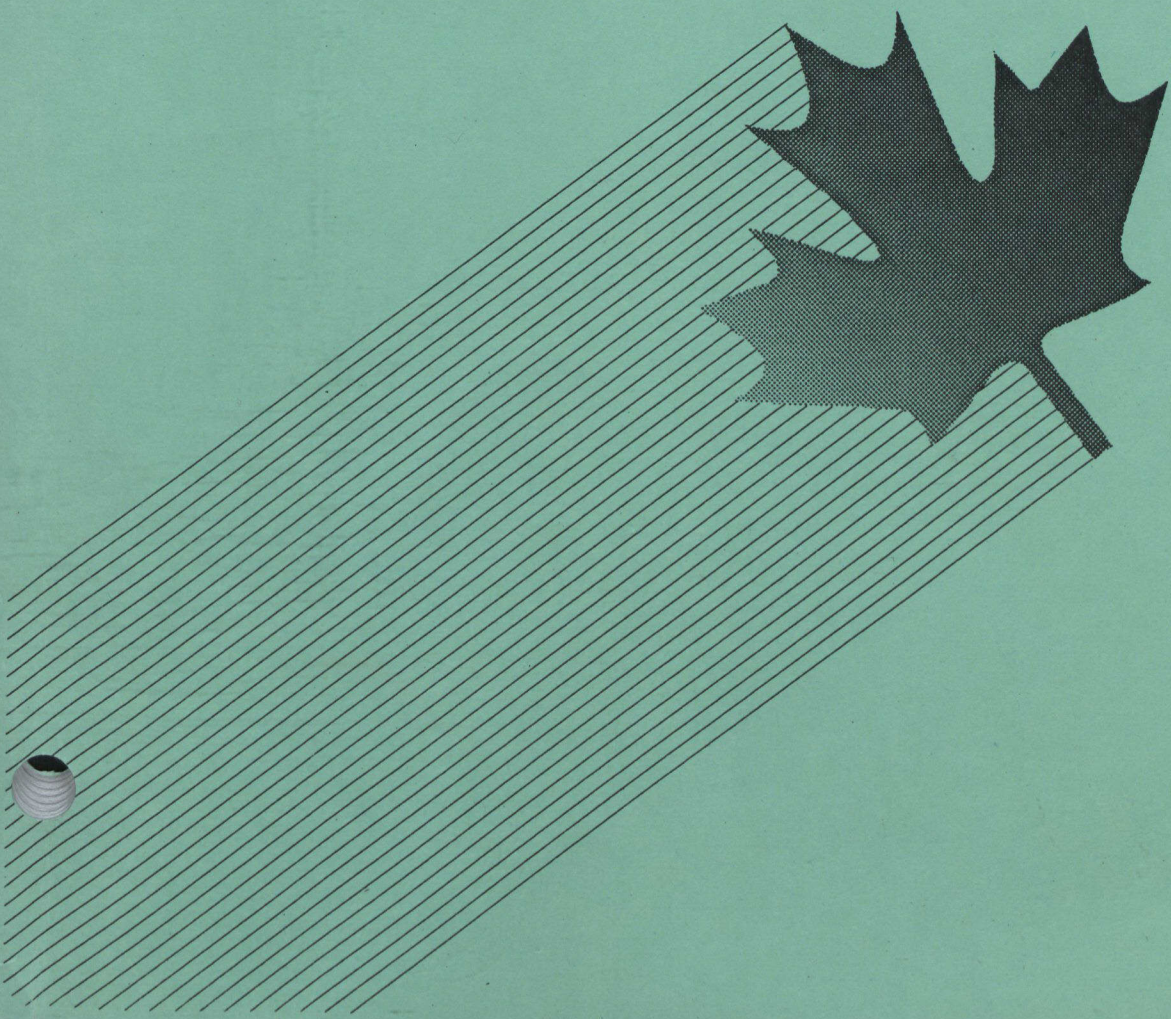


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# Global Market Opportunities Review

