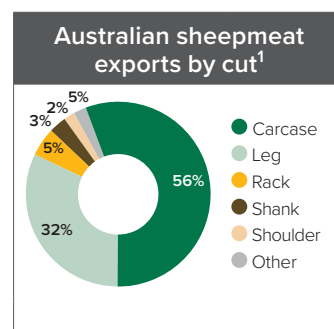
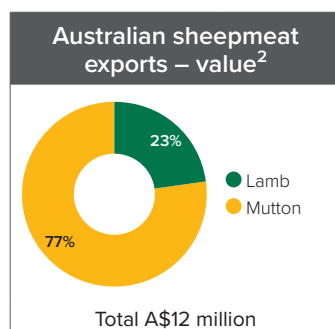
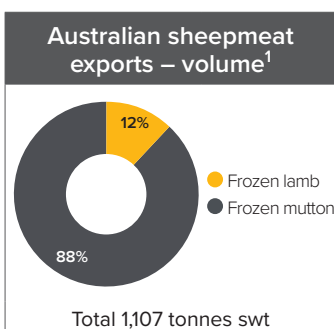
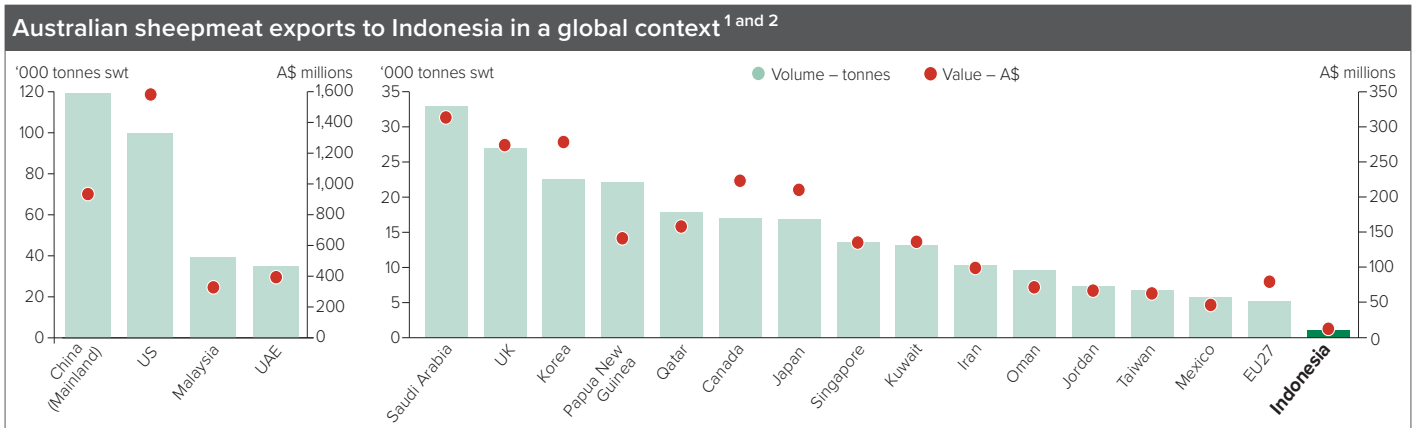
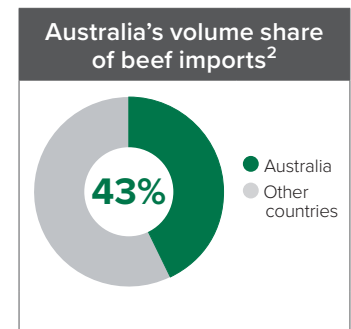
