

# CHALLENGES AND OPPORTUNITIES OF EXPORTING MALAYSIAN TROPICAL FRUITS TO GULF COOPERATION COUNCIL (GCC) MARKET

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## ABSTRACT

The Gulf Cooperation Council (GCC) market is growing over time. It consists of six member countries which include Bahrain, Kuwait, Oman, Saudi Arabia, and the United Arab Emirates (UAE). The GCC was formed in 1981 in order to strengthen the members' economic, social, and political ties by harmonizing regulations in various fields including economy, finance, trade, and customs. Food and beverage imports were the third highest sector share of the GCC market after manufacturing and machinery and transport, an increase of 6.12% from USD 40.6 billion (2016) to USD 43.1 billion (2017). Food import is projected to rise to USD 53.1 billion by 2020, due to an increase in supply dependency on imported food products. The high share of food and beverage imports is due to the lack of agricultural land, cost of production, and an increasing population of expatriates and locals. Fruits and vegetables (including tropical fruits) are among the main sectors in imported agricultural products listed by the GCC. Therefore, this study aims to identify the issues, challenges, and opportunities of exporting tropical Malaysian fruits to the GCC (particularly UAE, Oman, and Qatar). SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis was carried out to determine the overall market structure. The analysis revealed huge opportunities to meet the demand and supply from the market, and Malaysia is one of the suppliers. However, freight charges, inconsistent supply, quality, and post-harvest handling are hurdles for exporters to fulfill the demand. These findings can potentially assist exporters to understand the market structure as well as increase their exports in the near future.

Keywords: Malaysian tropical fruits, challengers, opportunities, SWOT Analysis