



Australian Export Grains Innovation Centre

# Market drivers and impediments for Australian pulses

22 June 2022

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AEGIC is an initiative of the Western Australian State Government and Australia's Grains Research and Development Corporation

# Discussion overview

About AEGIC – Australian Export Grains Innovation Centre

Fit of pulses in Australian grain production systems

Current and future market drivers

Overview by pulse type

Final messages

End

# Australian Export Grains Innovation Centre (AEGIC)

Independent, not-for-profit company

Funded by the Australian government and Australian grain growers

Established in 2012 to increase value in the Australian grains industry

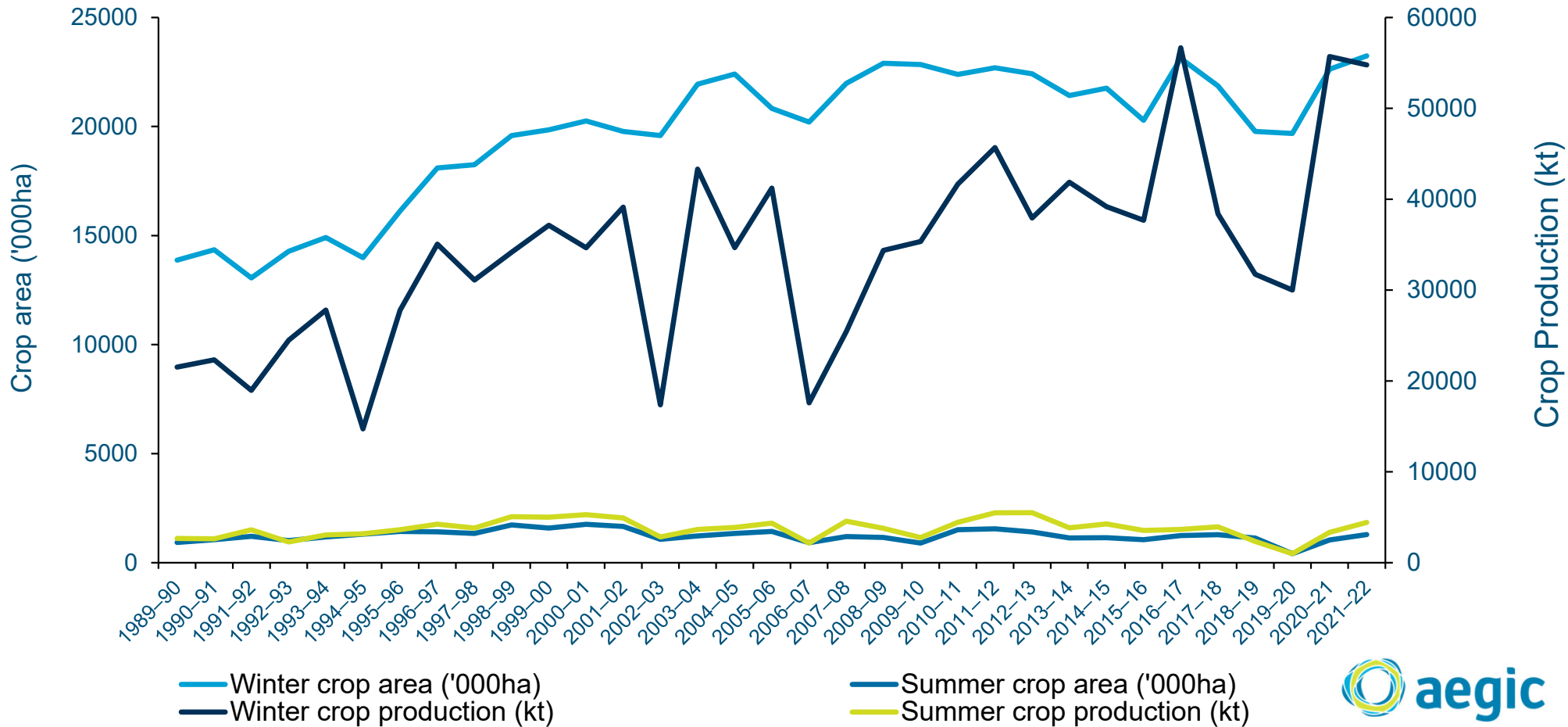
Facilities include research laboratories, a pilot mill and a pilot bakery





