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Australian Government

Australian Trade and Investment Commission

Indonesia Wine Market Briefing

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Market overview



Population

281 million (2024)
63.4% urban pop. By 2030
53.6 million 'middle class'



Employed workforce

149.38 million (Feb 2024)
Agriculture (28.7%)
Retail trade (19%)
Industry (13.3%)



Digital Data

221 million internet users (2024)
Most popular social platforms: TikTok,
Instagram, Youtube



FTAs - Australia

AANZFTA
IACEPA Entered into force July 2020



Economy

largest economy in SEA
Average GDP growth rate: 4.9%
(2024 - 2026), 5.0% (2023)



Trade Relationship - Australia

A\$23.3b two-way trade
A\$3.9b (2022) two-way investment

Market Size



Market size (2023)

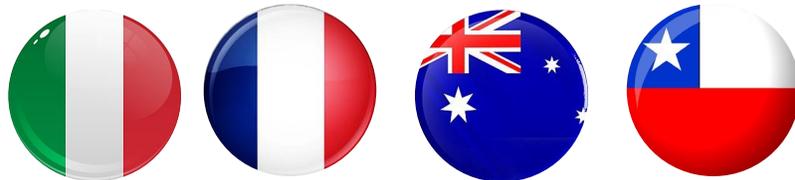
29m litres
17% increase



Imports (2023)

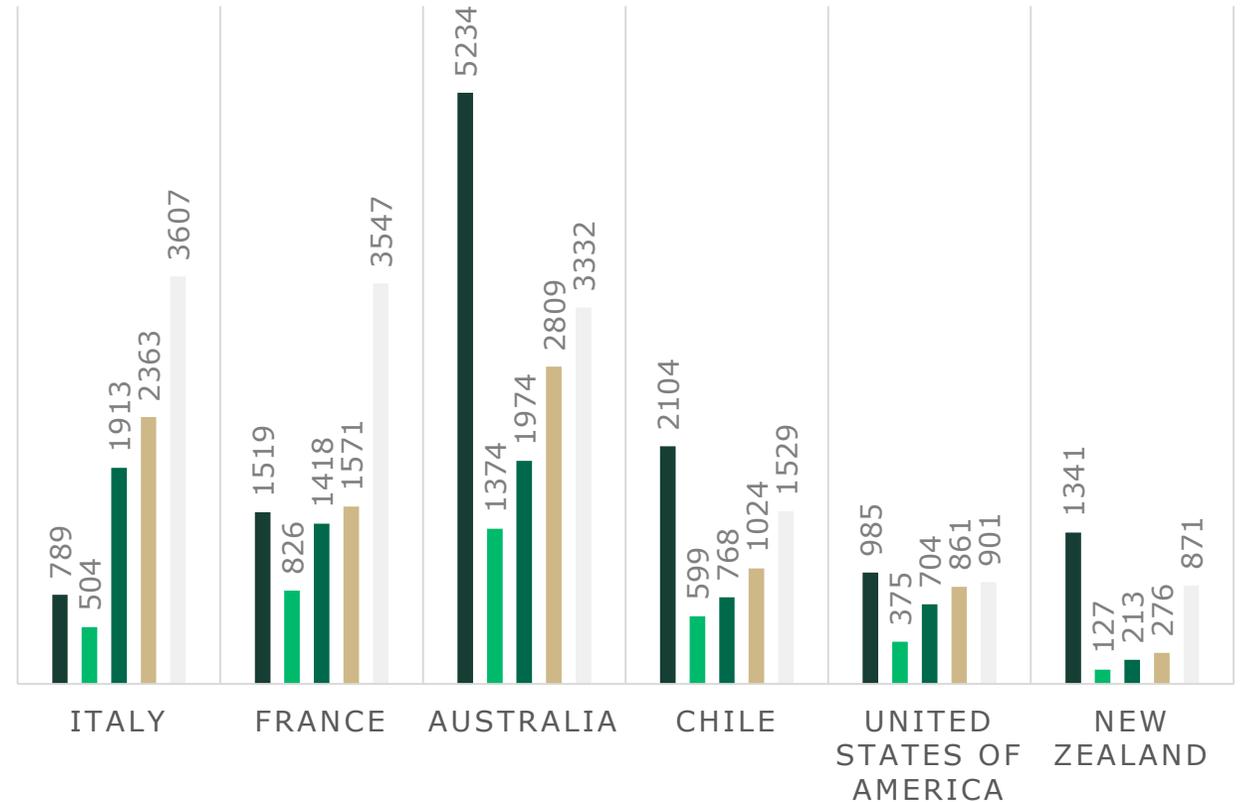
A\$ 25m

72% of imports were from top 4 players:
Italy, France, Australia & Chile



LIST OF SUPPLYING MARKETS FOR PRODUCT HS CODE 2204 IMPORTED BY INDONESIA

■ 2019 ■ 2020 ■ 2021 ■ 2022 ■ 2023



Market Trends - Dynamic and growing wine scene

Who drinks?

1. Tourist & Expats,
2. Urban, affluent consumer and upper middle class,
3. Those who are well-travelled.



Trends:

1. Willingness to try **new things** – ‘free flow’, education, and ‘wine nights’ in restaurants
2. Imported wines are most popular in food service, **Australian wines particularly favoured** thanks to their affordability and taste.
3. Noticeable increase in **domestic wine consumption**
4. Challenges include strict regulation and high import tariff

Regulatory information

- **Importers and distributors** play an important role in the supply chain of wine. Multi-layer distribution system and restrictions on import licenses exists.
- Wine is regulated and registered under **BPOM (Indonesia Food and Drug Authority)**.
- The **labelling** for wine imported into Indonesia, whether for retail or foodservice purposes, must declare certain information in **Indonesian language**, at least: 'Alcoholic Beverages', prohibition for under 21 and pregnant women, alcohol %, importer details.
- The **standard tariff rate is applied** to Australian wine imports, as there are no preferential rates applied.
- **Restriction on advertisement** and retail presence means outreach opportunity is greater in food service



Meeting market expectations

You will probably hear that "Red is for Jakarta and white is for Bali"

- Prepare business card and **your brand unique value proposition**, history, case studies, and export success examples that are concise and targeted for potential partners
- **Relationships matter** especially as there is only small number of players in market. Consider how to build positive rapport from 1st meeting. During follow up, be cooperative and demonstrate long term commitment to the market
- Consider **samples**/giveaways for the best leads. Don't be shy to ask for the WhatsApp number as it is the easiest way to reach out Indonesians.



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Thank you



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