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## **Report Name:** First US Agricultural Trade Delegation to Timor-Leste Discovers Small but Lucrative Hidden Gem Market

**Country:** Indonesia

**Post:** Jakarta

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### **Report Highlights:**

On May 8-9, 2025, FAS Jakarta and U.S. Embassy Dili led the first agricultural trade delegation of U.S. industry groups in Timor-Leste. The delegation met with senior government officials, importers, and private industry to explore opportunities for U.S. commodities. After fruitful B2B discussions, the industry group representatives anticipate a combined export potential of \$22.7 million annually in the short term, with U.S. poultry exports projected to reach a record \$20 million in 2025. Even higher projections are anticipated once Timor-Leste ascends to ASEAN later this year as it gains more favorable market access to ASEAN's 10 other member states. Timor-Leste is considering launching food processing and agribusinesses in the area designated for an industrial park near its new deepwater port, which could also provide opportunities for U.S. ingredient exports. In 2024, the United States accounted for around 4 percent of Timor-Leste's \$300 million imports of agricultural and related products.

## Timor-Leste is Up-and-Coming in the International Community, Good Time for a Preliminary U.S. Agricultural Trade Mission

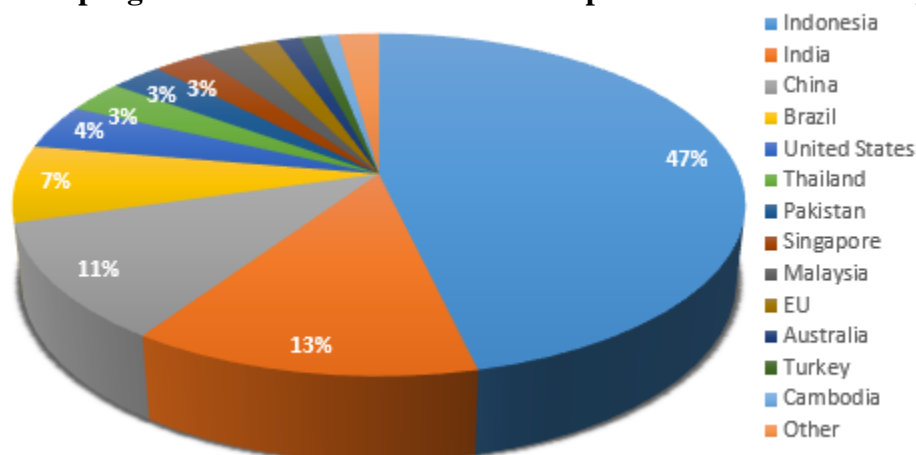
One of the world's youngest democracies, Timor-Leste has been working towards integrating itself into the international community over the past two decades, joining the International Plant Protection Convention in 2007, the World Organization for Animal Health in 2010, the Codex Alimentarius Commission in 2018, and the World Trade Organization (WTO) in 2024. After gaining observer status in 2022, Timor-Leste is slated to join the Association of Southeast Asian Nations (ASEAN) at the next ASEAN summit in October 2025.



**Photo 1. First U.S. agricultural trade delegation to Timor-Leste visits new modern container seaport at Tibar Bay**

Although there remains a great need for technical capacity building in terms of developing and implementing food safety and sanitary and phytosanitary (SPS) regulations and for improving and expanding supply chain distribution infrastructure, Timor-Leste already shows promising potential for U.S. food and agricultural exports. Despite its small size and a population of only 1.5 million, U.S. food and agricultural exports rose from \$1.1 million in 2020 to \$15.4 million in 2023. Poultry products account almost entirely for this sharp increase, with hopes to replicate this success for other product categories. A new modern deep-water port at Tibar Bay, near Timor-Leste's capital Dili, with plans for an adjacent industrial park, as well as the Government of Timor-Leste's (GoTL) priority to develop Timor-Leste's tourism industry also bode well for increased U.S. food and agricultural exports to Timor-Leste.

**Chart 1. Top Agricultural & Related Product Exporters\* to Timor-Leste, 2024**



\*Total value of agricultural & related products exports to Timor-Leste, 2024 ~ \$300 million

Source: Trade Data Monitor

In 2024, Timor-Leste imported a total of nearly \$300 million of agricultural and related products, almost half of which came from neighboring Indonesia (see Chart 1). Rice accounted for a quarter of those imports, with bakery goods, poultry, and dairy products combined making up another quarter of those imported products (see Chart 2).

In light of Timor-Leste's developmental progress, from May 8-9, 2025, FAS Jakarta and U.S. Embassy Dili led an agricultural trade delegation made up of representatives of U.S. industry groups in Timor-Leste: U.S. Grains Council (USGC), U.S. Poultry and Egg Export Council (USAPEEC), U.S. Meat Export Federation (USMEF), Western United States Agricultural Trade Association (WUSATA), and California Milk Advisory Board (CMAB). The trade mission to Timor-Leste was the first of its kind and provided U.S. industry the opportunity to test the waters in Timor-Leste and assess the potential for future engagement to promote a wide range of products they represent such as corn, barley, feed ingredients, poultry products, eggs, beef, pork, cheese, processed products, and more.