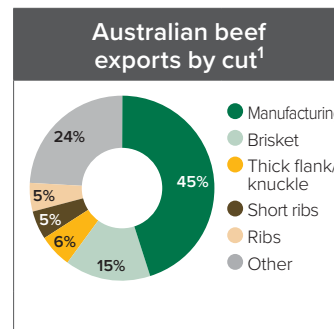
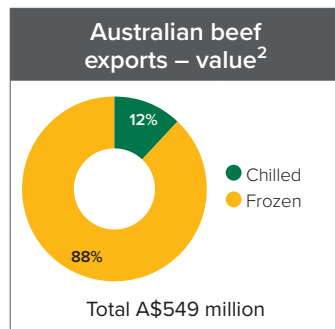
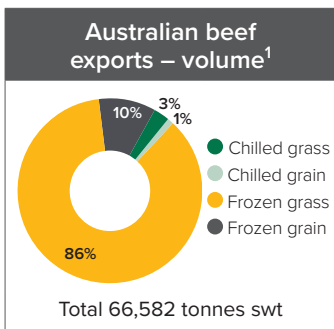
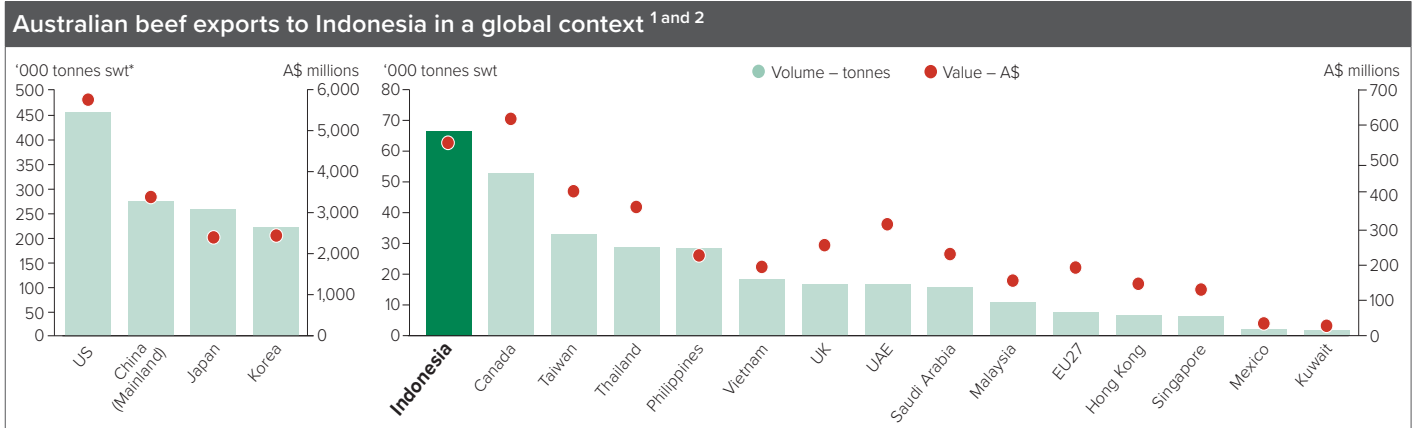


