

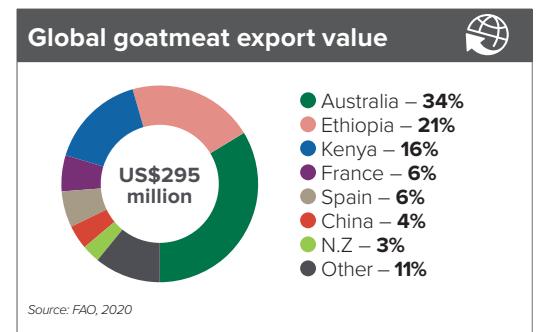
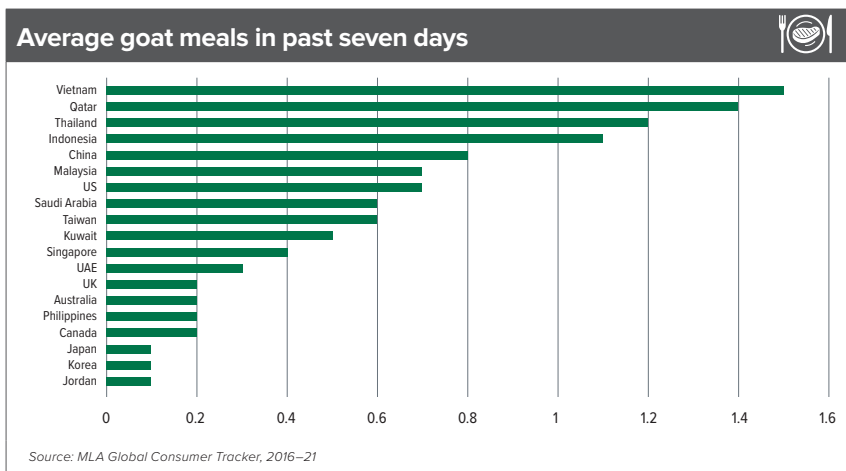
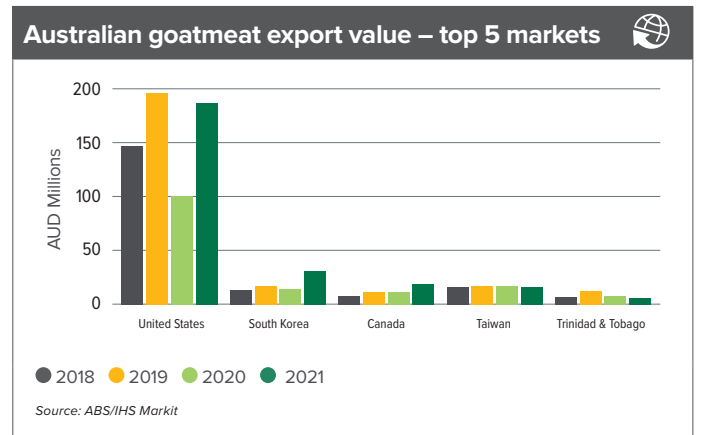
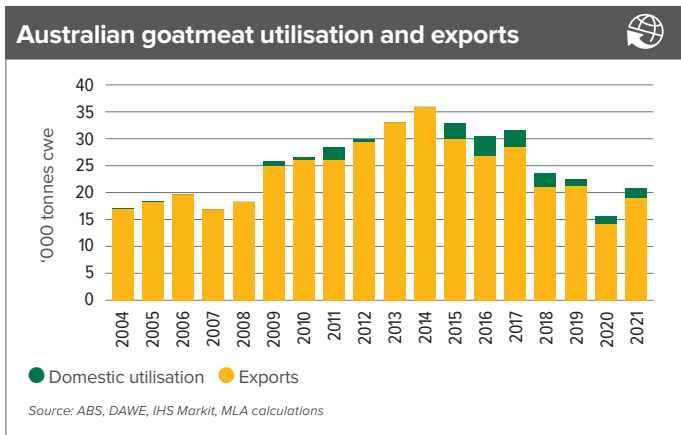
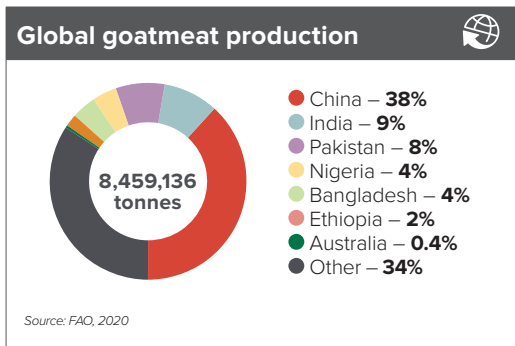


