



AUSTRALIA
ARAB CHAMBER
OF COMMERCE
& INDUSTRY

غرفة التجارة
والصناعة
الاسترالية - العربية

SUBMISSION TO THE JOINT STANDING COMMITTEE ON TRADE AND INVESTMENT GROWTH

INQUIRY INTO DIVERSIFYING AUSTRALIA'S TRADE AND INVESTMENT PROFILE

09 August 2020



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Acronyms

AACCI	Australia Arab Chamber of Commerce and Industry
ABS	Australian Bureau of Statistics
B2B	Business to Government
B2G	Business to Business
C19	COVID 19
CARG	Compound Annual Growth Rate
DAFZA	Dubai Airport Free Zone Authority
DFAT	Department of Foreign Affairs and Trade
FDI	Foreign Direct Investment
FIRB	Foreign Investment Review Board
FTA	Free Trade Agreement
G2G	Government to Government
GCC	Gulf Cooperation Council
HTMC	Halal Trade and Marketing Centre
KSA	Kingdom of Saudi Arabia
MENA	Middle East North Africa
MOU	Memorandum of Understanding
NTB	Non Tariff Barrier
NZ	New Zealand
OIC	Organisation of Islamic Cooperation
SKA	Square Kilometer Array
SME	Small to Medium Enterprises
SWF	Sovereign Wealth Funds
TOR	Terms of Reference
UAE	United Arab Emirates
UK	United Kingdom
USA	United States of America
WW1	World War I
WW2	World War II

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1 Introduction

1.1 About Australia Arab Chamber of Commerce and Industry

Established in 1975, AACCI is a national, member based NFP organisation with five State Chapters. AACCI is the leading body in Australia representing trade and investment between Australia and the 22 Arab League States. It represents the broad spectrum of industry sectors doing business in the MENA Region.

Members and Stakeholders	4850
Partnerships/MOU's:	AACCI has MoU agreements with 10 international partners with an estimated membership reach of over 30,000 internationally.
Compliance and Membership:	AACCI is a member of the Australian Chamber of Commerce & Industry. AACCI is also a member of the International Chambers of Commerce
Union of Arab Chambers	The Union of Arab Chambers. The Union of Arab Chambers represents the 22 countries of the Arab League which comprises over 400 million people including Algeria, Bahrain, Comoros, Djibouti, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Oman, Palestine, Qatar, Saudi Arabia, Somalia, Sudan, Syria, Tunisia, United Arab Emirates and Yemen. AACCI is the only national association for two-way trade and investment between Australia and the Arab League countries.
AACCI Supports Members by:	<ol style="list-style-type: none"> 1. Certification and stamping of export documentation 2. Advocacy to Government 3. Advisory services 4. Creating networking and business relationships domestically and across the 22 Arab League states through events 5. Provide a digital platform for knowledge sharing, education and digital networking opportunities for B2B, B2G, G2G and SME's 6. Provides support to DFAT and Austrade and engages in initiatives which support soft power cultural diplomacy. 7. Commencing Sept 2020, providing engagement and information domestically and internationally on halal through MoU with Halal Trade and Marketing Centre (HTMC) part of Dubai Airport Free Zone Authority (DAFZA)

1.2 Inquiry Purpose

Pursuant to the Committee's resolution of appointment, the Joint Standing Committee on Trade and Investment Growth resolved to inquire into the 2018-19 annual reports of DFAT and Austrade. DFAT's and Austrade's annual reports stand referred to the Committee. The focus of the Committee's inquiry is to understand whether there is a need for Australia to diversify its trade markets and foreign investment profile and eight terms of reference are the guiding principles of the inquiry.

1.3 Methodology

AACCI conducted an internal focus group to solicit the expertise and insights from the membership base. Comment was sought on the 8 TORs and their effectiveness in driving meaningful outcomes to inform the Inquiry. As such additional input was also necessary to provide a realistic indication of the current experiences of exporters to MENA. Two case studies have been included in this submission from the construction and agribusiness sectors. Data was collated from ABS and a comparative analysis created to show Australia's export position with the GCC in contrast to China.

1.4 Context

Reliance on China as Australia's main trading partner has created a vulnerability prompting consensus on the need to diversify our international trade and investment profile. One reason for this can be drawn from the scope the 2017 Foreign Policy White Paper (White Paper) which focused on the Indo-Pacific with the predominant focus on China. The MENA region was not a consideration of the Government's foreign policy for trade and investment and this omission was to Australia's detriment. However, the current Inquiry enables an opportunity to change this.