MARKET SNAPSHOT | BEEF & SHEEPMEAT

EXPORTS
Largest beef and livestock trade partner in South-East Asia (SEA)

CONSUMERS
Large aspiring middle-income segment balancing cost pressures

GROWTH
Modern and online retail and premium foodservice driving



Data source for charts: ¹Department of Agriculture, Forestry and Fisheries (DAFF) 2025, ²Trade Data Monitor, LLC (TDM) Moving Annual Total (MAT) November 2025, *swt = shipped weight



CONSUMERS

- Indonesia has the largest middle-class in SEA. The number of households with annual disposable income more than US\$35,000 – who can afford to purchase premium imported beef regularly – is anticipated to grow 1.9% annually to 2029 (Source: Fitch Solutions).
- Indonesia's per capita meat protein consumption of 20.2kg is relatively low compared to the SEA average of 57.1kg but is forecast to grow at 2.9% annually to 2029, underpinned by rapid growth in disposable incomes. Beef holds significant importance in Indonesian diets, contributing 15% to per capita meat consumption, which is the highest in SEA (Source: GIRA).
- The island of Java is home to more than 50% of Indonesia's population but accounts for approximately 70% of the market's total beef consumption. MLA estimates that around 70% of Australian beef is consumed in the Greater Jakarta region.
- Beef is a popular meat in Indonesia, widely used in many dishes, with *rendang* (beef braised with coconut milk and spices), *bakso* (meatball) soup, or *semur* (beef stew) among the more famous traditional beef dishes.
- Indonesian consumers are increasingly demanding transparency in food production systems, provenance and verifiable label information, particularly regarding halal certification. Australian beef is well-positioned to offer peace of mind due to a strong positive perception of Australia's robust and transparent production systems and traceability (Source: MLA Global Consumer Tracker 2025).
- Cost of living remains a top concern for Indonesians with 85% worried about their household budget. As such, more consumers are actively seeking the best value when shopping, which for more than 50% of consumers means high quality

when shopping for meat products (Source: GlobalData Global Consumer Survey Q2 2025). Australian red meat is well positioned to deliver on quality, thanks to its reputation for having consistently high quality standards (Source: MLA Global Consumer Tracker 2025).

Indonesian consumers' associations with Australian beef

Consumer associations		Affluent* consumer associations	
1	Is the most superior beef	1	Is the most superior beef
2	The meat is usually tender	2	More nutritious
3	Consistent quality standards	3	The meat is usually tender
4	More nutritious/The fat is nicely marbled	4	The animal is well cared for
5	The animal is well cared for	5	Offers a variety of cuts that suit the meals I make

Source: MLA Global Consumer Tracker 2025, *Affluent = households earning Indonesian Rupiah (Rp) 100,000,000+ /year

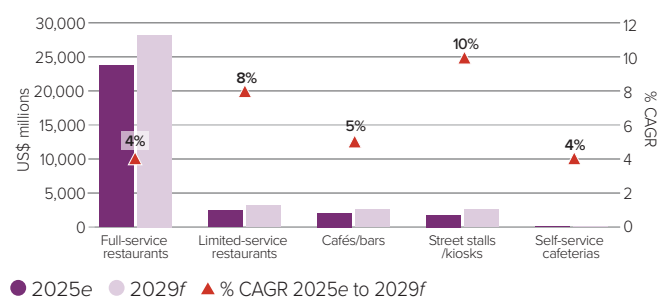
- Food is central to bringing people together, driving a spike in beef consumption during festive seasons like *Ramadan* and *Eid al-Adha*. Food security, defined by availability and quality, remains a key priority for the Indonesian government. With the nutritious meal program introduced under the new administration, there are further opportunities to highlight the nutritional role of Australian red meat in supporting local dietary health.
- Continued growth in demand for highly marbled beef underscores growing sophistication in the market. Import demand for Australian grainfed beef surpassed last year's all-time high reaching 8,168 tonnes shipped weight (swt) in Financial Year (FY) 2025 (Source: DAFF).

FOODSERVICE



- Indonesia has a vibrant and highly fragmented foodservice sector, with almost 95% of the market dominated by small, independent local cuisine restaurants. These restaurants typically utilise fresh beef from local and Australian cattle or frozen imported meat.
- A growing, increasingly urbanised middle class is driving demand for new and diverse food experiences. Combined with Millennial and Gen Z consumers, who make up more than half the population, these consumers are accelerating the rise of international restaurant concepts, as well as convenient, time saving meal solutions through online delivery and takeaway.

