



Local milk production has developed rapidly, primarily to produce drinking milk and yogurt. Recently, surpluses have appeared and farmers have been protesting about imported powder at a time of excess milk production. No appropriate outlets for further processing the whole milk for other purposes are available for this surplus and farmers are often faced with the alternative of destroying their products, resulting in a loss of potential income and wasted resources. In an effort to resolve this problem and eliminate this glut, the government has issued a ruling forcing all dairy products manufacturers to use fresh milk in their products rather than imported powder. As a result, local farmers and entrepreneurs have seized an excellent opportunity for investment, and interest in establishing dairy operations is increasing rapidly. The potential for technology transfer and/or joint ventures is excellent in this area. A Canadian technical expert, funded by CIDA, recently visited Jordan to review a number of existing dairy operations and examine the feasibility of establishing new ones. This presents a golden opportunity for Canadian dairy machinery suppliers as well as the possibility of technical transfer between the two parties.

The poultry sub-sector is well developed and Jordan exports eggs to several neighbouring countries. Canadian companies sell small amounts of incubators and breeding stock, but low local feed production has greatly impeded sectoral development.

Availability of animal feed is a critical problem in Jordan and restricts a great deal of the potential of this sector. There is little or no local production of protein or concentrate and all raw materials are imported for blending by local feed mills. As a result Jordan imports large quantities of fresh and frozen meat. The Embassy has been approached by several local entrepreneurs regarding Canadian technology for feed production and any such initiatives would likely enjoy excellent future potential. Negotiations are underway between a Canadian and a local company for a turn-key feed mill project in Jordan.

As a consequence of limited local fodder production, there exists great potential for the export of dehydrated alfalfa cubes to Jordan. Jordan's minimal annual alfalfa production is insufficient for local demand leading to acute shortages during the months of March to August. These have normally been relieved by imports from Saudi Arabia but this source is now strained, presenting an excellent opportunity for Canadian suppliers. Previous attempts by Canadian exporters to penetrate the Jordanian feed market with superior quality product have been stymied by high transport costs to this price sensitive market. Volume requirements are now much higher, which could make Canadian products more competitive if exporters can consolidate shipments to a larger number of importers.

Agricultural Commodities

Exports of Canadian agricultural commodities have grown solidly from a small base in the past five years. Pulses, canary seed, flour products and oilseed-based products have all been recently introduced to local buyers. Efforts to introduce oilseeds including canola are proceeding in an effort to position Canadian oilseeds as an alternative to traditional corn and soya oil imports. Presently, a joint venture project for a canola crushing plant between a local and Canadian company has been submitted to the Jordanian Ministry of Industry for approval. A number of large Jordanian companies are also studying the possibility of planting canola to be used in their food processing operations.

Wheat exports to Jordan face tough challenges to Canada due to subsidized purchases of grain from American and European suppliers. However, barley, oats and flour offer extensive scope to Canadian suppliers. Almost without exception, purchases are undertaken by the Ministry of Supply through international competitive bidding.