At the time the Inquiry was called, Australia boasted 27 years of economic growth, one of the few economies since WWII to have done so.¹ Now however, the extent to which C19 has dramatically impacted upon this position calls for a submission focus which addresses the 8 Terms of Reference (TOR) as required, yet also addresses the urgency of a trade diversification strategy which will serve Australia's economic recovery interests.

Australian exports to China have reached an all-time high, rising to 48.8pc during the current C19 period.² This presents the main reason to diversify. Simply put, this places Australia in a extremely vulnerable position and we are taking a huge risk if we don't diversify. The MENA region, the Gulf States particularly with emphasis on the Kingdom of Saudi Arabia and the United Arab Emirates present as a 'ready-made' solution to enable a diversification strategy. Such a diversification strategy extends beyond attracting FDI from GCC Sovereign Wealth Funds,

¹ Australian Bureau of Statistics (ABS), 2017-18.

² Matthew Cranston, 'China hits 48.8pc of Australian Exports', *Australian Financial Review*, (Aug 4, 2020)

it promotes the development of two-way trade including the role of SME's. As a strategy for diversification, Australia has a significant opportunity to align with the Saudi 2030 Vision which would see Australia engaging in a bilateral approach which would also give rise to a country specific FTA.

2 Purpose and Preliminary Response to Terms of Reference

The following 8 Term of Reference present a response focused on the MENA region, specifically the GCC.

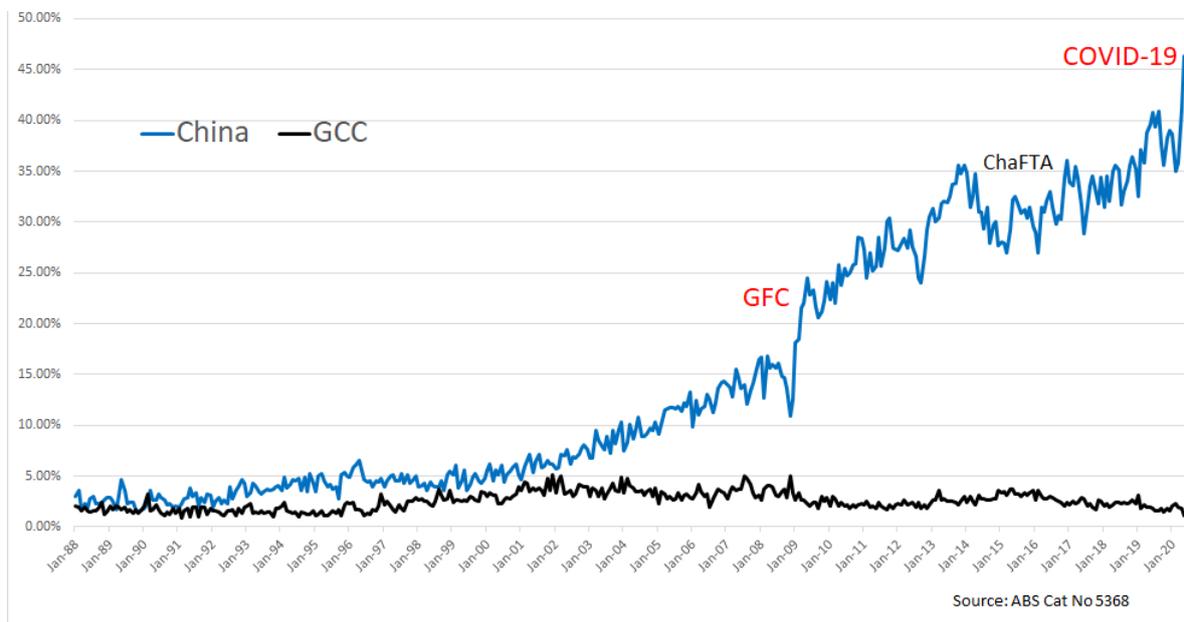


Figure 1: Australia Share of Merchandise Exports, FOB Value

2.1 Consider if Australia is too reliant on any one market for exports. If so, what factors are contributing to this dominance?