Foodservice segment value and growth



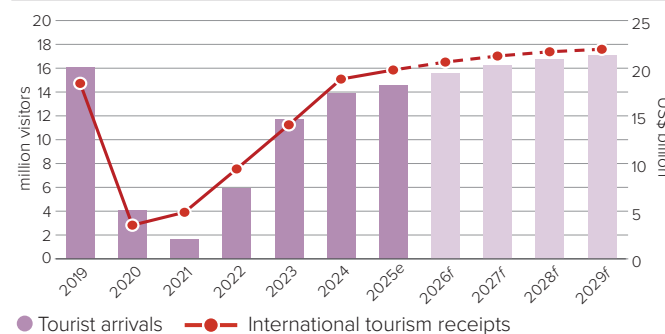
Source: Euromonitor International, Limited-service restaurant (fast food + 100% home delivery/ takeaway outlets), CAGR = compound annual growth rate, e = estimate, f = forecast

- The foodservice sector across Jakarta, Bali, and other tourism hubs continues to diversify and evolve, with growing interest in

Korean and Japanese-style barbecue, Western steak, and fusion concepts driving import demand. Premium steakhouse and dry-age formats are emerging in upper-tier cities, reflecting a shift toward more specialised offerings. At the same time, cost pressures are prompting menu simplification and broader cut usage, where Australian beef provides a compelling balance of quality and value.

- International tourism is a key demand driver for casual and fine dining restaurants in Indonesia. This sector is recovering rapidly and is expected to reach 2019 levels by 2027, with Malaysia, Mainland China, Singapore and Australia being the top visitor sources (Source: Fitch Solutions). The government has set ambitious targets for tourism numbers.

Indonesia tourist arrivals and international tourism receipts



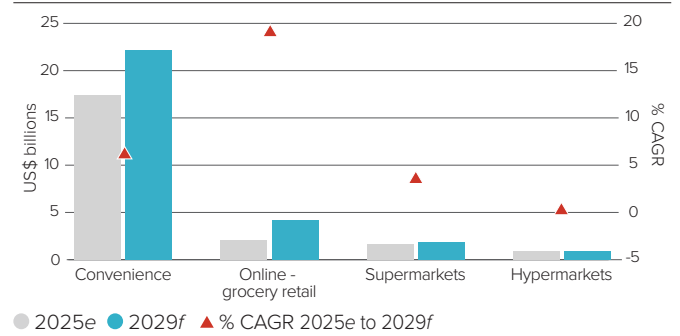
Source: Fitch Solutions



- Indonesia's retail sector is also highly fragmented, with traditional channels making up 88% of the sector. However, modern retail is rapidly expanding, and is expected to continue to grow market share in the coming years, particularly the convenience and online channels (Source: IGD).
- Wet markets remain an important distribution channel for beef in Indonesia, where consumers most frequently purchase their beef. This is partly driven by the perceived freshness of beef sold in wet markets, Indonesian consumers' preference for hot meat and their habit of cooking from fresh ingredients purchased on the day. The majority of Australian cattle imported into Indonesia are channelled into wet markets as hot carcasses, with around 10% sold into modern retail outlets.
- In Greater Jakarta, consumers buy beef across multiple retail channels, from traditional markets to modern outlets. Australian boxed beef is widely available and commonly found in supermarkets and hypermarkets.
- Smaller modern formats such as local supermarkets and convenience stores are gaining favour over large hypermarkets, with their expansion into cities like Surabaya, Bandung and Semarang. Many convenience chains are driving new consumption trends by offering ready-to-eat meals featuring both local and Korean-inspired beef dishes. This evolution presents opportunities to position Australian beef in convenient, trend-driven ready-to-eat formats.

- Modernisation and premiumisation continue across meat retail, with importers and distributors opening branded butcher shops offering high quality local and imported beef.
- When buying beef for home consumption, consumers prioritise country of origin, quality and meat cut. Country of origin also signals quality and taste, with Australia ranking first among preferred sources (Source: MLA SEA Traceability Research 2024).
- Online retail will maintain its robust growth momentum, driven by increased investments from physical retailers to complement their brick-and-mortar stores. These retailers are competing in the digital landscape with major international players by offering a broader selection of groceries and faster delivery (Source: IGD).

