

## STEP up to the steppes Kazakhstan agriculture sector looks to Canada

The Saskatchewan Trade and Export Partnership (STEP), in association with the Trade Section of the Canadian Embassy in Kazakhstan, organized a trade mission of Canadian companies to Kazakhstan from March 9 to 12, 2004. In both Almaty and Astana, over 50 local companies—including large grain producers, private and public leasing agencies and distributors—attended the networking sessions.

The Kazakhstan participants were introduced to the latest developments in Western Canadian dryland farming technology and equipment. Hector Cowan, Canadian Ambassador to Kazakhstan, opened the events which included meetings with the Ministry of Agriculture and the Grain Union.

The Embassy and STEP also took the opportunity to promote the **Western Canada Farm Progress Show** with the hope of recruiting a delegation from Kazakhstan. This show will take place in Regina from June 16 to 18, 2004.

The Saskatchewan companies also attended an important briefing session that included presentations on financing, leasing and tax registration for doing business in Kazakhstan. STEP has been active in the Commonwealth of Independent States area for over 10 years now, with Kazakhstan being one of its priority markets.

### Why Kazakhstan?

The agricultural machinery and equipment market in Kazakhstan was estimated to reach \$255 million for 2003. Agriculture is one of Kazakhstan's leading sectors and accounted for almost 18% of its gross domestic product in 2003. Moreover, arable land accounts for 75% of its territory and 44% of the population lives in rural areas.

Kazakhstan is also the sixth largest wheat producer in the world. Since



Swather on display: DonMar, a Canadian maker of agricultural machinery, exhibits its products in a steppe near its plant in Lisakovsk in Central Kazakhstan.

the collapse of the Soviet Union over 10 years ago, many farmers have not been able to replace their machinery. In view of accessing the World Trade Organisation in the near future, and driven by the emphasis on diversification of domestic industry from oil and gas, the Government of Kazakhstan is supporting the development of its agricultural sector.

To make domestic producers more competitive, a state strategy to be implemented over the next six years has been introduced, and includes programs for agri-food and the development of rural territories. A new land code was adopted in the summer of 2003, allowing private ownership of agricultural land for the first time in the country's 11 years as an independent state. Also, Kazakhstan has new leasing laws and there are over 15 private and public leasing agencies that are ready to purchase new and used agricultural equipment for lease.

Given this political support, there are certain opportunities for Canadian exporters of agricultural equipment and machinery in Kazakhstan. It is important to note that Canadian equipment is preferred over European machinery since the soil and climate conditions of Western Canada are identical to that of North Kazakhstan. In addition, with the strong Euro, Canadian equipment is very competitive.

Nearly 85% of the machinery currently being used in Kazakhstan

needs to be replaced. There is a market for tractors, combines, seeders, sprayers, and grain storage, cleaning and drying equipment. Kazakhstan is the third largest market for air seeders behind the United States and Canada.

The Trade Section of the Canadian Embassy in Almaty is following these developments closely, and provides information on this market, key contacts and local company information to Canadian agricultural machinery suppliers who are interested in doing business in Kazakhstan.

### Accessing this market

Do your research. The Trade Commissioner Service has recently published the *Agricultural Technology and Equipment Sector Profile* on the Virtual Trade Commissioner (VTC). The report contains a market overview, outlines opportunities and key players, and provides a key contacts list. To register for the VTC, go to [www.infoexport.gc.ca/registration/CCRegistration.jsp?lang=en](http://www.infoexport.gc.ca/registration/CCRegistration.jsp?lang=en). Registration takes only 10 minutes.

Also, be sure to attend **AgroProdExpo 2004**, Kazakhstan's local agricultural machinery trade show to take place from October 28 to 30, 2004, in Astana.

**For more information**, contact Ada Terechshenko, Canadian Embassy in Almaty, tel.: (011-7-3272) 501-151/52-3, e-mail: [ada.terechshenko@dfait-maeci.gc.ca](mailto:ada.terechshenko@dfait-maeci.gc.ca).

## Canada soars at Asian Aerospace 2004

**Asian Aerospace** is the largest trade show of its kind in the Asia-Pacific region. The trade show and parallel conferences took place in February 2004 in Singapore, Southeast Asia's transportation hub. This biennial event attracted over 750 exhibitors from 33 countries, with business deals announced at the show totalling \$4.6 billion.

Canada's Senior Trade Commissioner in Singapore, Steven Gawreletz, was very pleased by Canada's increased profile at the show. "This show is a key platform for Canadian companies to access the growing aerospace markets in Asia," said Gawreletz. "We were happy to see such a dynamic group of Canadian companies actively participating and achieving success."

Canadian exhibitors were well positioned to take advantage of the approximately 25,000 trade visitors that attended the show from some 80 countries. A total of 19 Canadian participants exhibited at the Canadian pavilion, with estimated potential sales of over \$400 million over the next 12 months as a result of their attendance at the show.

"Asian Aerospace 2004 provided our company with an excellent venue to meet with many of our customers in the region and make a number of new contacts," said Robert Atac, Vice-President of Military Aviation at Montreal's **CMC Electronics**.

Ron Kane, Vice-President of the Aerospace Industries Association of Canada (AIAC), added "This show served as an important venue for showcasing our industry's leading edge technologies, products and services in a market that has significant growth potential over the coming decade."

### Aerospace strategy planned

On the margins of Asian Aerospace 2004, trade commissioners from six Southeast Asian countries met to form a regional aerospace and defence



An aircraft viewing area at Asian Aerospace 2004

team. This team, which is committed to working together to better serve their clients in the region, assembled to plan a regional strategy for the aerospace industry and to facilitate information flow across Canada's posts across Southeast Asia. They were also joined by trade officers from China and Japan.

"I believe in these meetings as they demonstrate our commitment to place our clients' interests and needs at the centre of our work," said Gawreletz. "The new team will not only help

promote the excellent opportunities in Southeast Asia, but will also contribute to improving our high quality service."

The team is moving forward with plans to organize outreach in Canada, collaborate on regional studies and develop marketing tools. "I am excited about this team," said Bob McCubbing, Trade Commissioner in the Philippines. "By working together, we become more

effective, allowing us to improve client service and get the most out of our resources."

**For more information**, contact the Canadian High Commission in Singapore, tel.: (011-65) 6325-3200, e-mail: [spore-td@dfait-maeci.gc.ca](mailto:spore-td@dfait-maeci.gc.ca), Web site: [www.infoexport.gc.ca/sg](http://www.infoexport.gc.ca/sg).

## Quebec to host sheep congress

**QUEBEC CITY** — July 17-24, 2004 — The seventh **World Sheep and Wool Congress (WSWC)** takes place every three years and is a gathering of the world's producers and players in the sheep industry. This unique event welcomes 3,000 participants from 15 countries.

The congress will include an exhibition, an agricultural fair and a selection of wide-ranging recreational activities. As well, there will be plenary sessions and numerous workshops, which will serve as a forum for sharing new information on sheep production.

**For more information**, contact WSWC 2004, tel.: (418) 832-9922, fax: (418) 832-5511, e-mail: [wswc2004@bellnet.ca](mailto:wswc2004@bellnet.ca), Web site: [www.worldsheep.com](http://www.worldsheep.com).