The White Paper is a key factor contributing to the overreliance on one market. Figure 1 shows that Australia relies on China even more in times of crisis such as the GFC and C19. This has placed Australia in a very vulnerable position exposed to disproportionate risk with limited diversification options which could have been avoided.

2.2 The advantages and disadvantages, including in relation to the national interest and national economic risk, to an over reliance on any one market.

The national interest is stronger with greater trading partners. A dominance by one partner will pose a threat to the national interest and to the economy. Figure 1 shows that the GCC peaked at 5pc and has been in decline since. As a percentage, trade between Australia and the GCC



has been sitting at around 1.7pc for the past 12 months, this presents a huge opportunity for growth. With China at near 50pc, this presents an enormous concern for Australia and a critical necessity for risk mitigation (diversification) strategies.

2.3 Consider if Australia is too reliant on foreign investment. If so, what factors are contributing to this dominance.

In the context of MENA, on the contrary. Australia needs FDI especially from GCC SWFs to encourage our economic recovery. These GCC economies, which tend to rely on one product or commodity such as oil, use SWFs to diversify their income stream.

2.4 The advantages and disadvantages, including in relation to the national interest and national economic risk, to an over reliance on foreign investment, especially foreign investment by state-owned enterprises.

The Gulf states have four of the 10 largest sovereign wealth funds in the world, managing assets worth more than \$2 trillion. Investment in Australia from the Middle East in 2013 was estimated by the ABS to be worth \$21.9 billion.³ Given the implementation in March of the FIRB's zero threshold in direct response to C19, this move may serve the national interests in some regard pertaining to certain markets. However, it also runs the risk of fueling perceptions held by other countries that Australia is becoming too prohibitive as a trading and investment partner. Given the slump in oil prices especially from the GCC, it would be in Australia's best interests to strongly encourage FDI with the GCC given the size of their SWF.

2.5 The impact of global crises including trade disputes and political disputes on Australia's relationship with countries we are reliant upon for trade and investment purposes.

Trade and investment diversification clearly provide the strongest approach in mitigating risks associated with disputes with any one country. However, the global economic contraction due to C19 is forcing consideration of a new approach in resolving trade and political disputes.

C19 has presented an L shaped recovery which until a vaccine is found, the extent of this global crisis is unknown. If we apply the same measures taken at the Great Depression, or the decisions made after WW1 which lead to popularism in Germany at the time, we see disastrous consequences. Therefore, the starting point for a new interpretation of interdependency is to rethink the 'grammar of multilateralism'. Going back to the power structures including those immediately set up following WW2 is an increasing sentiment being expressed by world

³ Department of Foreign Affairs and Trade, *Submission 9*, p. 2

leaders.⁴ Australia needs to be prepared to engage in such multilateral fora and demonstrate a robust willingness to engage in trade negotiations with the MENA region which will serve the interests of Australian national interests and our economic recovery.

2.6 The impact of bilateral trade agreements on Australia's exports and whether they contribute to concentrated export markets.

The GCC is a strong candidate for diversification away from China given the established relations, source of FDI, geopolitical significance and a diversified demand profile. Whilst the GCC FTA has been put on hold as a result of intra-Gulf tensions, the opportunity to circumvent this by establishing independent bilateral FTA's notably with KSA and UAE would be highly beneficial to Australia's exports, especially agricultural exports such as livestock, meat, dairy products, vegetables, sugar, wheat and other grains.

2.7 The impact of bilateral trade agreements on Australia's domestic market and whether they contribute to an over reliance on foreign investment.

In the context of MENA, as stated above regarding GCC SWFs. Further consideration can be given to bilateral trade agreements in their capacity to reduce the barriers for domestic market SME's including high trade transaction costs in the context of export trade.

2.8 Analysis of industry and government preparations to diversify its trading partners and secure new markets for Australia's exports, including through further free trade agreements; and

- Analysis of industry and government preparations to ensure the Australian economy is not overly reliant on foreign investment.**

In November of 2013, under the Abbott Government, there was a seismic shift almost exclusively focusing on the Indo-Pacific region which has continued to be the case. This Inquiry is an opportunity for the Government to now position trade with the MENA firmly on the foreign policy agenda with a target of 2030 to position MENA in the top ten export markets and FDI.