GLOBAL SNAPSHOT | GOATMEAT



Goatmeat is consumed in most countries around the world. It is generally considered a niche protein associated with specific cooking methods, dishes and cuisines and hence is more popular in certain ethnic communities. Per capita consumption varies greatly between countries, driven mostly by local production volumes and tradition. Global trends in population growth and increasing household wealth provide a broadly positive outlook for global goatmeat consumption. Australian goatmeat can continue to develop opportunities in key global markets by leveraging its strengths and addressing some of its barriers, which include:

- Goatmeat is a meat protein that has no associated religious or cultural restrictions and is considered to be highly nutritious.
- The widely acknowledged health benefits of goatmeat can be leveraged to meet the growing global demand for health, wellness and nutrition.
- Goatmeat is generally considered most suitable for slow, wet cooking methods. Opportunities to increase trial and consumption of goatmeat can tap into the appeal of cuisines that utilise goatmeat, such as South Asian (Indian, Pakistani, Nepalese), Caribbean, Middle Eastern and some Asian and South American dishes.
- A challenge across many markets is consumers' lack of access to, and familiarity with, goatmeat, and consequent low levels of confidence in preparing and cooking it.
- Australia's rangeland goat flock and seasonal conditions mean that production and exports tend to be subject to relatively volatile supply.
- On menus, goat is often seen as interchangeable with sheepmeat and other red meats, in part driven by a lack of availability and price.



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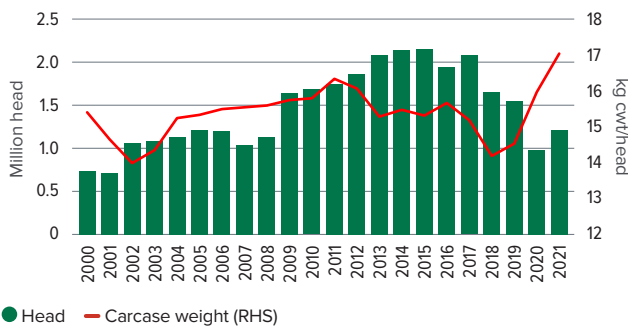
**carcase weight



Production and supply

- The majority of goatmeat is harvested from rangeland goats. A 2017 survey of NSW goatmeat producers found that 71% of the 454 enterprise producers who responded had a harvest enterprise, while 29% operated a managed or semi-managed enterprise (Source: NSW DPI/MLA Goat Industry Data Collation and Tracking Project, 2017).
- Several years of drought conditions resulted in smaller flock sizes, flowing on to lower goat slaughter and exports from 2017 to 2020. However, widespread rainfall during 2020 and sustained good conditions due to a La Niña weather pattern during 2021 has seen flock numbers increase. According to MLA's NLRs, eastern states goat slaughter increased 42% year-on-year in 2021, totalling 1,006,292 head as:
 - » Queensland totalled 401,570 head, 41% more than 2020.
 - » Victoria totalled 394,711 head, 71% more than 2020.
 - » SA processed 123,326 head, 4% more than 2020.
 - » NSW processed just over 86,685 head, 20% more than 2020.

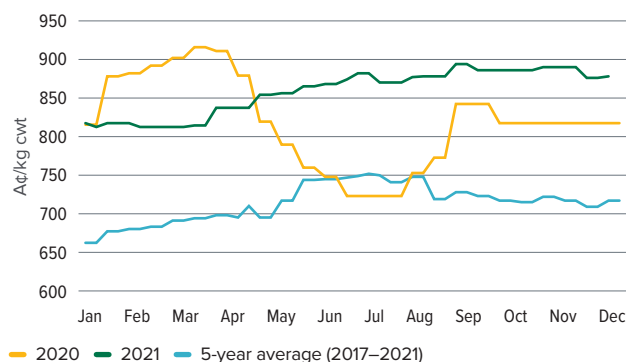
Australian goat slaughter and carcase weight



Source: ABS

- Goatmeat production in 2021 increased 34% on the previous year, totalling 20,847 tonnes carcase weight (cwt). Average carcase weights lifted 7% year-on-year, to 17.02kg/head in 2021, contributing to the increase in production. Despite a low processing volume, NSW is the largest producer supplying abattoirs in Victoria, Queensland and South Australia.
- After reaching record levels in 2019, goat over-the-hooks pricing remained historically high in 2021, trending steadily upwards from March and averaging 859¢/kg cwt for the year.

