contemporary and indigenous art in Taiwan has increased steadily through several international exhibitions and galleries' participation in key art fairs, highlighting the innovation and talent of Australian artists.

### Industry Connections

- The Australian Commercial Galleries Association [www.acga.com.au/](http://www.acga.com.au/)
- Taiwan Art Gallery Association [www.aga.org.tw/en/home/](http://www.aga.org.tw/en/home/)
- The Ministry of Culture of Taiwan [www.moc.gov.tw/en/](http://www.moc.gov.tw/en/)

Trade Shows	Location	Month
Art Taipei	Taiwan	October
Kaohsiung Spring Arts Festival	Taiwan	May - July
Taiwan International Festival of Arts	Taiwan	July
Taipei International Book Exhibition	Taiwan	May

**Note: Dates may be rescheduled due to Covid19.**

### Export Permit

*A permit is needed to take significant cultural material out of Australia. We regulate the export of cultural material under the Protection of Movable Cultural Heritage Act 1986. You may need a permit to export some works of fine or decorative art from Australia.*



## Software

The virtual Reality (VR) and augmented reality (AR) industry has grown exponentially with Asia having the highest T growth rate in this sector. Australia is recognised for its AR/VR creativity and quality graphics, evidenced in the visual effects our digital studios produced for movies like The Matrix. Apart from gaming and film making AR and VR technologies are used in training, education, tourism, publishing, entertainment, real estate and designers. An example in training, the learner uses virtual reality goggles which allows them to become deeply immersed in the training environment.

For companies exporting VR or AR content, Austrade advises them to ensure that it is culturally appropriate and meets local regulations. For further information on North Asia's regulations and restrictions visit [www.austrade.gov.au/](http://www.austrade.gov.au/)

### Industry Connections

- Australian Information Industry Association [www.aiia.com.au/](http://www.aiia.com.au/)
- Australian Business Software Industry Association [www.absia.asn.au/](http://www.absia.asn.au/)
- Software and Information Industry Association [www.siiia.net/](http://www.siiia.net/)
- VR AR Association [www.thevrara.com/industry-committees](http://www.thevrara.com/industry-committees)
- Arts Hub [www.artshub.com.au/](http://www.artshub.com.au/)

Trade Shows	Location	Month
Seoul VR AR Expo	Korea	April
Asia VR AR Fair	China	August
VR/AR Global Summit 2020	Online/Vancouver/Lisbon	June
Tribeca Film Festival	New York, USA	April
XR Europe	London, UK	April
XR Immersive Enterprise 2020	Boston , USA	May

**Note: Dates may be rescheduled due to Covid19.**



## Software Importers

Importers	Imported value in 2014	Imported value in 2015	Imported value in 2016	Imported value in 2017
Austria	846,456	773,020	851,737	988,283
Bulgaria	78,939	75,155	69,690	91,622
Cyprus	551,921			102,547
Czech Republic	207,871	183,422	226,206	245,170
Finland		504,625	536,484	597,252
Germany	4,522,835	4,526,102	5,905,744	6,285,797
Ireland	805,327	1,215,537	1,492,199	3,735,643
Israel	432,000	431,100	443,000	807,800
Korea, Republic of	133,700	596,400	368,900	424,400
Lithuania	73,899	55,786		144,693
Romania	733,061	727,681	814,408	1,167,428
Lithuania	73,899	55,786		144,693
Romania	733,061	727,681	814,408	1,167,428

Source: Trade Map, International Trade Centre



# Conclusion

## Summary

- Understand E-commerce Fundamentals
  - Creating a seamless customer experience from branding and website design to shipping is a fundamental of e-commerce
  - Understand the chosen online platform e.g. product listing fee, commission on sales.
- Know Target Market
  - Visit your target markets - go to trade shows; meet distributors; food retailers; service providers who can advise & provide in-country insights.
  - Research your market to understand culture, languages, colour preferences, packaging preferences, labelling (language), purchasing preferences and prices.
- Intellectual Property (IP)
  - Understand how to protect your IP within your target market  
**[www.ipaustralia.gov.au/understanding-ip/taking-your-ip-global](http://www.ipaustralia.gov.au/understanding-ip/taking-your-ip-global)**
- Onshore and Offshore Regulations
  - Check your export requirements in Australia:
  - MICoR **[www.agriculture.gov.au/export/from-australia](http://www.agriculture.gov.au/export/from-australia)**
- Certification of your product e.g. phytosanitary or Halal certification
- Cold chain logistics; direct shipping or third-party logistics (3PL)
- FTAs - customs, duties and taxes
- Certificate of Origin

# Next Steps For Businesses

- Export for the right reasons.
- Do your market research. Market research involves finding out about the things you need to know such as import regulations, competitors, distribution channels, market size and growth and local production.
- Export commitment throughout your business. Ensure all stakeholders have buy-in.
- Prepare a budget and explore funding options. An export budget should cover all the costs you are likely to incur when marketing your product or services offshore.
- Settle on a marketing pitch. Decide on a narrative for your product.
- Develop an Export Marketing Plan.
- Bring export experience on board or know where to source it externally.
- Be prepared to start small and over deliver.

## Further Assistance

Further assistance for potential exporters can be found at the following:

- Export Market Development Grants (EMDG) [www.austrade.gov.au/Australian/Export/Export-Grants](http://www.austrade.gov.au/Australian/Export/Export-Grants)
- AusIndustry Entrepreneur Program [www.business.gov.au/assistance/entrepreneurs-programme](http://www.business.gov.au/assistance/entrepreneurs-programme)
- EFA (financing for export projects) [www.exportfinance.gov.au/](http://www.exportfinance.gov.au/)
- Austrade TradeStart Offices [www.austrade.gov.au/](http://www.austrade.gov.au/)
- WA State Development Support Offices [www.jtsi.wa.gov.au](http://www.jtsi.wa.gov.au)
- Department of Primary Industry & Regional Development [www.dpir.wa.gov.au](http://www.dpir.wa.gov.au)
- Department of Foreign Affairs and Trade: For full texts of the FTAs, tariff schedules and export advice [www.dfat.gov.au](http://www.dfat.gov.au)
- Small Business Development Corporation [www.smallbusiness.wa.gov.au/business-advice/exporting-and-importing/exporting](http://www.smallbusiness.wa.gov.au/business-advice/exporting-and-importing/exporting)
- CCIWA [www.cciwa.com](http://www.cciwa.com)
- South West Group [www.southwestgroup.com.au](http://www.southwestgroup.com.au)

## References

Australian Trade and Investment Commission (Austrade)

Australian Council for the Arts

Arts Hub Australia Pty Ltd

Committee for Economic development of Australia (CEDA)

Department of Foreign Affairs and Trade (DFAT)

Department of Primary Industries and Regional Development (DPIRD)

Department of Jobs, Tourism, Science and Innovation (JTSI)

International Data Corporation (IDC)

Mets Ignited Australia Ltd

PricewaterhouseCoopers (PwC)

Trade Map, International Trade Centre



