



Confederation of Indian Industry
125 Years - Since 1895

AUSTRALIA ECONOMIC STRATEGY | AGRIBUSINESS



Overview

- India is primarily an agrarian economy with agriculture employing ~42% of the population and contributing ~18% to the country's Gross Domestic Product
- India ranks among the top ten exporters of agricultural produce in the world and is one of the leading producers of rice, wheat, cotton, jute, sugarcane, oilseeds, tea, horticulture and livestock
- The Indian Government initiated the 'Blue Revolution' to tap the underlying potential of India's fisheries sector by adopting an integrated system to improve fish production and increase productivity from aquaculture and deep-sea fishing
- The Indian Government has additionally sanctioned 40 Mega Food Parks, offered substantial financial aid and liberalized FDI norms to harness potential opportunities in India's growing food processing industry
- India's agriculture sector is plagued by low yield due to low labour productivity, slow adoption of mechanization and technology, lack of sufficient storage and processing facilities and inconsistencies in sanitary and phytosanitary measures
- Australia's agriculture sector is globally recognized for use of state-of-the-art technology and the productivity and quality of its produce
- Australia's agricultural productivity can be endowed to significant innovation in storage techniques (silo bags and silos) and adoption of agri-technology such as biotechnology, farm management, farm robotics etc. and specialized food processing technology
- Australia's key agricultural exports comprise of beef and veal, wheat, dairy products, barley, sugar, wine, canola, lamb meat, chickpeas, raw cotton, almonds and oranges

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Key Opportunities

- Collaboration with Australia in Agribusiness could greatly improve India's yield and quality of agricultural produce
- The below opportunities have been identified in this sector in the Australia Economic Strategy Report:
 - a. Increasing knowledge transfer initiatives between India and Australia on agri-technologies
 - b. Adopting best practices in dairy processing from Australia for the Indian context
 - c. Collaborating with Australian government/companies for innovative storage techniques for Indian farmers
 - d. Investing in farm lands and wool farms in Australia
 - e. Collaborating with Australian companies in areas such as aquaculture and deep-sea fishing
 - f. Investing in Australian food processing to import technology/technology designs and manufacture food products at a low cost in India
 - g. Exporting India's Ready to Eat products to Australia
 - h. Encouraging research partnerships with Australia to develop India's biofuel potential
 - i. Promoting investments by Australian companies in India's Mega Food Parks