⁴ Emanuel Macron, Financial Times, <https://www.ft.com/content/3ea8d790-7fd1-11ea-8fdb-7ec06edeef84>

3 Other Considerations

3.1 Non-Tariff Barriers

Whilst it is understood that the Government is still launching its action plan, recent attention has been given to improved agricultural market access outcomes including longer shelf lives for vacuum-packed chilled meats into the Middle East. Given the impact of C19, it will be important to avoid NTB's being applied for political or protectionist goals. It is appreciated that significant work is done through a variety of communications including bi and multilateral representations by government officials and ministers across our global network.

3.2 Australia MENA Trade Profile

- In 2018-2019 total exports to the MENA region⁵ A\$11.2 billion⁶ accounting for only 2.7% of Australian exports. In an export market worth in excess of A\$1 trillion⁷, Australia is significantly underrepresented.
- While individual countries rank at different levels, UAE being the highest and Australia's 15th largest trade partner⁸, as a region MENA is a more valuable market to Australian exporters than the United States (A\$10 billion)⁹.
- Agricultural products are the largest single sector of exports to the region, making up more than A\$2 billion¹⁰. In 2018-2019 the MENA made up nearly a quarter of all sheep exports (A\$878.8 million¹¹), with the UAE being 3rd largest market for sheep meat products and A\$296.5 million in beef products¹². In 2018-2019 agricultural exports increased to the MENA region by A\$97 million¹³. More than fifty percent of the food consumed in all its areas is imported, making MENA the largest food importing region in the world¹⁴. In 2017, the MENA agricultural import market was worth more than A\$163 billion¹⁵.
- MENA was a significant exception to the trend towards lower crop export values by recording growth in exports of wheat, barley and legumes. Lamb accounted for 20.4% of

⁵ For the purposes of this submission we consider the UAE, Bahrain, Qatar, KSA, Egypt, Oman, Kuwait, Iraq, Yemen, Jordan, Lebanon, Morocco, Sudan, Mauritania, Libya, Algeria, Syria, Tunisia, Djibouti, Somalia, Comoros and Palestine as the MENA region

⁶ Austrade country trade data

⁷ World Bank

⁸ GGC countries and Egypt are our largest trading partners in the region, UAE (15th), Bahrain (24th), Qatar (27th), KSA (28th), Egypt (33rd), Oman (36th) and Kuwait (43rd) valued at approximately A\$1.5 billion

⁹ Austrade country trade data

¹⁰ Ibid.

¹¹ ABS/IHS Markit, MAT (12 months ending May 2019) – based on exports to Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE, Egypt, Iran, Jordan and Lebanon

¹² ABS/IHS Markit, MAT (12 months ending May 2019) – based on exports to Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE, Egypt, Iran, Jordan and Lebanon

¹³ https://www.ruralbank.com.au/siteassets/_documents/publications/trade/trade-report-2018-19.pdf

¹⁴ World Bank

¹⁵ <https://www.statista.com/statistics/993018/mena-total-value-of-agri-food-and-seafood-import/>

exports to MENA and increased in value by A\$71.1 million (+12.8%), however government policy to limit live animal exports had a significant impact on the market causing a A\$82.1 million (-43.1%) decline in this category.

- Exports to the MENA region increased by 19% in 2018-2019, adding more than A\$2 billion in value¹⁶. However, significant growth opportunities remain for Australian companies particularly in automotive parts, wheat, grains, proteins and dairy.
- In the education sector for example, the government sponsored Keeper of the Two Holy Mosques Scholarship Programme, responsible for 90% of Saudi international students world-wide, saw 62,535 Saudi students funded at its peak in 2014/15¹⁷. While the program has now scaled back somewhat and Australia's contingent has increased, largely due to diplomatic issues between Canada and KSA, to 6,200 in 2019¹⁸, there is still significant growth opportunities in this market. This is a key growth market for Australia and, particularly with the possible impact of China relations on international student numbers pending recovery post C19.

3.3 International Trade and Investment in Halal

Australia is currently the fourth-largest exporter of halal food and beverages to Organisation of Islamic Cooperation (OIC) countries, with AU\$7.8 billion worth of goods exported in 2018.¹⁹

The State of the Global Islamic Economy Report 2019/20 estimates that Muslims spent US\$1.37 trillion (AU\$2.02 trillion) globally in 2018 on halal food, representing growth of 5.1% year-on-year, with a projected CAGR growth of 6.3% to US\$1.97 trillion (AU\$2.90 trillion) by 2024.²⁰ This presents Australia with a significant advantage as a world leader in halal trade.