Goat over-the-hook prices



Source: MLA's NLRs, 12.1-16kg cwt

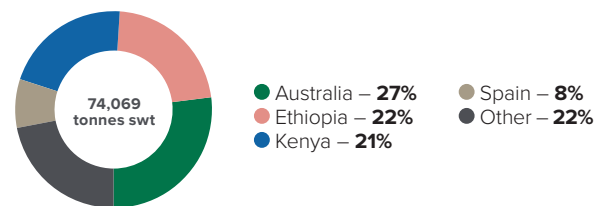
Impact of COVID-19

- COVID-19 continues to have a significant impact on Australia's domestic and global markets. Globally, international trade and the foodservice and retail sectors remain affected. Read more about these impacts in MLA's [red meat market snapshots](#).
- International flight disruptions and record-high shipping container rates continued into most of 2021, impacting both boxed and live exports.
- As most Australian goatmeat is sold through global foodservice channels, continued pandemic impacts on foodservice have likely reduced some consumer demand. However, lower exports and domestic consumption up to mid-2021 were driven more by tight supply and lower production.

Exports

- Globally, Australia is a minor producer of goatmeat but the largest exporter, with a 34% value share and 27% volume share of global goatmeat exports in 2020 (Source: FAO). Australian goatmeat is almost exclusively (98.5%) exported as a frozen whole carcase (Source: DAWE).
- Ethiopia is the second largest exporter, with a volume share of 22% (Source: FAO).

Top global goatmeat exporters by volume

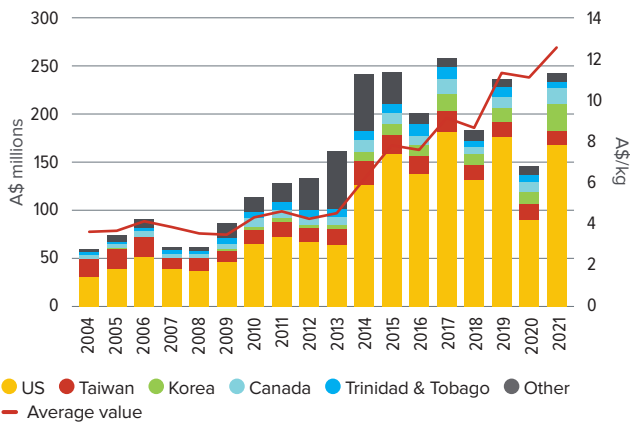


Source: FAO, 2020

- In 2021, Australia exported a total of 19,046 tonnes shipped weight (swt) of goatmeat, up 34.5% year-on-year. Despite the disruptions in the foodservice channel – the main channel for Australian goatmeat – international demand is strong and combined with Australia's tight supply, have sustained high prices. Australian goatmeat exports were valued at \$242 million in 2021, up 67% on 2020.
- The US remains the key market for Australian goatmeat, accounting for 66% of exports by volume in 2021 at 12,589 tonnes – 47.5% more than in 2020.
- In 2021, South Korea suddenly grew 91% year-on-year to 2,128 tonnes, overtaking Taiwan as Australia's second largest export destination. Similarly, Japan imported 458 tonnes, displacing Trinidad and Tobago in the top five markets.



Australian goatmeat exports by value



Source: IHS Markit

- Australian live goat exports accounted for 2% of total goat export value in 2021, at A\$5.1 million. In 2021, Malaysia recovered its historical position as the top export market, with a mix of slaughter and breeder goats.
- While China became Australia's largest live goat export market in 2020, exports fell in 2021 to just 819 head. Meanwhile, demand for breeders in the Philippines surged to a record high of 3,500 head in 2021.
- While live goat exports were up 43% year-on-year by number of head, value was down 6%, with record-high air freight costs a major factor.
- While there are markets with higher goatmeat consumption than Australia's major markets, this is generally due to good availability of cheaper domestic product.

