

Saskatchewan Pork Exports to Mexico

Early export success by Saskatchewan pork producers has them believing that NAFTA will make Mexico an even larger market than Japan for Canadian pork.

SPI Marketing Group, the sales arm of Saskatchewan pork producers, enjoyed \$11 million in exports to Mexico in 1992. General Manager Jim Morris said that with prosperity and population both on the rise in Mexico, Canadian pork producers should be looking south of the Rio Grande in the next five years.

"A dose of prosperity means a lot more meat consumption, so I see the market expanding substantially," said Morris.

Mexican suppliers have difficulty meeting domestic demand and Saskatchewan producers can still

compete in the market, despite a 20 percent tariff. Expectations are high for Canadian pork, once NAFTA removes such tariffs.

Morris said that producers need the expertise of a company with knowledge of the Mexican market and good distribution contacts. This export initiative is a joint effort by SPI and the Toronto commodities exporter, R. A. Chisholm Ltd. But producers must also play a strong role in establishing long term contacts through the reliable supply of product.

"You have to be reliable so they can see that if they buy from you today, that there is some security of supply possible, so they can go out and build their part of the business, knowing that they are going to have the supply to do it with."

Canada First Into Japanese Bovine Embryo Market

Canada has gained exclusive access to the Japanese bovine embryo market, providing exporters with a huge advantage in a significant market. The recent authorization is expected to give Canadian embryo exporters nearly two years to establish customer loyalty without competition.

Canada is second to the U.S. in market share for cattle and semen in Japan, and this understanding of Canadian cattle quality should help embryo exporters. Japanese imports of Canadian bovine embryos have been estimated at \$1 million for 1993.

The agreement has made the Canadian Embryo Exporters Association the only organization in the world authorized to certify the genetic quality of bovine embryos imported by Japan.

Canadian embassy officials in

Japan have been working towards this opening in the market for several years. Agriculture Canada specialists and representatives of Canadian embryo exporters have also persistently insured that the issue remained a priority with Japanese officials. Meetings by former Agriculture Minister Bill McKnight, and John Wise, Chairman of the Canadian Embryo Exporters Association, were critical points in removing the trade barriers.

Two Canadian exporters are already preparing to ship embryos to Japan this year. Agriculture Canada officials will also be negotiating improvements to the health protocol approved by Japanese officials in 1987.

For more details contact Murray Gwyer, Agriculture Canada. Tel.: (613) 993-6671. Fax: (613) 995-0499.

The Mexican market also offers producers a strong demand for products considered "low value" in Canada such as pork fat and skin.

For more information contact Jim Morris, General Manager, SPI Marketing, telephone 1-306-653-3014, or fax 1-306-244-2918.

B.C. Food Council

The B.C. Food Marketing Council has just celebrated its second birthday amid a flurry of activity designed to increase exports of B.C. agri-food products. With its growing list of 200 members the Council is set to become the largest such organization in Canada. The Council has embarked on an extensive year-long campaign to promote B.C. agri-food products in the test market of Sacramento, California.

This is in addition to a recently published export directory of the province's agri-food producers, which is already in Canadian embassies and industry hands in many countries. The Council has also established a packaging improvement program whereby members receive up to \$5,000 in matching funds to improve product packaging.

"Most of our companies tend to be on the small side and we believe there are great opportunities for us to work together under a generic promotion umbrella," said Bill McQuaid, President of the Council.

The Council is negotiating for a national alliance for processors of value-added food products. Such an alliance will have membership from other regional and provincial groups. The alliance would connect all levels of the food industry including manufacturers, distributors, retailers and exporters.

For more information contact Jim Booth, B.C. Food Marketing Council, telephone (604) 660-7917 or fax (604) 660-4166.

Industry Leads, Government Supports

A new industry-led government body, created March 3, 1993, will discuss ways to deliver the main elements of the recently announced Trade Opportunities Strategy (TOS); ensure that government programming targets high value and value-added sectors; and improve Canada's trade performance.

Agriculture Minister Charles Mayer and International Trade Minister Michael Wilson announced the appointment of industry members to the newly created Sectoral Advisory Group on International Trade (SAGIT) Sub-committee on Agriculture Food and Beverage.

The SAGIT sub-committee is chaired by Ted Bilyea, Vice-President and General Manager of International Trade for Maple Leaf Foods, and has representation from many agri-food sectors.

"The sub-committee members bring expertise and experience which will prove invaluable in the successful implementation of these initiatives," said Mr. Mayer.

The TOS involves a number of key trade initiatives including increased financial assistance for industry to expand into new markets, the placement of additional agri-food specialists in Canadian embassies that serve key markets, a new international training program to promote Canada's red meats to foreign buyers, and a more industry-sensitive process to quickly respond to trade-related irritants.

For more information or a list of sub-committee members contact Myles Frosst, External Affairs and International Trade Canada, Tel.: (613) 995-7952. Fax: (613) 944-7981; or contact Murray Gwyer, Agriculture Canada. Tel.: (613) 993-6671. Fax: (613) 995-0949.

Venezuela

Significant Agri-Food Client

Venezuela is Canada's third largest agri-food market in Latin America, but increased privatization and trade liberalization make this nation of 20 million a prime target for increased sales.

As Venezuela enjoyed a 9.2 per cent growth in GDP in 1991, Canada exported \$112 million in agri-food products, accounting for a third of all Canadian exports to that country. The relatively small size of the Venezuelan agricultural sector makes it one of the most important importers of agri-food products in the western hemisphere.

The Agriculture Canada market assessment of Venezuela has identified nine areas where exports can be expected to increase:

- wheat (increased consumption is fuelling a rise in wheat imports);
- pulses (the large portion of low income families and difficult economic reforms should increase

- pulse consumption);
- oilseeds (increased import requirements and lower tariffs could increase imports of Canadian oilseeds and vegetable oils);
- potatoes (seed potatoes, table-stock potatoes and french fries);
- red meat (market niches exist for premium cuts of pork and beef);
- processed and specialty foods (such as smoked salmon, and maple syrup);
- dairy genetics (Canada must focus on technical support to secure genetic sales);
- swine genetics (prefer high quality and high volume; also interested in Canadian swine artificial insemination technology);
- agricultural services (technical and business services; water management).

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Vietnam Needs Agri-Food Know-How

Some believe that Vietnam could be the next economic miracle of the Pacific Rim. This could be good news for the Canadian Agri-food sector.

When the U.S. lifts its embargo on multilateral aid against Vietnam, which is expected soon, the World Bank and the Asian Development Bank are expected to offer between \$4 billion - \$5 billion in infrastructure improvement within four years of the U.S. action. A Canadian agri-food trade mission visited Vietnam early this year, enabling officials from the Ministry of Agriculture to learn more about Vietnam's needs.

Vietnam is extremely interested in joint ventures and technical assistance in fisheries, dairy, poultry

processing, tea and coffee production and processing, fruit and vegetable processing, swine and grains. Other areas prime for investment include packaging, management and technical training and upgrading, and facilities upgrading.

Vietnam's State Committee for Cooperation and Investment identified several areas for foreign investment. These include water supply, storage, distribution, and processing facilities. The production of animal husbandry and processing, and plantation crops are also areas which need investment.

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