



Increased tourism and a growing hospitality sector, coupled with a greater focus on healthy eating, will provide opportunities for premium food and agriculture exports to Saudi Arabia over the medium term.

## Saudi Arabia market overview

- > Saudi Arabia has a population of 35.5 million. GDP is expected to grow by 5% in 2022 (0.3% higher than the G20 average). Population, urbanisation, discretionary spending, and the prevalence of hyper/supermarkets selling high quality food products are increasing in Saudi Arabia.
- > Saudi Arabia is a growing market with a rising middle class. Many residents have spent time abroad and have developed a taste for Western-style foods.
- > Saudi Arabia is seeking to diversify its economy, including expanding its hospitality and tourism sectors. This will increase the demand for premium food products.

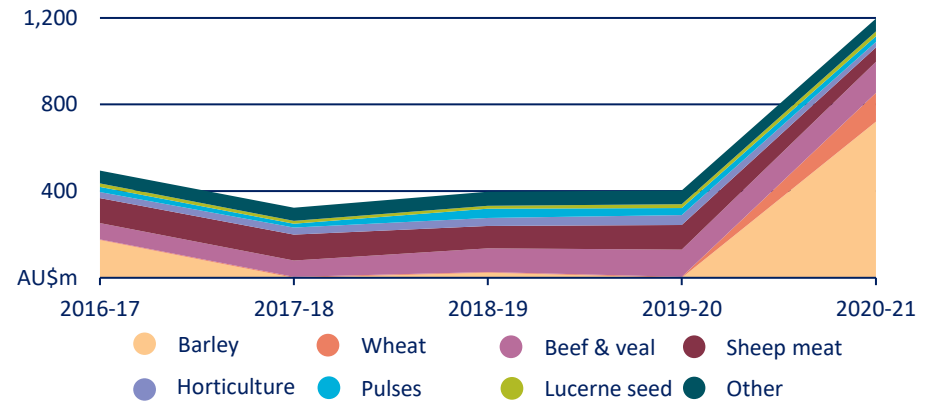
## Saudi Arabian food and agriculture imports

- > In 2020, Saudi Arabia imported US\$20.6b (AU\$27.5b) of food and agricultural products. Saudi Arabia's climate means that imports are important for domestic food security.
- > In 2020–21, Australia exported AU\$1.2b of food and agricultural products to Saudi Arabia, 204% more than in 2019–20. This was due to increased barley and wheat exports – mostly for animal feed.
- > In 2020–21, Saudi Arabia was Australia's largest agricultural export market in the Middle East and, over the past 5 years, the second largest after the United Arab Emirates.

## Saudi Arabian food and agricultural product imports from the world in 2020



## Australian food and agricultural product exports to Saudi Arabia



## Outlook for Australian food and agriculture exports to Saudi Arabia

- > Saudi Arabia is a promising but complex market.
- > Halal accreditation is the primary consideration for most consumers. Many consumers are also price sensitive.
- > Consumer preference for high quality food with health benefits is increasing. Organic (fresh or processed) and vegan food are increasingly popular.
- > There is ongoing strong demand for Australian feed grains, particularly wheat and barley. However, in most cases, prices in Saudi Arabia are below the global average.
- > There is increasing interest in Australian horticulture, including avocado, peaches and nectarines, cherries and citrus. Saudi Arabia is an attractive market for most fruit.
- > Salmon is growing in popularity. The value of Saudi salmon grew by 16% in 2020 (relative to the 2017 to 2019 average).
- > Saudi Arabian nut consumption, especially almonds, macadamias and walnuts, has increased. Nuts are seen as a premium product with positive health benefits.