Australian goat market summary

Calendar year	2020	2021	% change 2020–21
Slaughtering ('000 head)	972.9	1,210.0	+24
Average carcase weight (kg/head)	15.9	17.0	+7
Production ('000 tonnes carcase weight)	15.5	20.6	+33
Goatmeat exports ('000 tonnes swt)	14.1	19.0	+35
Goatmeat exports (A\$ millions)	145.5	242.0	+66
Live goat exports ('000 head)	8.4	12.0	+43
Live goat exports (A\$ millions)	5.1	5.0	-2

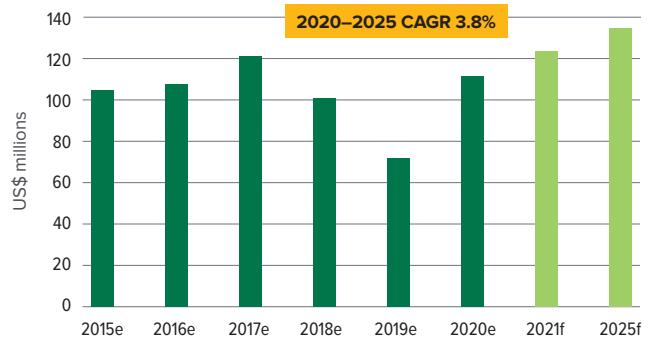
Sources: ABS, DAWE, IHS Markit

Australia – the market

- Goatmeat is a niche protein with relatively low consumer awareness and limited availability in Australia's major retail and foodservice channels. Only about 9% of domestic production is consumed in Australia, with the rest exported.

- Over a quarter of consumers surveyed in 2018 said that the main reason they haven't bought goatmeat is that it was unavailable where they shop. Goat production is heavily exposed to the volatile supply of rangeland goats, which creates challenges for foodservice and retail in securing a steady supply of goatmeat.
- Young families consume somewhat more goatmeat meals than average.
- Goatmeat is particularly popular in communities with various ethnic backgrounds, especially Southern Asian, as well as with consumers who enjoy cuisines that feature goatmeat.

Australia goatmeat sales forecast



Source: Fitch Solutions. Sales figures based on amount household spend on goatmeat or domestic consumption only, purchased through all sales channels.

Potential success drivers for goatmeat in Australia

Several drivers have been successful in growing the consumption of other niche proteins such as turkey, kangaroo and duck and could be used to boost consumption of goatmeat in Australia.

1. Something special – encourage consumers to make a restaurant-quality goatmeat dish at home by providing them with the information and inspiration.
2. New food culture – drive a new trend by leveraging the fact that goat is consumed all over the world, increasing mealtime variety. In particular, increasing the popularity of cuisines that feature goatmeat including Southern Asian, Caribbean, Mexican and Middle Eastern.
3. Seasonal suitability – just as summer is the season for seafood and spring is for lamb, winter could be the popular season for goatmeat, as reflected in a number of Asian countries, when slow wet cooking methods are more popular.
4. Health credentials – goatmeat is lean and associated with health benefits in some Asian markets.

(Source: MLA/DIJ Strategy, Value Adding Goatmeat for Australian Consumers 2017).



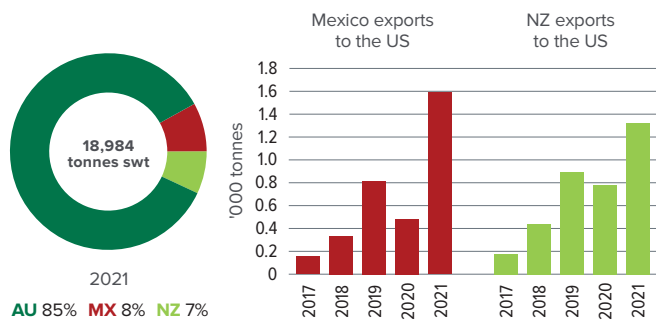
Goatmeat is already eaten by 70% of the population of the world and Australia is the largest exporter of goatmeat.