**Photo 2. Agricultural trade delegation members with Timor-Leste Vice Prime Minister Francisco Kalbuadi Lay**

### **Meetings with Timor-Leste Government Officials Indicate More Willingness to Facilitate Trade and Abide by International Best Practices**



**Photo 3. USGC, USAPEEC, and USMEF representatives with Timorese quarantine officials**

On May 8, the delegation, accompanied by FAS Jakarta and U.S. Embassy Dili, met with the ministries of Agriculture and Commerce, and with the Vice Prime Minister, who is also the Coordinating Minister for Economic Affairs. At their first meeting at the Ministry of Agriculture (MOA), the delegation met with the Minister of Agriculture's Senior Advisor Augusto da Silva and the Director of Quarantine & Biosecurity Manuel da Costa for the opportunity to learn about MOA import requirements, and especially to clarify the market access status of U.S. poultry in

person after a year of discussions.

During the meeting, the Senior Advisor confirmed Timor-Leste recognizes the U.S. food safety system for poultry after the National Directorate of Quarantine & Biosecurity (DNQB)



conducted a systems audit of four sample poultry facilities in the United States with USDA's Food Safety and Inspection Service (FSIS) in October 2024. When asked to clarify if all U.S. federally inspected poultry facilities are currently approved to export to Timor-Leste, the Senior Advisor replied with a resounding, "Yes." The response was encouraging for the other industry representatives to hear as a factor in developing their sense of Timor-Leste as a potential market for their respective products. In light of recent successes in opening the poultry market in Timor-Leste, FAS is continuing to work with Timor-Leste's MOA on further FSIS-DNQB collaboration for meat products such as pork and beef.



**Photo 4. Agricultural trade delegation's meeting with Timor-Leste's Ministry of Agriculture**



**Photo 5. Agricultural trade delegation's meeting with Vice Minister of Commerce**

Vice Minister that the United States is a major supplier of food and agricultural inputs and ingredients for industrial use if they choose to include food manufacturing or agricultural industries in the industrial park.

The delegation's final government meeting was with Vice Prime Minister Francisco Kalbuadi Lay who serves as Coordinating Minister for Economic Affairs and is the GoTL's lead official on trade issues. Vice Minister Lay welcomed the delegation with open arms and introduced them to the other agencies under his purview, including the

At the Ministry of Commerce and Industry, the delegation met with Vice Minister Augusto Junior Trindade who emphasized the importance of Timor-Leste's partnership with the United States. The Vice Minister spoke about how his ministry is enthusiastic about diversifying the economy and attracting foreign investment and wants investors to feel free to come explore Timor-Leste for themselves. The delegation in turn was very interested in the industrial park the Ministry of Commerce is setting up near the new port at Tibar Bay and informed the



**Photo 6. Agricultural trade delegation's meeting with Vice Prime Minister/Coordinating Minister for Economic Affairs**

Authority for Inspection of Economic, Sanitary and Food Activities (AIFAESA) and the Investment and Export Promotion Agency (TradeInvest). He introduced the team that successfully strived for Timor-Leste to ascend to the WTO and soon to ASEAN.



**Photo 7. CMAB gifting cheese to VPM Lay**

His team expressed their enthusiasm for bringing Timor-Leste up to speed with international norms, in particular Codex, International Plant Protection Convention (IPPC), and the International Organization for Standardization (ISO) standards in order to create an economy driven by the private sector. The delegation expressed appreciation for their hosts' support for more transparent regulations, streamlined import requirements, and coordination between ministries.

To show Timor-Leste is open for business, the Vice Prime Minister offered to personally assist the delegation should they have any issues and looked forward to seeing more U.S. products in Timor-Leste, especially cheese. As if on cue, CMAB presented him with packs of delicious samples of Californian artisanal cheeses. The Vice Prime Minister reciprocated by presenting the entire delegation with special Timorese coffee. Closing the meeting with this impromptu cheese-coffee exchange symbolized exactly what this trade mission was about – the friendly and free exchange of our two countries' agricultural products.

### **Importers, Retailers, Hotels, and Restaurants Express Enthusiasm for U.S. Products**

After the government meetings, the delegation had fruitful discussions with importers, retailers, and hospitality sector businesses during a welcome reception at the U.S. Ambassador's residence, business-to-business sessions, and retail and warehouse tours. Many voiced their interest about



**Photo 8. Reception at U.S. Ambassador's residence for U.S. agricultural trade delegation and importers, retailers, and hospitality sector**

importing more U.S. goods. When asked why they did not do so already, multiple importers said that they did not have any trusted contacts through whom to order U.S. products as potential fraud is becoming an increasing concern in the import-export business, often involving millions of dollars in losses. During the business-to-business meetings, the Timorese companies were eager to meet directly with U.S. industry representatives to develop U.S. connections, build trust



**Photo 9. Agricultural trade delegation's visit to modern cold storage facility**

with legitimate U.S. suppliers and learn about the wide range of U.S. products and training opportunities the U.S. industry representatives had to offer.

