

Market brief Indonesia



Financial year 2023/24

Global exports to Indonesia

Rank #6 in the global dairy market (by volume).

Destination for over 540,000 tonnes of dairy product, worth over US\$1.4 billion (in 2023/24).

Exports to Indonesia have increased by 5% over five years (2019/20–2023/24).

The biggest volume growth (product categories exceeding US\$20 million) has been in:

- Whole Milk Powder (56%)
- Butter (25%)
- Whey Powder (14%).

The biggest volume decline (product categories exceeding US\$20 million) has been in:

- Lactose (–32%)
- Infant Powder (–21%).

Australian market share

Rank #4 in the share of Indonesia import volume.

Destination for over 56,000 tonnes of Australian dairy product, worth US\$167 million (in 2023/24).

Exports to Indonesia have increased by 35% over five years (2019/20 – 2023/24).

The biggest volume growth (product categories exceeding US\$1 million) has been in:

- Whole Milk Powder (94390%)
- Milk (146%)
- Condensed Milk (128%).

The biggest volume decline (product categories exceeding US\$1 million) has been in:

- Butter (–46%)
- Cheese (–9%).

Tariff environment

The ASEAN–Australia–New Zealand Free Trade Agreement (AANZFTA) and Australia Comprehensive Economic Partnership Agreement (IA–CEPA) provide significant market access advantages for Australian dairy exporters. Under these agreements all Australian dairy products, except liquid milk, now enter Indonesia duty free. A summary of current tariffs for the major dairy categories imported by Indonesia can be found in Table 2.

Key international marketing programs and initiatives

Dairy Australia runs or is involved in a number of marketing programs and activities in Indonesia. These include the Southeast Asia dairy scholarship program aimed at familiarising dairy and food industry professionals from the region with aspects of the Australian dairy industry and the Southeast Asian Alumni Program for past scholars. Outside of COVID–19 travel restrictions, Dairy Australia regularly visits Indonesia and presents seminars to local industry players in key markets.

Figure 1 Dairy imports

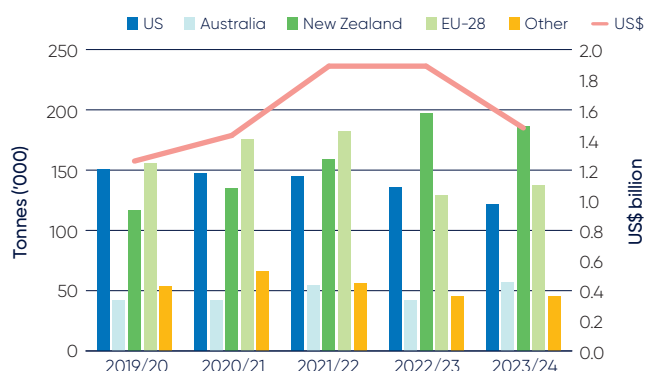


Figure 2 Top dairy exports to Indonesia by volume

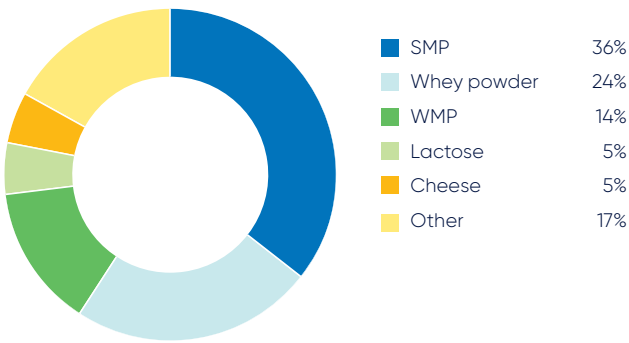


Figure 4 Top Australian dairy exports by volume

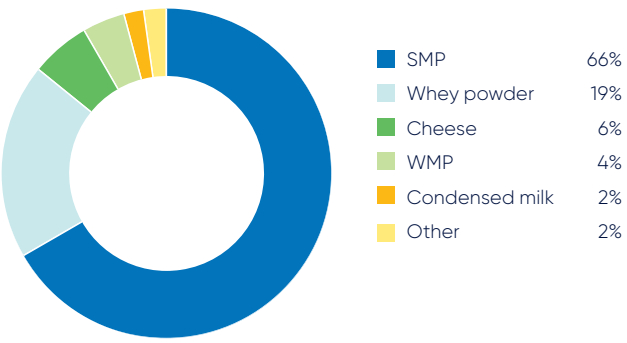


Figure 3 Top dairy exports to Indonesia by US\$ value

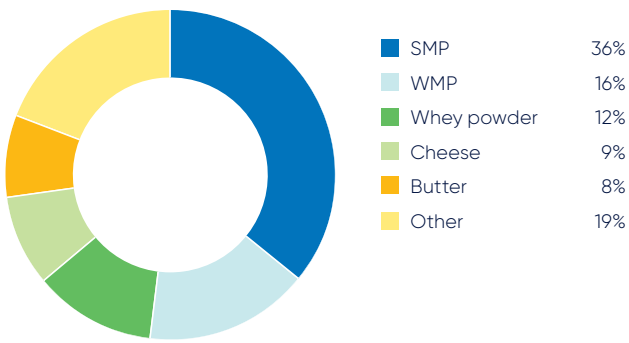


Figure 5 Top Australian dairy exports by US\$ value

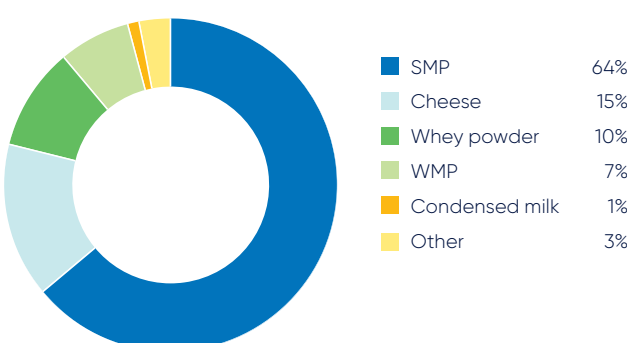


Table 1 Australia exports

Product group	Market share (US\$ %)		Volume ('000)		Value (million US\$)	
	2019/2020	2023/2024	2019/2020	2023/2024	2019/2020	2023/2024
SMP	14	20	24.70	37.60	70.12	106.63
Whey Powder	11	10	9.92	10.65	15.60	16.50
Cheese	17	18	3.96	3.58	18.80	25.50
WMP	0.01	5	0.00	2.49	0.02	11.46
Condensed Milk	7	10	0.45	1.02	1.16	2.47
Total imports	9	11	42.0	56.7	115.5	167.8

Table 2 Dairy tariffs

Tariff category	Product category	Applied tariff %
0402	Milk and cream, concentrated or containing added sugar or other sweetening matter.	0
0403	Buttermilk, curdled milk and cream, yoghurt, kephir and other fermented or acidified milk and cream, whether or not concentrated or containing added sugar or other sweetening matter or flavoured or containing added fruit, nuts or cocoa.	0
0404	Whey, whether or not concentrated or containing added sugar or other sweetening matter; products consisting of natural milk constituents, whether or not containing added sugar or other sweetening matter, not elsewhere specified or included.	0
0406	Cheese and curd.	0

Further information

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