

As a result, there will be a demand for new and more efficient technology for farming operations and maintenance. There should also be interest in new crop varieties such as pulses, legumes, and potatoes. Other opportunities exist for animal feedstuff, agrochemicals (insecticides, fertilizers, etc.), greenhouse equipment, veterinary products, irrigation equipment and sprayers.

TWO: OVERVIEW - FOOD

Saudi Arabia is a major food importer. It has a growing population, which currently numbers 17 million. This is a cash market; Saudi Arabia spends an estimated US \$4 billion annually for food imports. Saudi Arabia is investing heavily in agriculture with the goal of reducing dependence of imported food. As a result, Saudi Arabia is producing increasing quantities of basic commodities such as wheat, vegetables, meat, and poultry. The commercial catering market is quite important in Saudi Arabia. Many of the four million expatriate workers resident in Saudi Arabia are fed by corporate catering arrangements. In addition, an average of 2 million Hajj pilgrims visit the Kingdom each year.

The Saudi market is quite open and competitive. Competitive pricing is essential for success. There are no restrictions on imported food products but goods must comply with Islamic law (pork, pork products, and alcohol are forbidden) and with local standards regulations (eg. shelf life and Arabic labelling). The Embassy can assist in obtaining the relevant standards regulations from the Saudi Arabian Standards Organization. Local customs on imported food products are 12% of landed cost.

Opportunities for Canadian Exporters

As Saudi Arabia is producing more of its basic food commodities locally, foreign exporters should consider targeting niche markets. There is a growing demand for speciality items such as: spices, cheese, smoked salmon, grain legumes and pulses, frozen poultry, smoked salmon, non-alcoholic beer, powdered milk, chocolate and other confectioneries.

There are also good opportunities for manufacturers of food processing and packaging equipment, especially for companies who are willing to consider joint ventures with local partners. For example, the government recently established a food processing company which produces tomato ketchup and spaghetti from local produce. This company is interested in expanding its operations with the help of foreign expertise in food processing.

For success in this market both price competitiveness and aggressive market development are necessary. Frequent visits, participation in trade shows, and advertising are all important.

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SYRIA

OVERVIEW

Syria is historically an agricultural country. For centuries, farmers have cultivated the abundant arable land which, contrary to many other countries in the region, normally had abundant availability of water. Despite this agricultural tradition however, the world oil boom of the 1970's diverted the government's attention to develop hydrocarbon resources and place emphasis on industry for future prosperity, to the detriment of agriculture. The boom quickly vanished as Syria found only limited amounts of oil.