USDA Foreign Agricultural Service

GAIN Report
Global Agricultural Information Network

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Indonesia

Post: Jakarta

New Snacks in Indonesia with U.S. Peas

Report Categories:

Export Accomplishments - Events

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Report Highlights:

In December 2012, an up and coming snack food producer located in East Java began to produce snack products using U.S. whole yellow peas. This development is a direct result from linkages made at a Food Product Agent Show, under the Global Based Initiative (GBI) program conducted in Surabaya and Yogyakarta in early October 2011.

General Information:

Export Accomplishment – Event (GBI funded U.S. Food products Agent Showcases in Surabaya and Yogyakarta)

WHAT, WHERE, AND WHEN

In December 2012, an up and coming snack food producer located in East Java began to produce snack products using U.S. whole yellow peas. This development is a direct result from linkages made at a Food Product Agent Show, under the Global Based Initiative (GBI) program. The show was conducted in Surabaya and Yogyakarta in early October 2011. The Food Agent Show GBI was led by FAS Jakarta and the USA Dry Pea and Lentil Council's (USADPLC) Bangkok office. The company is currently using around 20 metric tons (MT) of U.S. yellow peas on a monthly basis, value at roughly $13,000 per month.

HOW

The 2011 GBI-funded showcases in both Surabaya and Jogjakarta exposed major food processors, bakers and other food industry and culinary professionals to a variety of U.S. food products. Among these products were dried peas and pea ingredients via table-top displays, technical seminars, and baking demonstrations using U.S. pea flour. In the time period between the two events, there was also an opportunity to visit major customers for U.S. peas in East Java and the USDAPLC representative met with a new potential snack producer based in this area.

In March 2012, the snack producer contacted the USADPLC representatives and requested samples of yellow peas for trials for new fried pea snacks. The representative worked closely with local importers to provide samples of U.S. green and yellow peas, product specifications, and price quotations. After successful trials, 40 MT of U.S. whole yellow peas were purchased for production in December 2012 - January 2013 from a local importer and two new fried pea snacks were launched in leading supermarkets. A 50 MT purchase is anticipated for February. The products are now available throughout Indonesia, including on the islands of Java, Sulawesi, Kalimantan (Borneo), Sumatra, and Papua.

WHY

Indonesia's 63 million children and teenagers are a strategic demographic target for snack and beverage manufactures. Currently, they are fifteen large-scale snack manufactures in Indonesia. About six of these companies manufacture savory snacks. The numbers of medium and small manufactures are estimated to be in the thousands; mostly located on Java. The medium and large scale snack food manufactures distribute their products directly to retailers' warehouses, hypermarkets, supermarkets, and minimarkets, and traditional markets.

Indonesia offers significant potential for U.S. suppliers of ingredients to the local food processing sector. Forecasted increases in U.S. sales are attributed to more aggressive marketing, Government of

Indonesia efforts to promote more local food processing, concerns about the quality and safety of Chinese ingredients, and opportunities to differentiate their products with U.S. ingredients which have recognized with its quality.

Post expects that the demand of the U.S. whole yellow pea will continue to increase in the near future.

APPENDIX

U.S. Pulses Export to Indonesia ($ thousands) – BICO Data

Products	2007	2008	2009	2010	2011	2012
Yellow peas	628	992	2,759	2,524	1,604	1,167
Green peas	315	0	148	82	886	280
U.S. pulses (includes above peas)	1,152	992	3,372	2,646	3,326	1,760