3.4 Dubai Expo 2020 – Diversification and Recovery

Now scheduled for October 2021, Expo will be the world platform for social and economic recovery bringing 192 countries from across the world together for the first time since C19. Like Australia, all countries are negatively impacted so there is increased pressure on greater investment to get a return. Traditionally, participating countries took a cultural, nation branding focus. Now, as a direct result of C19, a trade and economic business lens has been adopted.

An international business engagement team is appointed to oversee business matching and events between B2B, B2G and G2G. MoU's and multilateral agreements are now prioritised for

¹⁶ Austrade country trade data

¹⁷ US (33,066); UK (9,773); Australia (5,392); Jordan (3,295); Canada (3,168) – moe.gov.sa

¹⁸ Austrade <https://www.austrade.gov.au/Australian/Education/Countries/saudi-arabia>

¹⁹ Huge Growth Forecast for Australian Halal Food Market

<https://www.foodprocessing.com.au/content/business-solutions/news/huge-growth-forecast-for-australian-halal-food-market-253654283>.

²⁰ Ibid.



investment in existing projects. An example is the SKA world's largest telescope in Western Australia.

The key focus for the Australian Pavilion is to establish the event not as a one off, but as a legacy for the establishment of long-term international trade and investment opportunities. The pivot away from China emphasizes the importance of MENA as an alternative market, one with existing business models and legal structures able to facilitate new markets with relative ease.

New Zealand has recognised the Dubai Expo 2020 in its Five Point Plan for economic recovery and has invested a further \$10 million since the onset of C19. China increased their budget 25% from 133m to over \$160m and Germany an increase of 20pc.

Dubai Expo 2020 will play a critical role in global economic recovery and this also includes significant opportunities for Australia's SMEs refer Appendix 3.

4 AACCI Focus Group

AACCI hosted a focus group to elicit the expertise and insight from members from sectors including agribusiness, freight forwarding, manufacturing, education and construction. Two case studies from the focus group have been chosen in support of this submission REF Appendix 1 and 2 and from the feedback, four key recommendations were identified:

- Detailed measurables focusing on the need for greater in-market support from Austrade was identified as a key consideration.
- Recognise the opportunities presented by the halal economy and Australian agriculture's unique position to participate in it.
- Improvements to the EMDG. Recommendation was that a business plan be the format for application which would be less costly. The argument raised was that \$15,000 will not indicate the viability of the business if that is what they are seeking.
- Further, many businesses already in MENA have accessed the EMDG. Given the significance C19 and the necessity to pivot to a new market with a new marketing strategy, a 'restart' EMDG was suggested.

5 Recommendations:

- The GCC is a ready-made market with structures already in place and whilst the GCC FTA has stalled, opportunity presents on a country basis for Australia to negotiate bilaterally.
- With the FTA now established with the UK, the MENA region, with 4 of the worlds' largest ports, presents a transit opportunity to support this agreement.
- Establishing trade agreements will embolden Australia's economic recovery and mitigate the risk of increased vulnerability from reliance on China.
- Barriers such as NTBs need to be eased and assessed to accommodate greater two-way trade and investment.



- The GCC presents the strongest opportunity in MENA. North Africa however also presents opportunity by sector such as agribusiness, mining and infrastructure.
- SWFs enable a starting point for the establishment of a longer term diversification plan with the GCC. 2030 is a key target for the region with KSA well on track in its diversification plan and this is an ideal target for Australia.
- Dubai 2020 World Expo will be the world's first global event post pandemic bringing together 192 nations with a key focus on B2G, G2G, B2B and opportunities for SME's. This event will be a critical restart for global economies. The Australian Government has invested AUD\$41.5 million pre-C19 into positioning Australia as 'Open for Business'. Greater investment into 2020 will provide a critical jumpstart for Australia's economic recovery and present as an established trade event to launch a diversification strategy for MENA.
- Australia should set itself a goal by 2030 to further the GCC into its top 10 export markets.
- Greater accessibility to Australian Business and Student visas.
- Given the impact of C19, implement a 'restart' EMDG.