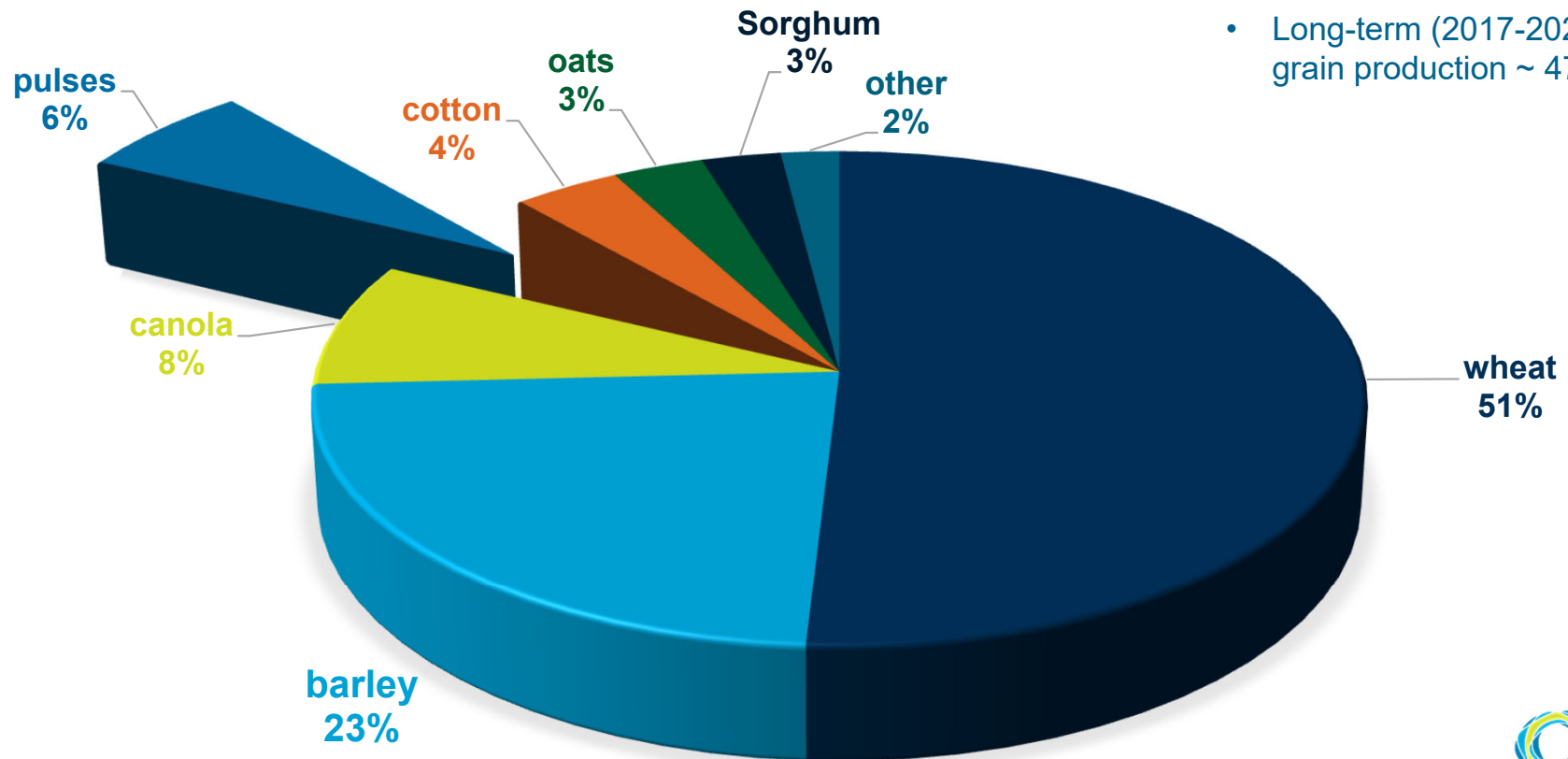
Fit of pulses in Australian grain production systems

