

The Slovenian market provides additional export opportunities in processed food products, fresh fruit, chocolate, and eggs.

Two competitive advantages Canadians can offer overseas are their skill and technology in the agri-food sector. This has led to partnerships where Canadian companies provide expertise and investment capital to develop and modernize food-processing industries. Good opportunities for partnerships exist in dryland farming, organic farming, and the processing of potato, dairy, and meat products. This is especially relevant in Hungary, since its admission to the EU will require further modernization in the agricultural and agri-food sectors and a reduction in subsidies. These changes will also make Hungary more competitive vis-à-vis other EU countries with strong agricultural sectors.

Canadians should take full advantage of the still relatively open agri-food policy in the CEFTA region. Increasing Canada's visibility in the region will enable Canadian business to reap further benefits from new opportunities, including such niches as organic farming and ostrich breeding.

It should be noted that protectionism in Poland's agri-food market is quite strong; in comparison with other CEFTA countries, Poland imposes high import duties and taxes.

Canadian agri-food exporters have generally had difficulty competing with

European Union suppliers, as the agri-food sector is heavily subsidized in many EU countries. Czech and Slovak importers prefer to deal directly with Canadian producers to eliminate costly intermediaries; they also prefer long-term business relationships. If Canadian companies choose to use the services of European brokers, agents, or trading houses from outside the CEFTA countries, they should strive to keep control of prices.

### *Objectives*

- to encourage investors to participate in the privatization of the region's agri-food industry;
- to encourage and provide information to Canadian companies, and to support potential strategic alliances as a means of overriding the high protectionism of the Polish agri-food market;
- to develop alternate ways to promote Canadian fish in the region, such as inviting prominent chefs and opinion-makers to Trade Fairs to sample Canadian fish; and
- to support opportunities for the application of Canadian agricultural expertise, perhaps through joint research or technology transfer.

### *Activities*

- FOODAPEST was held in November 1996 and will be held next in 1998. This is the largest Hungarian agri-food trade show.