- North America has been the largest market for Australian goatmeat for over two decades. This is set to continue, driven by population growth, demographic change and evolving consumer tastes. In the US, as in all major markets, goatmeat is a niche protein.
- The US accounted for 66% of Australian goatmeat exports in 2021, totalling 12,589 tonnes swt. Canada is a fast-growing market, accounting for 6.7% of export volume in 2021, an increase of 35% over 2020 volumes (Source: DAWE).
- Since 2018, Mexico has increased its market share of US goat imports. Mexico has an average annual production of around 40,000 tonnes of goatmeat. In 2019, 98% was consumed domestically, with export volumes relatively small. However, Mexico is making efforts to achieve access to the Canada and China markets.

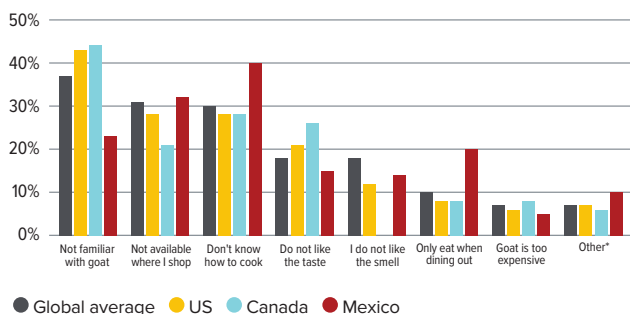
US goatmeat imports by supplier



Source: IHS Markit

- Australian goatmeat export volumes to the US picked up 47.5% in 2021 year-on-year but remained below 2019 levels.
- By contrast, exports to Canada in 2021 were up 38% on 2019 pre-pandemic levels at 1,279 tonnes swt (Source: DAWE).
- In 2021, global goatmeat exports to the US increased to 18,984 tonnes swt. Since 2018, both Mexico and New Zealand have been gradually increasing export volumes, albeit from a low base, totalling 2,910 tonnes combined. Despite this, Australia remained the dominant player, with an 85% share of US imports in 2021 (Source: IHS Markit).
- Although goatmeat consumption in North America is growing, as a niche protein it has relatively low awareness in consumers' minds. The main reason for this is that many consumers are simply not familiar with goatmeat – having not grown up eating it as a part of their meat repertoire – and therefore don't know how to cook it.

Barriers to buying goatmeat (North America)



Source: MLA Global Consumer Tracker 2018 (US, Mexico), 2017 (Canada) *Other includes "Goat is too fatty"

- More frequent goat meat buyers tend to be younger affluent consumers looking for novelty, variety, healthiness and product raised with high animal welfare standards (Source: MLA Global Consumer Tracker 2021).

Midan "Marketing Consumer Segmentation" 2016). Goatmeat buyers are also more likely to have Southern Asian, Mexican, Caribbean and Middle Eastern cultural backgrounds, with traditional dishes that feature goat.

- Goatmeat is more popular among consumers who identify as Hindu and Islamic, with those enjoying more than twice as many goat meat meals per week than the country average (Source: MLA Global Consumer Tracker).
- Goatmeat tends to be bought by those who love meat of all kinds and are looking to expand their tastes and cooking repertoires. Goatmeat buyers are also twice as likely to have also bought lamb in the past month (Source: MLA Global Consumer Tracker).
- Among some groups, goatmeat is seen as interchangeable with mutton and even lamb. A survey of menus featuring goatmeat indicates it often features in curries, stews and other slow-cook dishes and is frequently offered as a protein choice alongside lamb or beef. Cuisines that utilise goatmeat more include Southern Asian, Caribbean, Mexican and Middle Eastern.
- The majority of goatmeat entering the US is sold through foodservice. Fine-dining and mid-level restaurants are incorporating it in their menus, mostly in entrées (Source: Datassential MenuTrends, 2021).
- Despite improving conditions in the market, goatmeat consumption is still affected by foodservice disruptions due to the pandemic. In 2021, the penetration of goatmeat on the menu contracted 26% compared to 2017. However, it is expected to see a 30% rebound over the coming years (Source: Datassential MenuTrends, 2021).
- As many consumers are still largely unfamiliar with goatmeat, some restaurants are using goat in familiar dishes such as grilled goat, burgers and sandwiches to boost consumption. Goat is increasingly used as a "new protein", similar to wagyu beef, particularly in trendy restaurants and specialty grocery stores (Source: Datassential MenuTrends, 2017, 2021).