# Grain production in Australia



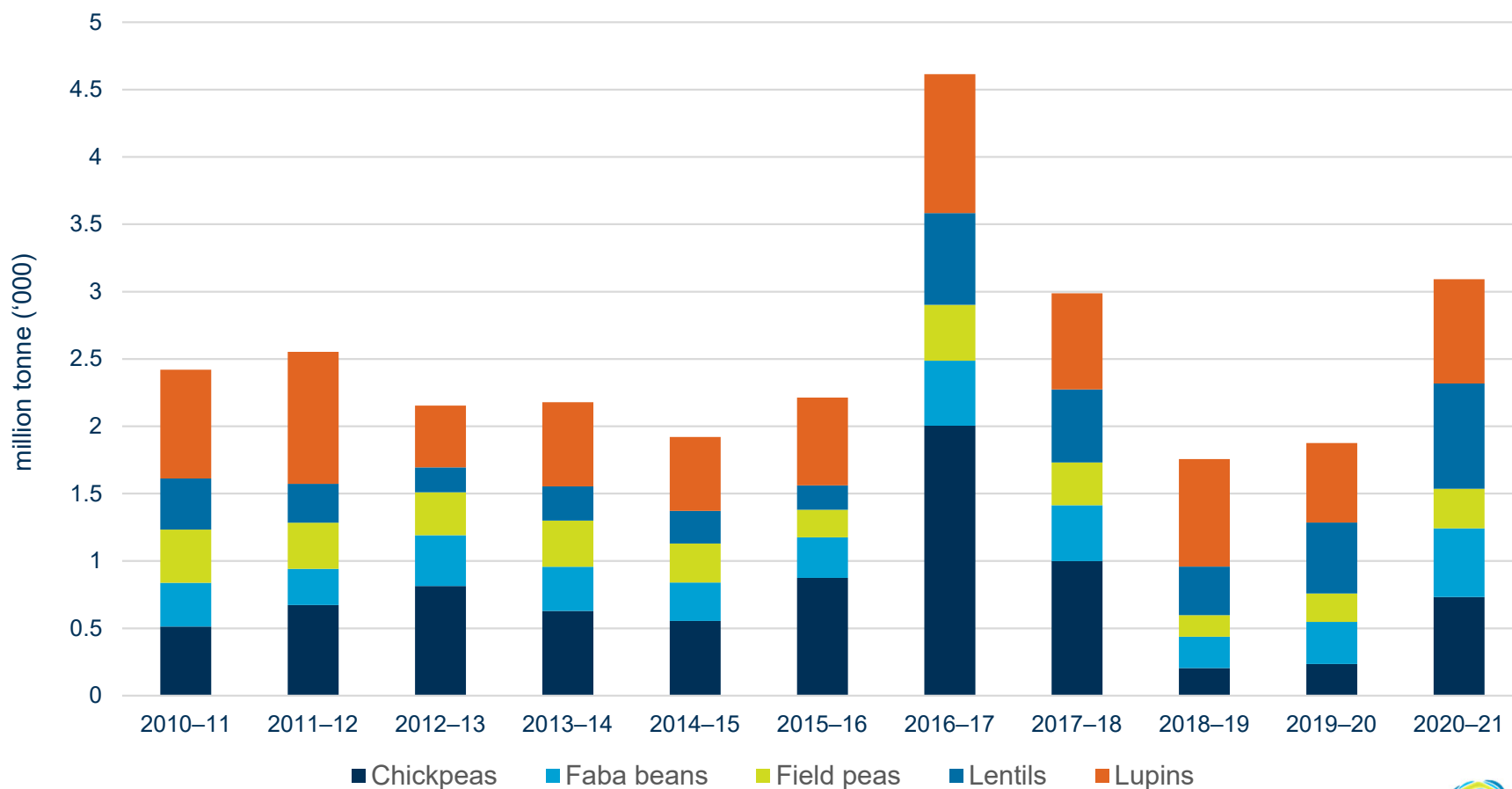
# Major winter grain production in Australia 2017 - 2021

- Estimated ~ 61.9MMT (2021/22)
- Long-term (2017-2021) estimated grain production ~ 47MMT