Grocery retail sales and growth in modern retail channels*



Source: IGD, *Excludes traditional channels and other modern retail

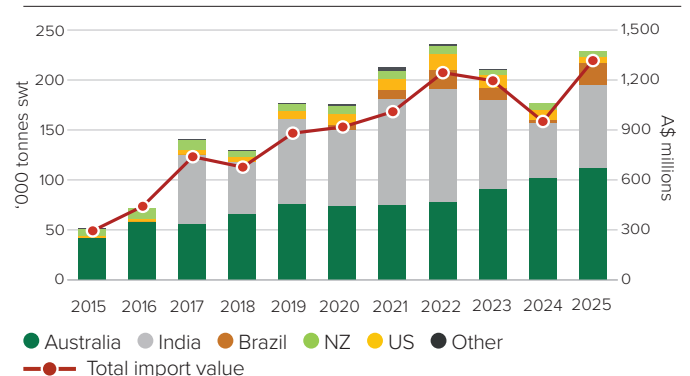
COMPETITIVE LANDSCAPE



- Indonesia's domestic beef production meets about 65% of domestic consumption (Source: GIRA). A proportion of its production system relies on imported feeder cattle from Australia, which are finished in local feedlots and processed in local abattoirs. Improved feeder cattle supply has enabled beef from live cattle processed locally, to remain competitively priced, despite increased biosecurity, regulatory, feed and labour costs. The Indonesian government's retail beef price ceiling policy¹ continues to operate, particularly during peak beef consumption periods, to support beef affordability for consumers.
- Indonesia's beef imports reached 228,858 tonnes swt in the 12 months to August 2025, up from last year but still 3% below the 2022 record of 236,251 tonnes. Australia led with a 49% share, followed by India (36%), Brazil (10%), the United States (US) and New Zealand (NZ) (3% each) (Source: TDM). The government has allocated up to 297,000 tonnes of boxed beef for 2026, plus additional Indian buffalo meat (IBM) and Brazilian beef for state-owned enterprises (SOE) to support supply stability.
- Australia continues to play a key role in meeting Indonesia's demand for quality beef. In the 12 months ending August 2025, Australian boxed beef exports reached 77,030 tonnes swt, up 8% year-on-year and the highest on record, supported by competitive pricing and strong demand from medium and high-end foodservice. Including boxed beef, live cattle and offal, Australia remains the largest contributor to Indonesian beef consumption after domestic production (Source: DAFF, TDM).
- India remains the second-largest supplier of boxed beef/IBM. In the 12 months ending August 2025, imports of IBM were 83,240 tonnes swt, up sharply from 54,766 tonnes last year but still 26% below the 2022 peak of 113,122 tonnes. Despite earlier trade constraints, IBM continues to play a role in providing affordable red meat for consumers and the informal manufacturing sector.

- Brazil's imports rebounded sharply in 2025, reaching 21,953 tonnes by August, above its 20,000 tonne allocation, supported by more approved plants and competitive pricing.
- Imports from the US were 5,803 tonnes swt in the 12 months to August 2025, down from 10,377 tonnes last year, a 44% year-on-year decline, reflecting limited supply and higher prices.
- The mandatory halal certification deadline for imported foods has been delayed, with authorities indicating a new date no later than October 2026; all imported beef must still carry BPJPH² recognised halal certification.
- The proposed US-Indonesia trade deal would introduce systems recognition, automatic import licensing and removal of quotas, which could ease future US access.