6 Conclusion:

MENA, notably the GCC is clearly a strong candidate for diversification away from Australia's current key markets. This is given that MENA provides established relations, source of FDI, geopolitical significance and diversified demand profile etc. The key focus areas for a policy setting are: bilateral FTA's; greater negotiations for the lifting of NTB; support for halal; greater in-country support from Austrade, revised EMDG process including consideration of a 'restart' EMDG, greater investment into Dubai 2020. Consideration in regard to 2020 could be given to the NZ approach. Further, stronger engagement and willingness to support initiatives which attract FDI, with an aim for 2030 as the goal to increase trade and investment and position MENA within the top 10 export markets

APPENDIX 1: Case Study 1 Sontext Pty Ltd

Sontext Pty Ltd is a privately owned and operated Australian company specialising in Architectural Acoustic Interiors. Sontext was established in 1999 and has been supplying and installing its own range of sound absorbing panels, lining materials and acoustic treatments to some of Australia's most prestigious projects and companies.

Sontext also distribute a range of world-class decorative and acoustic interior products through an experienced distribution network across the USA, The Middle East, Europe and Great Britain.

Sontext have access to qualified and skillful installers who operate throughout Australia and the Middle East on both new projects and interior refits. For a small Melbourne company of eight employees Sontext is recognised by world's largest interiors Acoustics companies with even standing.

Sontext Projects List across MENA

Project Name	Country
UAE University Al Ein	UAE
Abu Dhabi Golf Club	UAE
Dubai Medical Centre	UAE
Defence Department Abu Dhabi	UAE
FIT Republic Fitness centre Dubai	UAE
Defence Department Abu Dhabi	UAE
Hammad Medical Centre Doha Qatar	Qatar
New Doha International Airport	Qatar
Rotana Ball Room Doha	Qatar
Shangrila Ballroom Doha	Qatar
World Exhibition Centre Doha	Qatar
North Atlantic University Doha	Qatar
Al Jazeera TV Doha	Qatar
VODAFON Doha	Qatar
Qtel Doha	Qatar
Intercontinental Hotel Doha	Qatar
Hamad Port Visitors Centre	Qatar
Education City Stadium	Qatar
Olympic Museum	Qatar
United Tower (KIPCO) Kuwait	Kuwait
Avenue Shopping Centre Kuwait	Kuwait
Sadiq Neighborhood Centre Kuwait	Kuwait
The English School	Kuwait



Sada – Rehabilitation Center (Cochlear Implants)	Kuwait
American University	Kuwait
Kuwait University	Kuwait
Cultural Centre Kuwait	Kuwait
Al Zour Refinery Project (ZOR)	Kuwait
Prince Mansour Hospital, Riyadh	KSA
Maraya Cultural Concert Al Ula	KSA
Aramco School Daman	KSA
American School Jeddah	KSA

Comments

All these projects are a direct result of Sontext's own marketing efforts such as:
Maintaining contact and networking

- Regular visits
- Newsletters
- LinkedIn
- Online marketing
- Google Adwords and Search Engine Optimisation
- Presence at an annual trade show at Sadeer Contracting in Kuwait, which was started by Sontext in 2009 with 4 Australian companies a currently has the participation from over 35 companies around the world.

What is required to gain higher in-market support? More proactive engagement by Austrade at market level in specific countries

- Higher awareness by Austrade of large projects across the MENA countries and filtering these to Australian companies at no charge,
- Example: Global Victoria is very proactive and supportive in providing information and introductions to projects at no charge
- Participation by Austrade and Australian diplomatic missions at trade shows, as this provides continuity of relationship post show
- Higher interaction by Austrade with companies already involved in the Region and knowledge of the Australian companies' involvement in the MENA markets to capture new opportunities
- Higher utilisation of AACCI to disseminate information nationally on projects and tender opportunities across industry sectors.

APPENDIX 2: Case Study 2: OBE Organic providing organic, halal, grass fed beef to the Middle East since 2012

OBE Organic produces fresh, chilled beef and frozen trim programs available to grocery retailers, butcheries, restaurants and food service in the Middle East.

As Australia's first and oldest organic beef exporter, OBE Organic have earned a reputation as a reliable producer of organic halal beef. OBE Organic began in the 1990s after a group of visionary outback Australian farmers came together to form a company dedicated to the production of organic beef.

Livestock are sourced from farms in central Australia, far from cities and pollution and mostly untouched by chemicals for millions of years. In this landscape, cattle follow their natural instincts to roam across 8 million hectares of certified organic grasslands. Seasonally changing native grasses, herbs and succulents. This fusion is branded "Seasoned by Nature © ."

