

Food and Agribusiness

A Roadmap for unlocking value-adding growth opportunities for Australia

SUMMARY

CSIRO FUTURES

CSIRO Futures is the strategic advisory arm of Australia's national science agency.



Megatrends: How is the sector changing?

A LESS PREDICTABLE PLANET

Supply of limited resources is being further constrained by more severe and unpredictable climate events and more potent microbes, pests and diseases – causing food producers to more seriously consider the environmental life cycle impact of food production activities.

HEALTH ON THE MIND

An aging population, rising levels of chronic disease and increasing social awareness around health and wellbeing are creating demand for foods that provide specific and holistic health outcomes.

CHOOZY CUSTOMERS

Rising wealth, increasing choice and greater market access are driving demand for a more diverse range of foods and food service options that are tailored to individual preferences and lifestyles.

ONE WORLD

As food and beverage value chains become increasingly global, new market opportunities are created while at the same time introducing competition and supply resilience risks in a volatile world.

SMARTER FOOD CHAINS

Increasing demand for food, the use of big data and more sophisticated e-commerce platforms are driving the creation of leaner, faster, more agile and low waste value chains.

What challenges do we face?

The increasing pace of change creates global opportunities. The food and agribusiness sector is a vital contributor to the Australian economy and presents a key source of growth for the nation, however this growth cannot be sustained through productivity improvements alone. Businesses – and the sector overall – must focus on developing and marketing more unique offerings that address or avoid our disadvantages.

Australia's challenges include:

- a national brand that lacks uniqueness
- disparity between 'clean and green' perception and performance
- an extensive list of accreditation schemes
- a disconnect between producers and processors
- a small and geographically dispersed domestic market.

Australia's clean and green brand is well regarded but is not unique and is poorly differentiated.





How can the sector grow?

Through extensive industry and research consultation, the Roadmap identified a number of growth opportunities and enablers:

1

Products for health and wellbeing

The ageing population, increases in nutritional literacy and rising affluence across Asia will see these regions increasingly experience the same chronic illnesses burdening western societies today. Many of these illnesses can be treated and even prevented through nutritional solutions such as fortified and functional foods, personalised diets and supplements.

2

Recovery of novel products from waste streams

Climate change continues to place additional pressure on the water-energy-food nexus and consumers are increasingly demanding sustainably made products. With over one third of food produced in the world getting lost or wasted, there are many opportunities to use by-products and out-of-spec products for higher value uses.

3

Provenance for premium quality produce

Rising product fraud, non-linear value chains and increasing requirements from overseas customers for authenticity and transparency are driving the demand for increased traceability and authenticated provenance claims. With Australia's need to sell our premium brand, investing in provenance authenticating technology like blockchain is a must.

4

Food safety and biosecurity

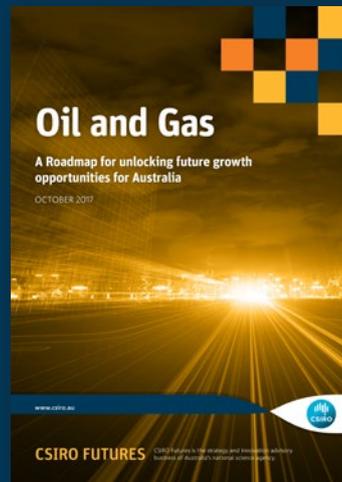
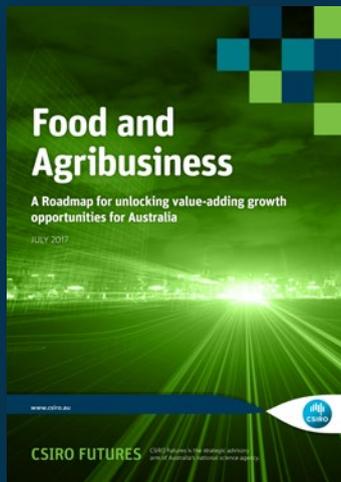
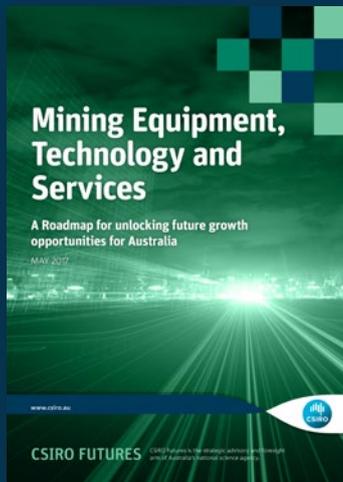
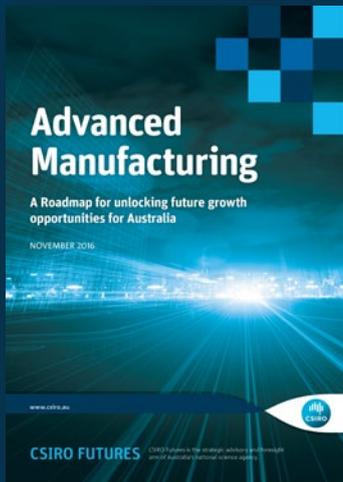
In many Asian markets, highly publicised food scares and an overall distrust in the safety and authenticity of local products is driving the growing consumer groups in middle and high income demographics to seek imported foods and beverages. Advanced packaging, new processing techniques and biosensing technologies can all address these concerns and better unlock these markets.

5

Market intelligence capabilities

There is a significant lack of market intelligence – and related market scanning research skills – within Australian food and agribusiness SMEs. Businesses must unpack the hundreds of unique markets within Asia before tailoring their products for markets that best fit with the business's strengths.

Read more in the full report:
www.csiro.au/
Food-and-Agribusiness



CSIRO FUTURES

CSIRO Futures is the strategic advisory arm of Australia's national science agency. We work with senior decision makers in Australia's largest companies – and government – to help them translate science into strategy and plan for an uncertain future. We build on CSIRO's deep research expertise to help our clients create sustainable growth and competitive advantage by harnessing science, technology and innovation.

CSIRO AGRICULTURE AND FOOD

CSIRO Agriculture and Food is transforming productivity, profitability and sustainability in Australia's food and fibre industries and is a leader in the global response to food and nutritional security.

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