Indonesia beef imports by supplier*



Source: TDM, *MAT year ending August

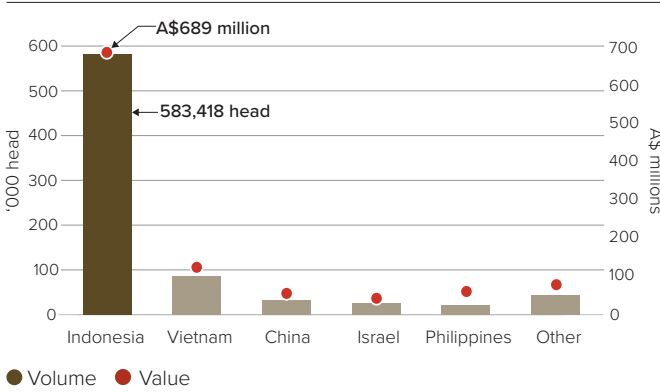
¹Reference: Ministry of Trade regulation 7/2020, ²Badan Penyelenggara Jaminan Produk Halal (BPJPH) is Indonesia's Halal Product Assurance Organizing Agency, the official government body responsible for implementing and overseeing halal certification for products, including imported beef

AUSTRALIAN LIVE CATTLE EXPORTS



- Indonesia remains Australia's largest market for live cattle exports, accounting for approximately 70% of total export volumes. In 2025, exports to Indonesia totalled 583,418 head – a 9% year-on-year increase and the highest volume recorded since 2020 (Source: DAFF). This growth reflects more favourable pricing, improved cattle availability and Indonesia's strong and consistent preference for the quality and reliability of Australian cattle.
- As of January 2026, the Indonesian government released 600,000 import allocation, including breeder cattle. Importers may be able to apply for additional permits later on.

Top five Australian live cattle export markets

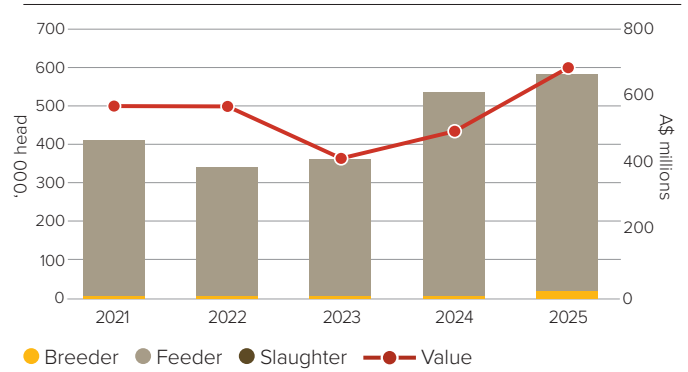


Source: DAFF, TDM, Volume: Calendar Year (CY) 2025, Value: MAT year ending November 2025, All cattle types combined

- As part of the Indonesian government's effort to increase local beef production, it re-imposed the '3% breeder feeder' import policy, which requires 3% of breeders per total pen capacity. This policy was temporarily suspended during the pandemic but was reinstated in 2025 to support Indonesia's objective of increasing the cattle population – reported to be 11 million head in 2024.

- Beef from Australian live cattle in Indonesia is primarily sold through wet markets – a traditional retail channel that remains central to local meat consumption. While this space has become increasingly competitive due to the growing presence of lower-cost frozen products from India and Brazil, consumer preference for fresh, locally processed meat remains strong. Australian cattle continue to deliver high quality, safe beef at favourable prices, reinforcing demand and supporting the resilience of the trade in a price-sensitive environment.
- Brazil's presence in the Indonesian beef market has grown following re-access in 2023. In 2025, Brazil expanded access to bone-in beef and offal, and with more plants being approved to export to this market, this brings the total to 38 plants. Additionally, in 2025, Indonesia formally opened its market to live cattle from Brazil through regulatory changes and public confirmations by senior officials, but as of mid-2025 this access is largely policy-level and not yet reflected in significant commercial shipments.
- Under the Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA), Australia has an Indonesia access quota of 700,000 head of male cattle at a 0% tariff rate.