Source: Australian Crop Report – June 2022

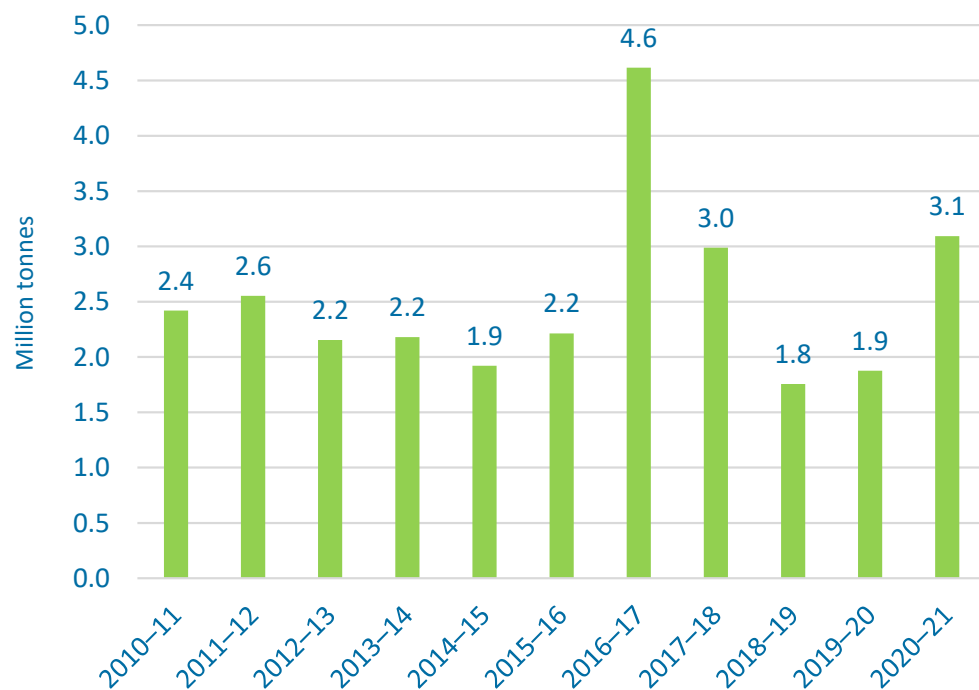
# Australian pulse production 2016 - 2021 (total mmt)