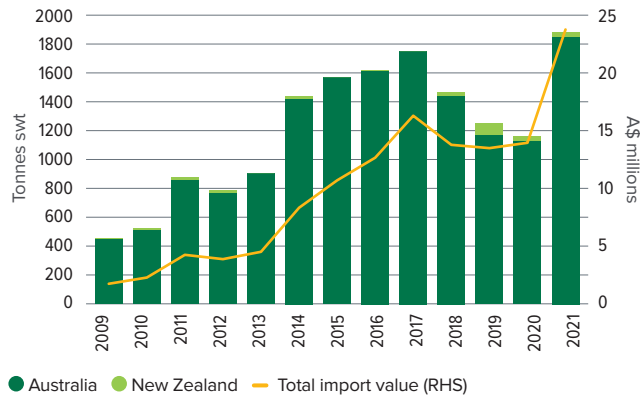
Birria tacos, using a sweet, sour, slightly spicy, and savory Mexican goat stew.





- Goatmeat in Korea comes from both domestic supply and imports, with Australia being a long-standing key trading partner. In 2021, Australian goatmeat exports to Korea grew 94% year-on-year despite tight supply, totalling 2,128 tonnes swt to position the Korean market as the second-largest export destination for the first time. Australia is the dominant player in the Korean import market, accounting for 94% of imported volume in 2021 (Source: IHS Markit).

Korea goatmeat imports



Source: KTSPi, KCTDI/IHS Markit

- In recent years, Korea's increased imports have been partly driven by an influx of Nepalese and Chinese workers who enjoy goatmeat and a rise in the price of local black goats used for medicinal purposes, which has increased manufacturing demand for cheaper imported products and attracted new importers into the trade.
- The growing interest in health trends is driving demand for goat extract. In oriental medicine, goat extract has a strong consumer association with health benefits such as stamina and revitalising the body.
- Although goatmeat is not a common protein in daily diets, it is consumed by many older Koreans for health benefits. It is consumed during the Sambok period (the hottest days of summer from mid-July to mid-August) as a soup (Yeomso Tang), where goatmeat is the prime substitute for other niche proteins that have lost popularity.
- Korean consumers prefer skin-on goatmeat, which is typically served in specialised restaurants and in wet slow-cook dishes such as stews and soups. Familiarity and availability remain key challenges for goatmeat consumption at home.
- Local and Australian goatmeat can be found on major online shopping platforms such as Gmarket, Auction and 11Street. Some online vendors have incorporated an introduction to cuts and cooking methods to suit Korean tastes alongside product information to boost consumer awareness.



Yeomso tang (Korean goat stew)



Taiwanese goat hotpot

- Taiwan has been Australia's second largest export market since 2000, except for in 2013, when China Mainland ranked second. In 2021, with an export volume of 1,869 tonnes swt of goatmeat, Taiwan ranked third after South Korea. Australia supplies almost all of Taiwan's imports, with New Zealand the only other minor supplier.
- Goat is typically shipped to Taiwan as frozen skin-on carcasses. Higher prices, competition from other export destinations and limited supply of skin-on goat are the main factors behind the fall in Australian exports in recent years.

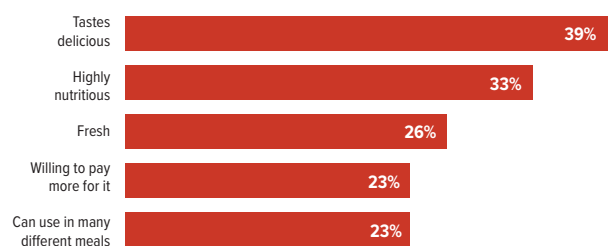
Taiwan goatmeat imports



Source: IHS Markit

- The import volumes in 2020 accounted for about half of domestic consumption.
- Typically consumed in restaurants in winter, goatmeat contributes to a relatively small portion of the total protein consumed in Taiwan.
- Identified as a 'warming tonic' food due to its ability to strengthen and warm the body, goat is typically served in specialised restaurants during winter in traditional slow-cook dishes such as herbal stews and hotpots.
- Lack of knowledge about how to cook goat and availability remain the key barriers to increase goatmeat consumption at home.

Top five goatmeat attributes among Taiwan consumers



Source: Global Consumer Tracker Taiwan, 2020.
% Agree scores among consumers who have an awareness of goat meat.