Australian live cattle exports to Indonesia*



Source: DAFF, TDM, Volume: CY2025, Value: MAT year ending November 2025

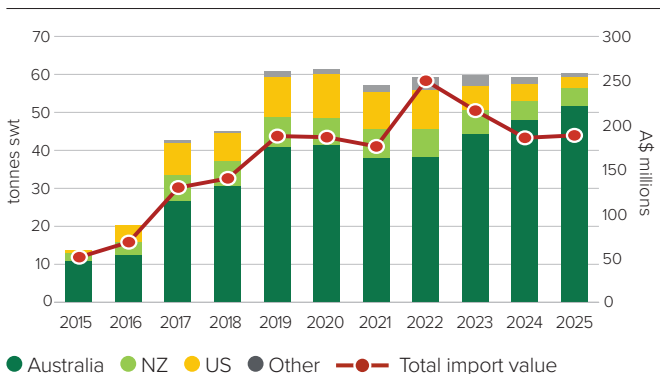
AUSTRALIAN BEEF OFFAL EXPORTS



- Beef offal is a staple in Indonesian cuisine, commonly used in households as well as foodservice and manufacturing. Tongue is among the most popular cuts, featured in a variety of local dishes.
- Heart, tongue and lungs each represent 12% of Australian beef offal exports to Indonesia. Heart and tongue are used in *Coto Makassar* (traditional Indonesian soup), while tongue root is often used in processed meat products. Lung is used in the popular dish *Paru Goreng* (deep-fried beef lung).

- Since gaining zero-tariff access to Indonesia in 2017 under the ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA), Australian offal exports have remained strong. Australia is the leading offal supplier to Indonesia. It held nearly 85% market share for the 12 months to August 2025 and reached a record-high volume of 60,541 tonnes swt (Source: TDM).
- Indonesia is the largest Australian offal export market by volume, but has overtaken Korea to become second highest in value after Japan, at A\$177 million in the 12 months to August 2025.

Indonesia beef offal imports*



Source: TDM, *MAT year ending August



Beef and offal Coto Makassar (traditional Indonesian soup)

Sheepmeat

CONSUMERS



- Sheepmeat is a niche protein in the Indonesian diet, generally consumed on special occasions, particularly during religious festivals. Demand typically spikes during the Islamic religious seasons of *Ramadan* and *Eid al-Adha*. Imported lamb is perceived as higher quality and more tender, while overall quality is closely linked to freshness. This helps explain the appeal among consumers seeking premium products.
- The main barrier to increasing lamb consumption at home is limited knowledge of preparation and cooking. Despite this,

more consumers are experimenting with lamb and becoming familiar with its flavours and uses (Source: *MLA Global Consumer Tracker 2023*).

- Affluent young consumers are especially familiar with lamb, with a higher proportion having purchased it compared to older generations. Their curiosity about new and exciting dishes has sparked greater interest in buying and preparing lamb at home, supporting a gradual rise in domestic demand (Source: *MLA Global Consumer Tracker 2025*).

FOODSERVICE



- Lamb is infrequently consumed (typically once a month or less) and mainly for special occasions. It is most often available at specific restaurants, particularly those serving Middle Eastern cuisine, with popular dishes including *nasi kebuli* (Indonesian-style pilaf) and *gulai* (spiced stew). When ordering, consumers prioritise well-cooked dishes (tender, without strong smell), lamb-specialty restaurants (to ensure quality and avoid gamey flavour) and good reviews from other diners (Source: *MLA SEA Traceability Research 2024*).

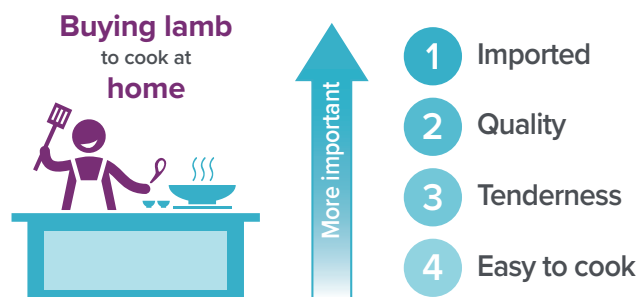
- With limited cooking experience the key barrier to retail purchase, foodservice is the most strategic channel to grow sheepmeat consumption. Positive dining experiences can encourage consumers to try cooking lamb at home.
- Australian sheepmeat is mainly used in mid to high-end foodservice, catering to both international and domestic tourists as well as local affluent consumers. Partnerships with delivery platforms such as GoFood and GrabFood continue to expand lamb's accessibility through evolving meal delivery options.