Source: Australian Crop Report – June 2022

# Australian pulse production 2016 - 2021 (total mmt)

**Total Pulse Production Australia  
(2010/11 - 2020/21)**



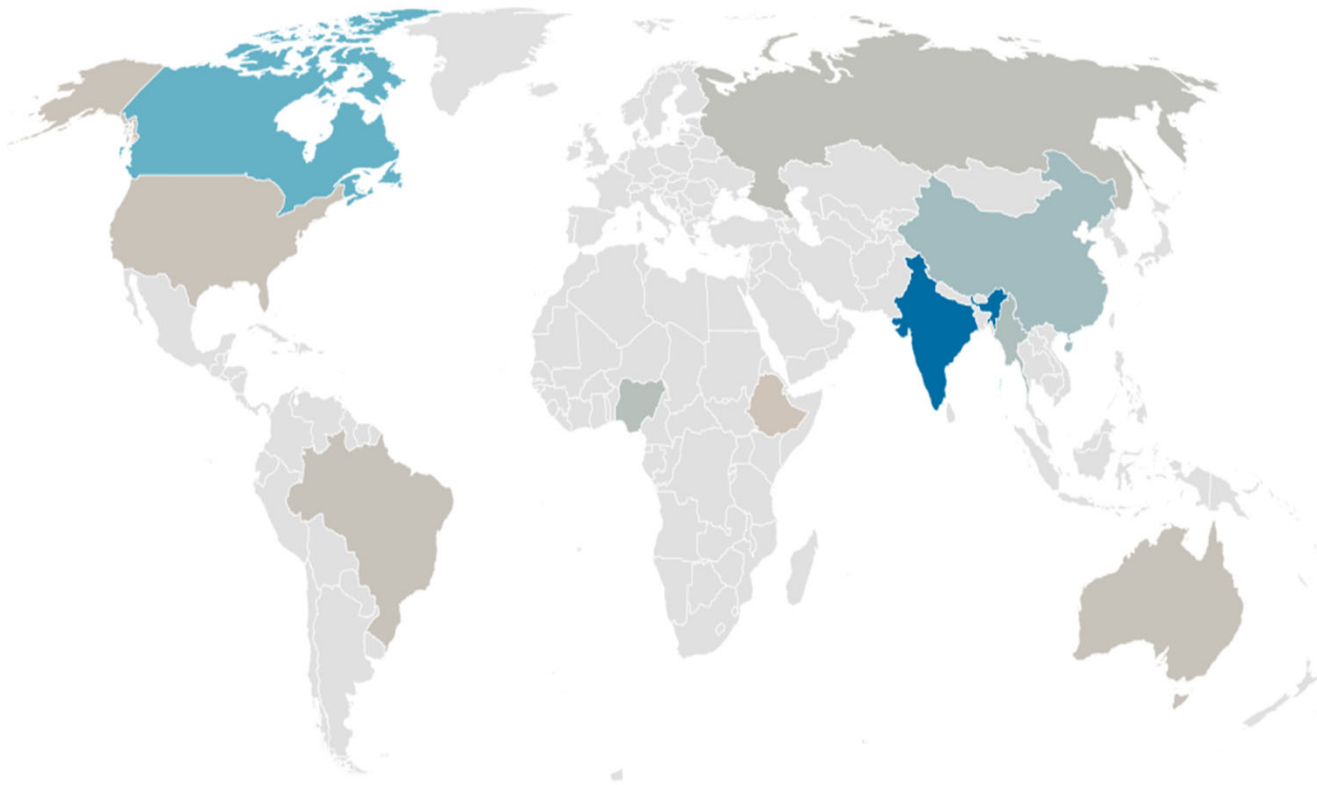
Year	Chickpea (kt)	Faba bean (kt)	Field pea (kt)	Lentil (kt)	Lupins (kt)	Total Pulses (mmt)
2010-11	513	324	395	380	808	2.4
2011-12	673	268	343	288	982	2.6
2012-13	813	377	320	185	459	2.2
2013-14	629	328	342	255	626	2.2
2014-15	555	284	290	242	549	1.9
2015-16	875	301	205	182	652	2.2
2016-17	2004	484	415	681	1031	4.6
2017-18	998	416	317	543	714	3.0
2018-19	205	233	160	359	799	1.8
2019-20	235	313	211	526	591	1.9
2020-21	733	510	294	782	774	3.1

