

INDONESIA

1. GENERAL OVERVIEW

Indonesia is the fourth-most populous nation in the world with over 180 million people with a population growth of nearly 2% per annum. However, the market is not as vast as it may seem when viewed from the perspective of per capita consumption of imported food due to a low income per capita of the population (less than Cdn\$924). Yet, future prospects in this area are indeed promising given that development is progressing quite rapidly. Indonesia's agricultural and food products imports in 1991 were approximately Cdn\$1.6 billion. This amount represents nearly 5% of the country's total imports in 1991. A few Canadian food products such as meat, milk powder, and smoked salmon are imported to Indonesia, but they are not found in local supermarkets. These goods are normally imported for international hotels and dairy processing companies. Suppliers from various countries enjoy a favourable market situation for varying reasons such as proximity (e.g. Australia and New Zealand). On the contrary, Canada is not in a favourable market position in Indonesia for such reasons as less than favourable shipping rates due to the small amount of food shipped, and the fact that there are no direct flights between Canada and Indonesia. As a result, some Canadian companies have sold their food products to Indonesia via American firms. One of the Government of Indonesia's main priorities is tourism, and Indonesia must import some prime beef meat for the consumption of foreign visitors in international hotels and restaurants. As a result, importation of high quality beef meat has been on the uprise.

2. CHARACTERISTICS OF THE MARKET

A. *Domestic Production:*

i) *Production in MT and number of slaughtered cattle.*

Total local bovine meat production (in 000 MT):

Year	1989	1990	1991	1992	1993
Volume	296	304	310	346	--

Indonesia has 737 cattle slaughterhouses.