
AGRI-FOOD MARKET OPPORTUNITIES

Today, many Canadian exporters already enjoy success in the Mexican market. Two-way trade should reach \$5 billion by the end of the decade.

Opportunities exist in Mexico for virtually all agri-food products, from foods (both processed and primary products), beverages, meat, fish and seafood products, oilseeds, grains, pulses, special crops, livestock (both live animals and genetics), and breeding stock. Opportunity exists as well for technology transfers relating to all these commodities as the Mexican industry is revitalizing in order to remain competitive with imported products creating significant demand for food processing equipment and services. As well, Mexican consumers have experienced a growth in their economy fuelling their desire for a diversified product choice.

Mexico's imports of food and beverage products totalled \$5 billion in 1992. Annual growth for the next five years is estimated to be as high as 30-40%, based on the continued urbanization of the population and increasing standards of living. The Canadian Embassy in Mexico indicates that 15-20% of Mexicans now have the income to regularly buy imported processed frozen foods, including higher end products, creating significant demand for equipment to safely transport and distribute the products within Mexico.

Strategic Focus:

Mexican businesses and consumers are likely to witness a rapid increase in the economy in the next few years.

The number and diversity of retail outlets, will be fuelled by the incredible financial power of recently formed international joint ventures such as those between Wall-Mart/Cifra and Kmart/Puerto de Liverpool. Mexican consumers will soon be sieged by the best in U.S., Canadian and European retailing customized to the individual needs of the Mexican consumer.

To take advantage of market opportunities created by the potential impact of the NAFTA Agreement and the socio-economic changes in Mexico, it is important that the Canadian industry, together with