Source: Australian Crop Report – June 2022



# Major world pulse producers (2016-2020 avg mmt)

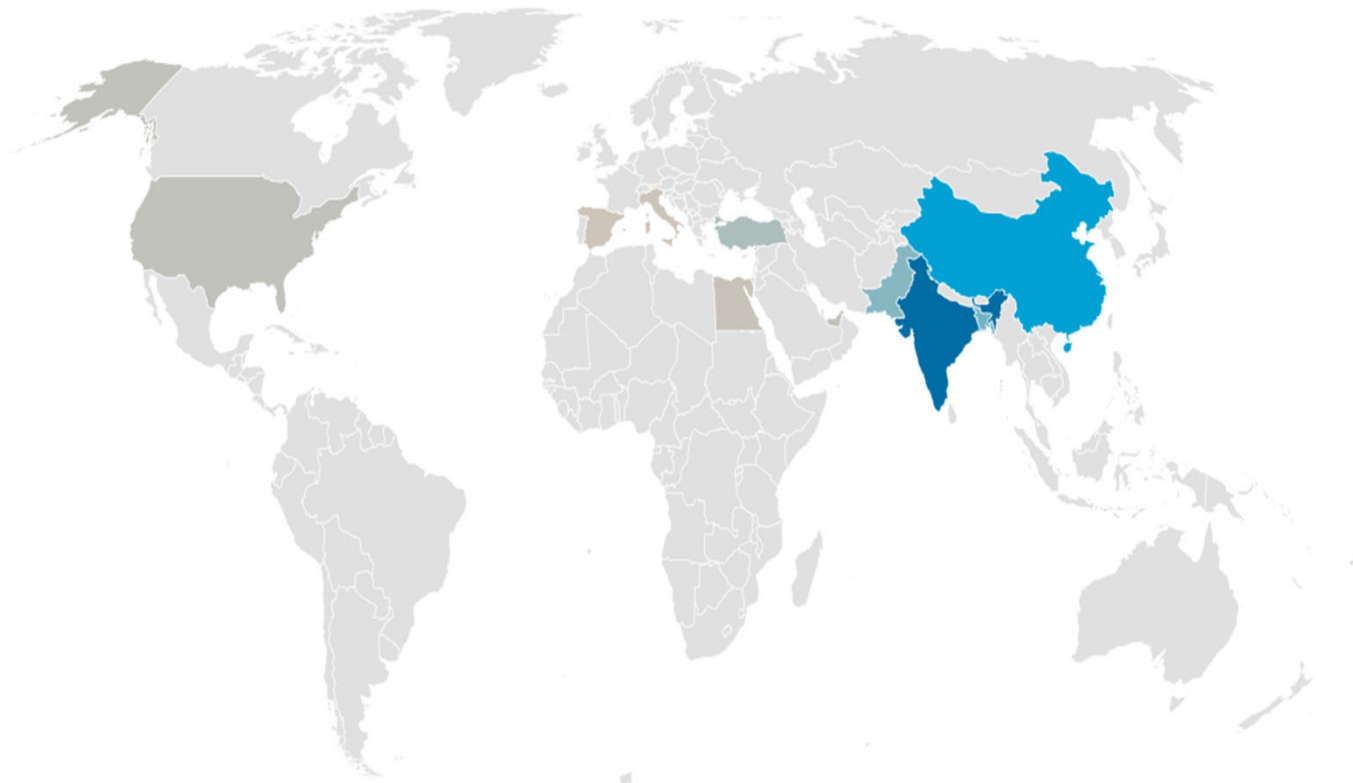
Top 10 Pulse Producers



Country	Average (2016-2020)
India	21.51
Canada	7.44
China	4.69
Myanmar	4.09
Nigeria	3.66
Russian	3.31
Australia	2.95
Brazil	2.92
USA	2.87
Ethiopia	2.62

# Major importing countries of pulses (2016-2020 avg mmt)

## Top 10 Pulse Markets



Top 10 Major pulse importing countries		Average Quantity (mmt)
1	India	3.07
2	China	2.46
3	Bangladesh	1.10
4	Pakistan	0.83
5	Egypt	0.39
6	Turkey	0.57
7	UAE	0.43
8	Spain	0.33
9	USA	0.33
10	Sri Lanka	0.23



## Market drivers and impediments of Australian Pulses

# Domestic drivers and impediments for pulses

## Drivers

- Crop rotation, improve varieties, agronomic factors
- Price
- Improved supply chain infrastructure & storage (east coast)
- Increase animal feed production
- New domestic industries i.e. manufacturing protein concentrate isolate

## Impediments

- Agronomic and environment adaptation
- Price domestically
  - Small domestic market for food
  - Feed options limited to certain pulse types
- Competing crops are more profitable, increasing (in some regions)

# Global drivers and impediments for pulse trade

## Drivers

- Population growth
- Increasing animal feed production
- Protein concentrate isolate development
- Corporate responsibility/sustainability issues
- Concerns around GMO against natural product



## Impediments

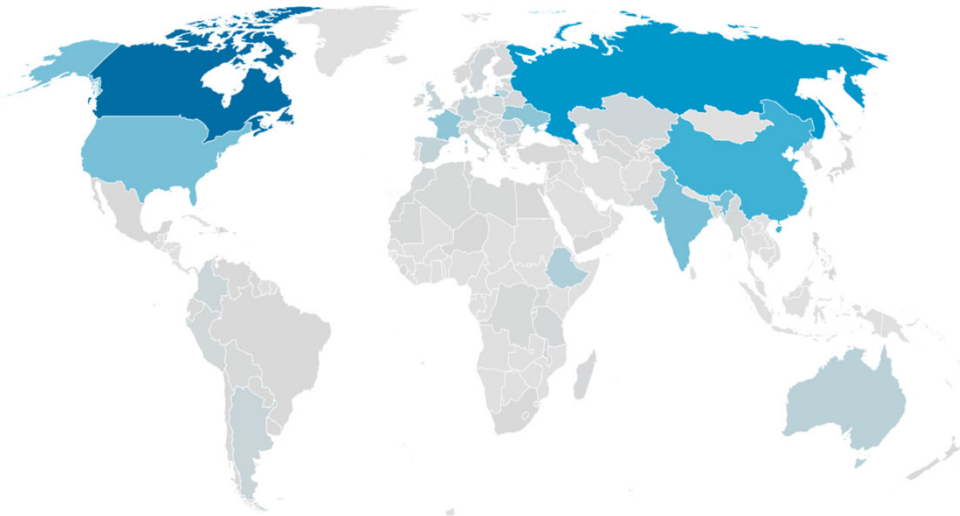
- Australia is a comparatively small producer and exporter
- Changed freight dynamics (costs and availability of containers)
- Increased production (export competitors and importers)
- Trade and market access constraints - volatile tariffs
- Income growth and changing food consumption patterns
- Australia is less engaged technically at a global level, *vis a vis* Canada