Several owners and managers of hotels and restaurants expressed frustration at the current low selection of high-quality goods in Timor-Leste and shared their desire to bring a wider range of high-quality ingredients to their guests. Having access to premium food and beverage products and ingredients would help

the hospitality sector grow and shape Timor-Leste's image as a hot, new high-end tourism destination. With Timor-Leste's warm culture of hospitality and festivities, a well-supplied, professional hospitality industry could easily attract visitors from all over the region.

### **U.S. Agricultural Trade Delegation's Overall Impressions of the Timor-Leste Market**

After their visit to Timor-Leste as part of this first-ever agricultural trade delegation, the U.S. industry representatives generally see Timor-Leste as a small but lucrative market with promising potential for growth, especially after the country ascends to ASEAN later this year, after which Timor-Leste will benefit from lower trade barriers, improved logistics, and increased investor confidence.

Although the agricultural trade delegation members see substantial existing demand for imported consumer-oriented products with growth potential already for U.S. consumer-oriented products in the short term – particularly for poultry, pork, beverages, cheese, and snacks – they also see potential for U.S. food and feed ingredients in the long term if Timor-Leste takes advantage of its industrial park near the new port to establish food processing and agribusiness industries. Several delegation members remarked the Timor-Leste market resembles that of Cambodia around a decade ago. The industry



**Photo 10. USGC representatives presenting VPM Lay with USGC challenge coin**

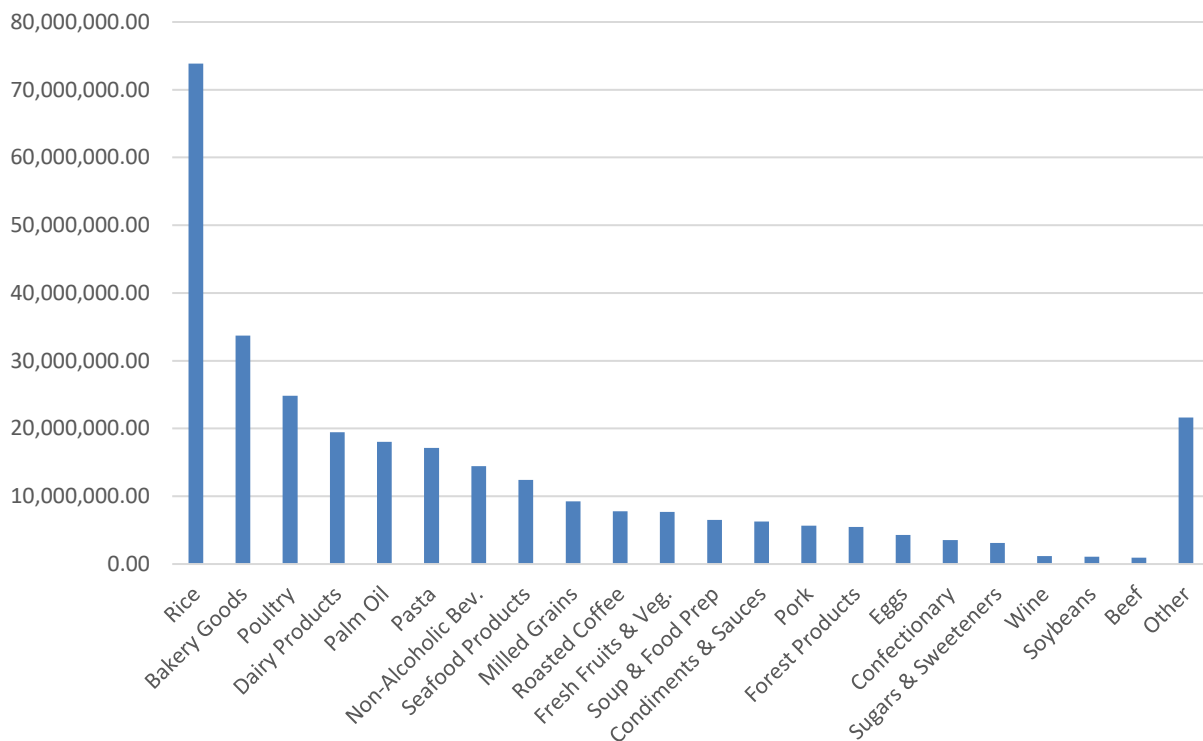




**Photo 11. USMEF and CMAB representatives pleased to find their products already in the market during retail tour**

group representatives anticipate a combined export potential of \$22.7 million annually in the short term, with U.S. poultry exports projected to reach a record \$20 million in 2025. Delegation members reported they plan to follow up and engage with Timor-Leste on their own to develop the market for their respective products through demonstrations, promotions, foodservice trainings, educational initiatives, technical assistance, and other activities.

**Chart 2. Top Agricultural & Related Product Exports\* to Timor-Leste, 2024**



\*Total value of agricultural & related products exports to Timor-Leste, 2024 ~ \$300 million  
Source: Trade Data Monitor

#### **Attachments:**

No Attachments.