RETAIL



- Indonesian consumers purchase sheepmeat from both modern and traditional retailers, though modern retail remains the main channel for imported products.
- Lamb is less often cooked at home, but is typically roasted, grilled or used in soups when it is. Limited cooking knowledge means consumers tend to choose simpler recipes, with *paha domba* (lamb shank) the most popular cut, followed by chops and ribs (Source: *MLA SEA Traceability Research 2024*).
- Retailers encourage trial by offering easy-to-cook formats such as thin slices, cutlets and chops, alongside traditional cuts like shanks and leg roasts.
- The growth of online retail continues, supported by retailer investment in e-commerce (Source: *IGD*), while word-of-mouth and social media (e.g. Instagram) are key channels to build awareness and cooking confidence for lamb.

Ranking factors when buying lamb to eat at home



Source: *MLA SEA Traceability Research 2024*

COMPETITIVE LANDSCAPE



- Indonesia is the largest sheepmeat producer in SEA, with 114,000 tonnes carcass weight (cwt) covering 96% of domestic consumption (Source: *GIRA*).
- Imports reached 2,284 tonnes swt in the 12 months to September 2025, 44% below the last three years' highs (averaging 4,065 tonnes swt). The decline reflects Indonesia's sheep import suspension from mid-2025, with only limited charity/SOE volumes allowed while private imports remain paused.
- Australia remains the largest supplier, with 86% mutton and 14% lamb in the 12 months to September 2025 (Source: *DAFF*). Demand has been supported by foodservice growth, improved supply, and competitive pricing.
- In an effort to enhance the genetic quality of the domestic flock and to produce higher-yielding crossbred meat breeds, Indonesian demand for Australian live breeder sheep reached 1,284 head in 2025, making Indonesia the third-largest breeder market (Source: *DAFF*).

Indonesia sheepmeat imports by supplier*



Source: *TDM, *MAT year ending September*



Market access overview – beef

Trade agreements	Import tariffs	Competitors	Volume restrictions	Technical access
<p>ASEAN – Australia New Zealand Free Trade Agreement (AANZFTA)</p> <p>Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA)</p>	<p>Boxed beef: 0%</p> <p>Live cattle: 0% 0% for male cattle within quota (700,000 head, reset on 1 January 2026), 2.5% out of quota; 0% for all other product lines</p>	<p>India (buffalo meat): India-ASEAN FTA 5% tariff</p> <p>Brazil: No FTA – 5% tariff</p> <p>US: No FTA – access may improve pending bilateral agreement</p>	<p>Volumes managed by the Indonesian government's import permit system</p>	<p>Indonesia is a highly regulated market with complex import conditions, and its regulations are strictly aligned with Halal requirements</p> <p>The government controls type of meat and offal products that can be imported into Indonesia</p>

Best access  Major challenges

Source: Trade agreements, Department of Foreign Affairs and Trade (DFAT)



Sheepmeat



Market access overview – sheepmeat

Trade agreements	Import tariffs	Competitors	Volume restrictions	Technical access
<p>ASEAN – Australia New Zealand Free Trade Agreement (AANZFTA)</p> <p>Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA)</p>	<p>Under IA-CEPA: 0% All sheepmeat products zero tariff since January 2023</p>	<p>New Zealand: Under Regional Comprehensive Economic Partnership (RCEP): 0% tariff for chilled and 4% for frozen products</p> <p>US: No FTA – 5% tariff</p>	<p>Zero</p>	<p>Indonesia maintains import regulations in accordance with Halal requirements</p> <p>No health protocol agreed for sheep offal</p>

Best access  Major challenges

Source: Trade agreements, DFAT, International Trade Centre



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