## Overview - Australian pulses by type

# Field peas

## Most growth in non traditional markets

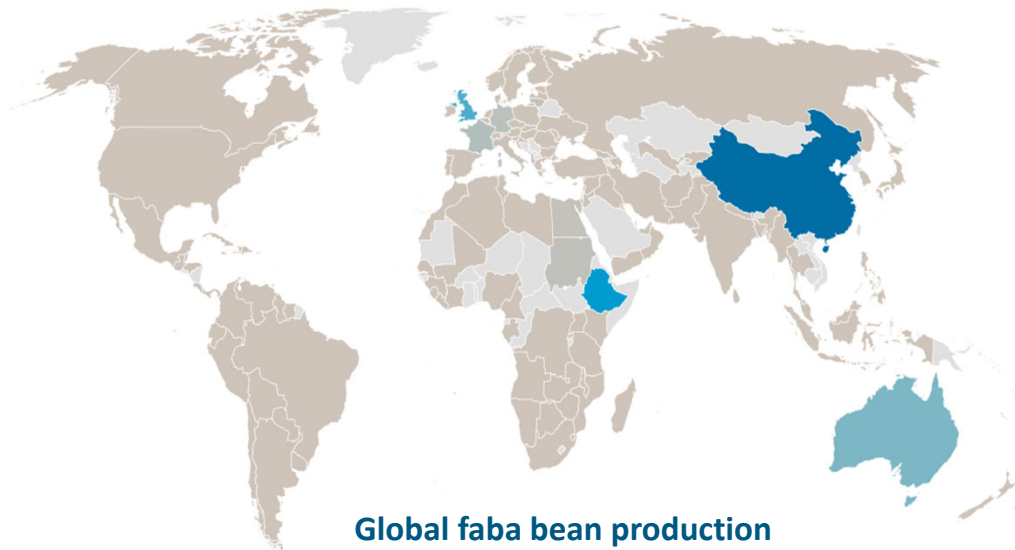


Global field pea production

- Global production is 14-15 MMT
- Australia's average production 200-400 thousand tonnes annually
- About 40% is exported mainly to niche food markets that prefer dun peas.
- The growth of these markets is limited.
- Globally
  - most growth in field pea trade will occur in the feed space and
  - with yellow peas used for processing and feed applications rather than direct use in traditional foods.
- Canada and Russia are best placed to take advantage of market growth as they are large producers.