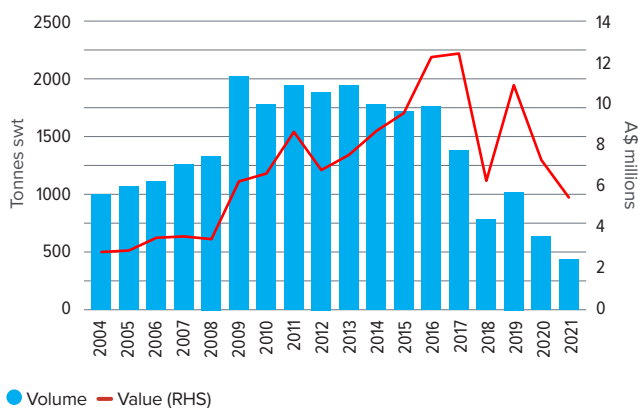
The Caribbean



Caribbean curried goat

- Australia has exported goatmeat to Trinidad and Tobago for decades, contributing to red meat being Australia's largest value export to Trinidad and Tobago. In 2021, the Caribbean region represented around 2.5% of Australia's goatmeat exports.
- Trinidad and Tobago is a twin island located just off the northeast coast of Venezuela in the Lesser Antilles. It is a major financial centre in the Caribbean and Australia's largest trading partner in the region, taking 92% of goatmeat exports to the Caribbean in 2021.
- The Caribbean region's domestic flock size increased 4% in 2020 year-on-year to 3.4 million head, but below the peak of 4.4 million in 2016 (Source: FAO). Goatmeat is enjoyed across the region, often in the form of a traditional Indo-Caribbean goat curry served with roti, or as a popular street-food in a roti wrap.

Australian goatmeat exports to Trinidad and Tobago



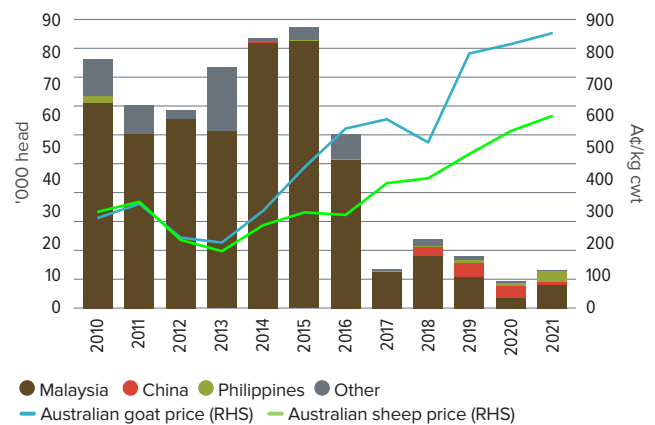
Source: DA, ABS/IHS Markit

- In 2021, Australia exported 439 tonnes shipped weight (swt) of goatmeat to the country, valued at A\$5.4 million, the lowest volume since 2000. Combined with Australia's tight supply and demand from other markets, Trinidad and Tobago continues to suffer pandemic impacts on its tourism sector, the second largest contributor to national GDP.
- The value of Australian goatmeat exports to Trinidad and Tobago has come off a low base to rise steadily over the past decade until 2017, when drought affected supply volumes and high prices softened the demand for goatmeat and increased its substitution by cheaper animal proteins.

Live exports

- Australia's live goat exports have been on a declining trend over the past several years, from a peak of 88,000 head in 2015 to 8,400 head in 2020. In 2021, live goat exports grew 43% year-on-year to 12,018 head as a result of an increase in supply but also demand, particularly in the key market of Malaysia and demand for breeders in the Philippines.
- Historically, Malaysia has been the largest export market for Australian live goats. In recent years, tight supply and higher prices have made live goats less competitive compared to domestic goat, domestic sheepmeat and imported mutton. While consumers prefer goatmeat for its leanness, sheepmeat can be used interchangeably with goatmeat in many Malaysian dishes when goatmeat prices become too high.
- In 2021, however, Malaysia imports grew 113% year-on-year to return to being the top destination with 7,393 head. This growth was driven by stronger demand generated by the popularity of this protein in religious celebrations such as Eid, and the recovery of wet market supply chains to pre-pandemic operations.

