

10.0 RECOMMENDATIONS AND CONCLUSION

Australia as an export destination of Sri Lanka, is in seventeenth position, which holds only 1.1 percent of our total exports to the world in 2002. At the same time, 3 percent of total imports to Sri Lanka account from Australia.

Within a decade, Australia has become one of the most exciting producers of wide range of high quality foodstuffs in the world and has a high degree of self-sufficiency. The Australian wine industry is internationally renowned for its full-flavor quality wines. Although there are certain restrictions involved with import of food and beverages,, Australia is still a significant importer of processed foods with seafood, vegetables and fruits, coffee, tea, cocoa as the largest. Currently, Sri Lanka has a good reputation in supplying wide range of tea products to this market and exports can be increased further.

As mentioned in ‘limitations of the research study’, customer tastes and preferences vary from state to state within Australia itself and therefore it may be necessary to research the market in different states in order to gain an in-depth knowledge of the Australian market.

In conclusion, whilst Sri Lankan exporters continue to grapple with both economic, political and security concerns in an uncertain global environment, there are good signs that economic recovery is under way and exports to Australia will be improved.

Identification of the potential products in the Australian market, as mentioned in the ‘opportunity analysis’ (chapter 8) and annex 8, is based on discussions with exporting companies particularly in the case of tea, rubber and coconut products sector and on the basis of statistical analysis of imports for other products.

Australian market is concerned, China and other low cost suppliers are the main and strong competitors for Sri Lanka. At present developing countries supply 30.2 percent of the total value of imports in to Australia and new suppliers have an opportunity to secure a share of this market.

Australia will remain an important market for a wide range of industry inputs, machinery etc and in the area of consumer products in which Sri Lanka has

potential, there are opportunities to fill gaps left by the new relatively “expensive” suppliers to Australia like Korea and Taiwan.

There will, on the other hand, be strong competition from countries such as China and new suppliers will have to adopt an effective marketing strategy to capture a share of the Australian market.