# Faba bean

## New opportunities ahead

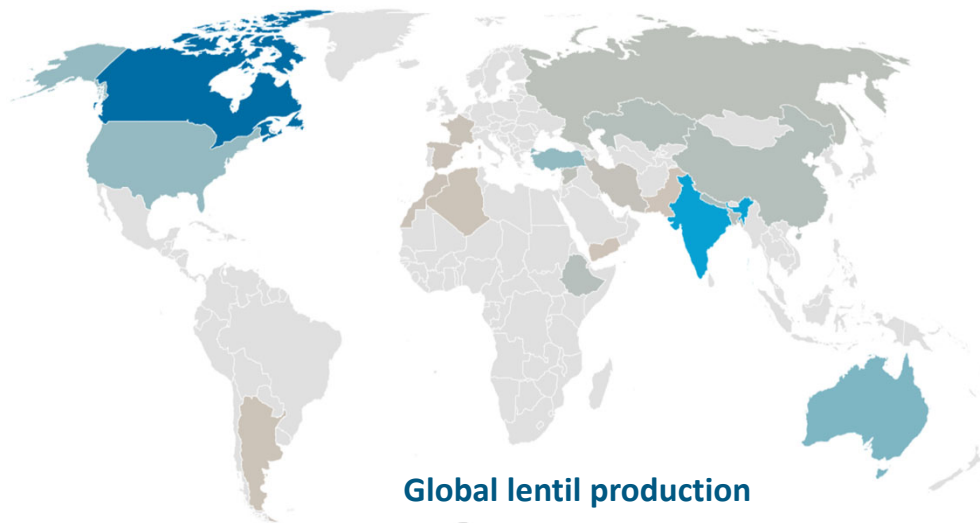


- Diverse production area across Australia around 240 thousand tonnes annually
- Growing interest for protein isolates and concentrates for food purposes
- Derivative products may be used in the animal feed industry
- China - largest growth opportunity
- SEA - aquaculture
- India – splitting and flour



# Lentil

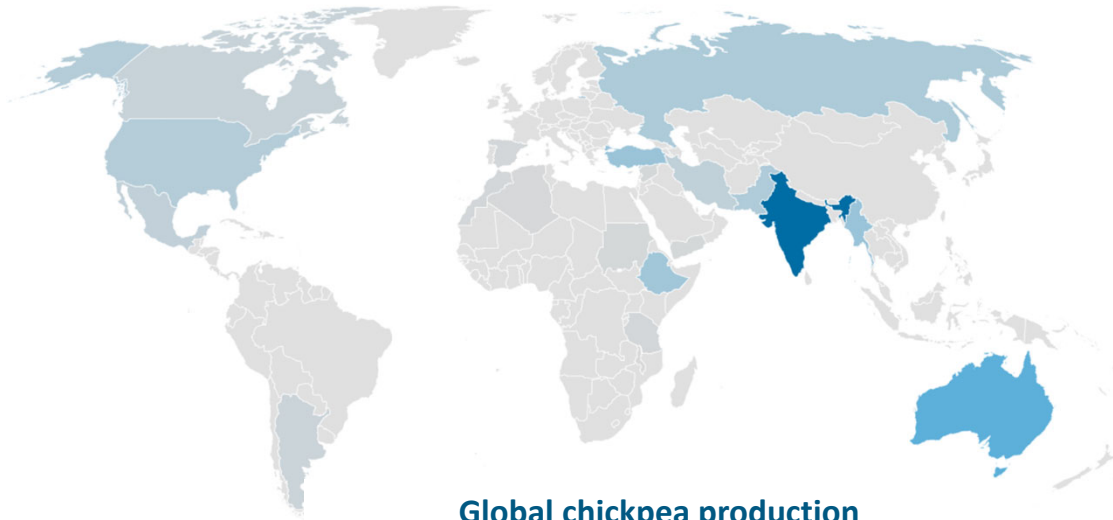
## Diversified customer base



- Wide variety of markets with different needs, Australia can continue to benefit through the supply of fit-for-purpose lentil types (e.g. Australia's ability to provide lentil's that suit Bangladesh preferences)
- Australia and India are developing a Comprehensive Economic Cooperation Agreement (AI-CECA) which may provide trade advantage for Australian lentils
- Food market orientation may slow growth

# Chickpea

## Market access is vital



- Highly reliant on one market - India
- Now - major markets for Australian Desi chickpea include Pakistan, Bangladesh and UAE
- Exports are around 30,000 tonnes of chana dhal to selected Indian expatriate markets around the world
- Australian production have declined since imposition of Indian tariffs – market access is vital

# Lupin

## Feed and food opportunities continue to evolve



- Despite interest in lupins as a food, the volume used for this purpose remains low.
- New or additional food safety information could buoy export market opportunities.
- Manufacture of protein concentrates and isolates has commenced.
- There are feed opportunities in the SEA market that might evolve as a result of IA-CEPA.
- Middle east remains important for Albus lupins

# Summary

Australia is a relatively small producer of most pulses

Substantial competition – Canada and Black Sea

Uncertain growth opportunities in traditional food markets

Trade and market access is increasingly important

Most growth will be in new food and feed applications

Technical engagement will open markets



Australian Export Grains Innovation Centre

*No matter what the requirement  
there is an Australian grain legume  
to suit your needs.*



**Australian bar**  
Quality, safety, and  
reliability



*Keep in touch*

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