

Seafood market in Europe

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more than 20,000 trade visitors from 100 countries.

Fishing for market opportunities

Despite high tariffs on value-added products and a growing number of technical trade barriers, the European Union (EU) remains Canada's third most important export market for seafood, with significant business being done in high-value shellfish such as lobster, shrimp, scallops and more traditional products such as canned salmon, freshwater fish and herring. There are also smaller niche markets for many more items including blue mussels, snow crab, dogfish, mackerel, and products such as geoduck and sea urchin that are purchased for sale in ethnic markets and restaurants.

However, high tariffs—designed to protect the EU seafood processing industry—make it difficult to export value-added or processed products such as smoked salmon or any of the new generation of retail-ready lobster and shrimp items. New labeling requirements, regulations on container integrity and pressure from environmental lobby groups for eco-certification have also combined to create challenges for Canadian seafood exporters.

Promising Canadian catch

Nonetheless, all exhibitors expressed satisfaction with their participation in both the pavilion and the show. Exhibitors reported over 500 leads generated by their participation in the show, most from the EU and some even came away with multi-million dollar on-site sales. Other exhibitors expect to generate sales within a year. The majority of exhibitors in the Canadian pavilion identified

maintaining market presence and visibility as their primary objective for exhibiting at ESE.

Canada's trade commissioners in the EU—many of whom attended ESE and participated in a seafood roundtable at the Canadian Embassy



Talking to customers at the B.C. Salmon Marketing Council's booth is (from left): Lewis Bubl , Chair; Grant Snell, General Manager; and Fraser Reiche, Canadian Fishing Company, Vancouver.

in Brussels, and where AAFC Deputy Minister Samy Watson made a presentation—also remain optimistic about the opportunities for Canadian seafood exporters in Europe.

The EU continues to be an important export market for Canadian seafood

processors (worth \$350 million in 2002), especially in terms of balancing trade through the economic cycles of other countries. In order to help companies access this market, a new pan-European position for seafood market development, located at the Canadian Embassy in Brussels, will be in place by September 2003.



The Canadian pavilion Chef, Robert Clark, is also Executive Chef at C Restaurant in Vancouver, largely recognized as the best seafood restaurant in that city.

Identifying products that can be competitive in the demanding European market is of critical importance. For assistance in this process, and in identifying seafood opportunities in Europe, contact the trade commissioners in your priority markets, or any of AAFC's seafood specialists like Jane Barnett, tel.: (905) 823-0122, e-mail: barnettj@agr.gc.ca, or Janis Raymond, tel.: (902) 426-3130, e-mail: raymondj@agr.gc.ca, or Lauren Lavigne, tel.: (604) 666-1067, e-mail: lavignel@agr.gc.ca.

CCC recognizes innovation

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Group and the Coalition for Government Procurement—a non-profit group based in Washington, D.C.—to provide a cost-effective and knowledge-based service for Canadian companies looking to get GSA schedule award status. The GSA Schedules Program is, in effect, similar to having a standing offer with the Canadian government and buyers from all U.S. federal government agencies can procure commercial goods and services through a targeted GSA Schedules Program valued at US\$25 billion.

To learn more about how CCC can help, call 1-800-748-8191 or go to www.ccc.ca.

Protecting investors, stimulating exports EDC's insurance for emerging markets

Canadian companies with investments in emerging markets are typically exposed to political risks over and above the challenges they face in the domestic market. To appreciate this, think of recent developments in countries such as Argentina, Venezuela and the Ivory Coast.

Political risks include: the inability to convert local currency into hard currency and/or transfer hard currency out of the country; actions taken by the host country government that have the effect of nationalization or confiscation; and the eruption of political violence, which destroys assets or prevents the foreign enterprise from operating.

EDC to the rescue

To mitigate such perils, Canadian firms large and small can turn to Export Development Canada (EDC). EDC has been offering political risk insurance (PRI) protection to Canadian companies investing overseas since 1969. In doing so, EDC has contributed greatly to the international expansion of these firms while stimulating the growth of Canadian exports to emerging markets.

EDC estimates that for every dollar in greenfield investment made by Canada in a developing country, a further two dollars of Canadian goods and services exports is generated in the years that follow the investment.

Over the last five years, EDC issued more than \$1 billion of PRI coverage directly to Canadian investors in such markets. Policies issued protected investments that ranged from \$250,000 to \$200 million. At times, EDC supplies PRI coverage by partnering with private sector insurers, other national export credit agencies or with the World Bank's Multilateral Investment Guarantee Agency (MIGA).

Happy customer

One medium-sized Canadian firm that has benefited from EDC's PRI services is **Canadian Bank Note Company Limited (CBN)**. CBN specializes in payment, identification and lottery systems. This company has built an international reputation for its ability to develop, install and operate on-line



electronic lotteries. CBN's lotteries assist governments in emerging markets to curb illegal gambling while helping them generate revenues to fund social programs. CBN has obtained PRI coverage from EDC in relation to four equity investments totaling \$12.5 million made in recent years in Latin America and Central Asia.

CBN's Vice-President and General Counsel Gordon McKechnie notes: "In all of our recent projects in developing markets, EDC's PRI services provided us with the reassurance we needed to invest with confidence. Emerging markets present a host of political risks. EDC's PRI allowed us to mitigate most of those risks." Every investment made by CBN in turn generated follow-on Canadian exports.

Risk assessment service

Another product that helps Canadian companies navigate investment-related risks in emerging markets is EDC's customized political and investment

risk assessment service, which is offered on a consulting basis. This product provides companies with a detailed roadmap of potential risks to consider before proceeding with an investment in a specific developing country and sector. Elements scrutinized include the regulatory and business environments, political stability and economic risks. On-demand access to experienced political risk analysts is also available.

Looking ahead, EDC PRI will continue to play a key role in helping Canadian companies of all sizes manage the political risks they face in developing markets. At the same time, EDC PRI should stimulate Canadian exports to emerging markets.

For more information on EDC's PRI, contact Joanne Palmer, tel.: (613) 598-6642, e-mail: jpalm@edc.ca.

To find out more about Customized Political Risk Assessment Services, contact Rod Lever, tel.: (613) 597-8835, e-mail: rlever@edc.ca or go to www.edc.ca.

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care, building and construction, real estate, sanitation, air-conditioning, plumbing and lighting.

For more information, go to www.jma.or.jp/JHS/en/index.html or contact Matt Fraser, Trade Commissioner, Canadian Embassy in Tokyo, e-mail: matt.fraser@dfait-maeci.gc.ca or Masayo Umeda, Commercial Officer, Canadian Embassy in Tokyo, e-mail: masayo.umed@dfait-maeci.gc.ca or Joy Vicente, Trade Commissioner, DFAIT, e-mail: joy.vicente@dfait-maeci.gc.ca.