Australian live goat exports



Source: ABS (2010-14), DAWE (2015-20), MLA's NLRs
Prices are based on over-the-hooks prices of goat (12.1-16kg) and mutton (14-18kg)

- Live export of goats from Australia is exclusively by air freight. The disruptions to air travel from early 2020 due to the COVID-19 pandemic have impacted exports by increasing costs. As international air travel begins to recover and Australian supply increases, goat exports in 2022 are anticipated to see positive growth.



Sate kambing (Indonesian goat satay)





	Trade agreement			Import tariffs		Technical access	
North America	US – Australia-United States Free Trade Agreement (AUSFTA)	Canada – CP-TPP	Mexico – CP-TPP	0%		US – Issues include port mark compliance	Mexico – flat stacking of carcasses
Greater China	China mainland – Australia Free Trade Agreement (ChAFTA)	Taiwan – no free trade agreement		China mainland – 2.2% in 2021, 0% in 2023 and 0% live goats since 2019	Taiwan – NT\$11.30/kg or 15%, whichever is higher		
Korea	Australia Free Trade Agreement (KAFTA)			2022 – 2.2%, 2023 – 0%			
Trinidad and Tobago	No free trade agreement			0% (under Common external tariff of the Caribbean Community (CARICOM CET))			
Malaysia	ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA) and Malaysia-Australia Free Trade Agreement (MAFTA)			0% (for meat of goat and live goat)		Maintains import regulations in accordance with Halal requirements	
United Kingdom	A-UK FTA signed*			Pre-FTA EIF – 12%+ additional value/100kg Post-FTA EIF – reduces annually to 0% on 1 Jan 2029.			

*A-UK FTA anticipated to Enter into Force (EIF) during 2022. During the transition period, goatmeat will continue to access the existing shared sheepmeat / goatmeat WTO quota (13,335t) at 0% in quota tariff.
Source: World Trade Organization, Canada Border Services Agency, MLA, Customs Administration, DFAT, Customs Administration - Republic of China, St. Lucia Customs & Excise Department.

Australian goatmeat – summary table

Volume – tonnes shipped weight (swt)		2021		2020		5-year average (2017–2021)		change 2021 vs 5-yr av.	
			% out of total		% out of total		% out of total	%	in tonnes swt/A\$
Storage	Total	19,046	100%	14,147	100%	20,779	100%	-8%	-1,733
	Chilled	5	0%	17	0%	16	0%	-69%	-11
	Frozen	19,041	100%	14,130	100%	20,763	100%	-8%	-1,722

Source: DAWE

Value – in A\$ '000						%	in A\$ '000
Total	242,077		145,488		212,634	14%	29,443

Source: ABS/IHS Markit

Australian goatmeat exports – volume (tonnes swt)						%	in tonnes swt/A\$	
US	12,589	66%	8,537	60%	13,825	67%	-9%	-1,236
South Korea	2,128	11%	1,115	8%	1,522	7%	40%	607
Taiwan	1,869	10%	2,034	14%	2,474	12%	-24%	-605
Canada	1,279	7%	948	7%	1,155	6%	11%	124
Trinidad and Tobago	439	2%	640	5%	853	4%	-49%	-414
Other	742	4%	873	6%	950	5%	-22%	-208

Source: DAWE

Australian goatmeat exports – value (A\$ '000)						%	in tonnes swt/A\$	
US	167,585	69%	90,138	62%	149,432	70%	12%	18,153
South Korea	27,835	11%	13,189	9%	16,999	8%	64%	10,836
Taiwan	14,748	6%	15,913	11%	16,733	8%	-12%	-1,985
Canada	17,353	7%	10,394	7%	12,211	6%	42%	5,142
Trinidad and Tobago	5,458	2%	7,276	5%	8,467	4%	-36%	-3,009
Other	9,096	4%	8,578	6%	8,790	4%	3%	306

Source: ABS/IHS Markit

Australia live goat exports total						%	in tonnes swt/A\$		
Total volume in head	12,018		8,400		14,060		-40%	-5,660	
Total value A\$ '000	5,019		5,144		5,545		-7%	-401	
Malaysia	volume in head	7393	62%	3,479	41%	7,141	51%	-51%	-3,662
	value A\$ '000	2468	49%	549	11%	2,416	44%	-77%	-1,867

Source: DAWE (volume); ABS/IHS Markit (value)