OBE organic runs Flourish an industry leading sustainability program covering environment, animals, people and product. Organic beef already meets strict environmental standards and OBE's sustainability program takes organic to the next level.

OBE organic recognises the importance of offering their beef to a culturally diverse marketplace including the global Muslim community. They understand that halal means permissible in Arabic and relates to all aspects of life. Muslim communities who consume products from all corners of the globe, need to have confidence that halal is halal, no matter where the products' country of origin. For OBE Organic to be certified halal here in Australia, it needs to meet some very stringent Government requirements. OBE organic carcasses are declared halal by Muslim slaughtermen. From there the status and segregation is controlled by the Australian Government Authorized halal program. Muslim communities around the world can not only enjoy the associated health benefits of eating OBE grass-fed organic beef, but also trust and understand that they understand and adhere to the halal certification for their Muslim customers.

Halal certification – A gateway to export markets

Dalene Wray, Managing Director at OBE Organic, says halal certification allows companies like theirs, to access new markets around the world.

"From a manufacturing point of view, it gives the manufacturer or the producer of the product more opportunities for sales of their product globally, if it's halal certified.

"There are markets around the world that you can't export to unless you have halal certification. So those would include the Middle East, Indonesia, Malaysia and to some extent Singapore.

However, what we have found is that our halal certification is advantageous to all markets we export to around the world, even though to clear customs you do not need it.

“For example, the USA. We don’t need halal certification to clear the US government customs, however we’ve found that the end users of our product in retail in America are often Muslim consumers and they want our product to be halal certified,” Wray says.

Leveraging opportunities in the halal marketplace

OBE Organic recently exhibited at the Gulfood Trade Show in Dubai. The ability to meet with all of OBE key customers in the Middle East within the space of a few days was incredibly valuable. Also unprecedented was the ability to have extensive one-on-one conversations with industry and other Australian exporters, all in one place.

Consumer research conducted in the UAE by OBE Organic, uncovered that many of the people buying its organic beef are health-conscious mums.

"We learned that expats and nationals, Muslims and non-Muslims alike all want what's best for their families; eating natural and organic foods are starting to become more convenient and more of a priority; we intend to keep leading the charge for other Australian food companies as we see this market as ripe for opportunity" Wray said.

"We are excited to respond the growing demand for organic food, like beef, in the region, as well as step up the quality of beef options available in supermarket meat departments."



APPENDIX 3: Expo 2020 Dubai – A Case for SMEs

- Australian SMEs will be able to leverage Expo 2020 Dubai's international platform to target four tiers of opportunities: the UAE, GCC countries, MEA region and the world. Australia's business program covers these four tiers based on sectors and markets.
- Expo 2020 Dubai committee and participating nations are focusing on SME participation, in line with international research & development, entrepreneurship and innovation, identifying SMEs as catalysts for innovation and economic development.
- Expo provides a ready-built platform (pavilion and business program) for B2B and B2G engagement, with a central location for Australian companies to explore market diversification opportunities. Australia's business program will be underpinned by the Austrade landing pad, providing a critical platform for Australian SMEs (particularly impacted by COVID-19) and Tech companies to promote capabilities and source investment.
- Over 190 countries have confirmed their participation in Expo and many of Australia's key trading partners will have a large presence at the event. As an example, the Chinese pavilion business programming increased its budget by 25% to target priority stakeholders around Expo 2020 Dubai post COVID. Australia's trade and investment promotion activities will focus on four priority sectors that will be reviewed in line with the COVID-19 response: (1) food and agribusiness (2) education, (3) resources & energy, and (4) advanced manufacturing, defence and space, with support for healthcare, infrastructure and digital technology.
- Over \$150 million-worth of business has already been awarded to Australian companies as part of the Expo 2020 project. Australian Government representatives in market continue to promote Australian expertise in relevant fields and to provide Australian companies with information about the commercial opportunities available. DFAT and Austrade are supporting Australian SMEs and global companies winning contracts on Expo 2020 projects, as well as providing them with promotional opportunities on a global stage.
- The Australian Pavilion Expo 2020 Pop-up Landing Pad program managed by Austrade, will help market-ready start-ups and scale-ups take their business global. These companies span multiple sectors ranging from software to agriculture, creative industries and education. Australian SMEs are also involved in the Australian Pavilion events program in showcase and thought-leadership events that will also create international commercial opportunities through association with the Australian pavilion marketing plans.

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