## Pork



External Affairs and  
International Trade Canada

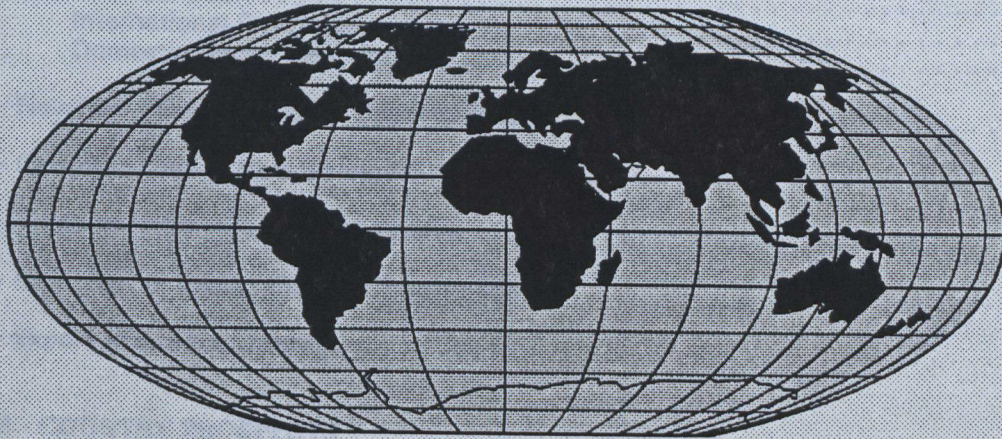
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**GLOBAL MARKET OPPORTUNITIES REVIEW  
FOR PORK**



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## PURPOSE

The purpose of the GLOBAL MARKET OPPORTUNITIES REVIEW FOR PORK is to provide information which may assist Canadian industry in developing strategies for the export of Canadian pork to major pork importing countries. The report includes, an overview of the Pork Industry in Canada and outlines the position of the Canadian Pork Industry in the world markets. Country by country opportunities as provided by External Affairs Trade Commissioners abroad, form an important part of the review.

The names and addresses of the Canadian Trade Offices and some of the major importers in each country are listed at the end of each country profile.

**Note:**  
Information contained in this REVIEW has been gathered from a wide variety of sources. External Affairs and International Trade Canada (EAITC) has taken great care in presenting the information but does not guarantee the accuracy of the information, nor the absence of errors and omissions.

EAITC Editorial Staff for this publication:  
David Clendenning, Jennifer Higginson & David Watson



## EXECUTIVE SUMMARY

Canada's share of world trade in agrifood products has increased slightly, with exports of \$13.3 billion in 1992, but our share of value added exports still remains low.

Through close liaison with the trading companies and packers, Canada has developed a leading reputation as a pork producer, processor and exporter. Canada is now the third largest exporter of pork in the world representing 16% of the world trade in pork. First place is the EC at 26% (in 1992). Canadian pork exports in 1992 amounted to 275 000 tonnes worth \$665 million and were shipped to 58 different countries. Canada's main export markets are USA, Japan, Mexico, Cuba and Russia. In terms of pork production, Canada ranked seventh in the world in 1991 producing 1.13 million metric tonnes of pork.

Up until 1991, the U.S. was the world's largest importer of pork products, but was then displaced by Japan, which imported over 500 000 metric tonnes. Japan's demand for imports is expected to continue, while the U.S. is expected to turn from a net importer to a net exporter of pork in the near term.

In order to maintain or increase Canadian pork exports, market positions must be strengthened in areas other than the United States. Canada must pursue new growth markets as they appear, such as Mexico. In order to achieve this goal, the level of existing access into international markets must be defended and expanded. Efforts to lower tariffs and import quotas must be aggressively pursued. We must also consider the use of new financing methods in order to establish stable niche markets in emerging markets, such as Russia.

Industry and government together must continue to support generic market promotion when targeting international markets. As result of Canada's high health standards, respected breeding, indexing, inspection and testing, the Canadian pork sector is noted globally for high quality meat and reliability of supply. This has helped Canadian companies increase pork exports and these factors should continue to be promoted internationally.

A detailed survey on opportunities in forty-six countries is contained in this document. Full names and addresses of some major importers and buyers are provided.



## SECTION A

### 1. SECTOR DESCRIPTION

The Canadian pork industry is well established and highly regarded in international trade circles. Pork products are valued and purchased in 58 countries around the world.

#### INTERNATIONAL OVERVIEW

Canada produced 1 129 000 metric tonnes in 1991 and ranked seventh in the world. According to the United States Department of Agriculture (USDA), the top twelve pork producers in the world in 1991 were as follows;

#### THE TOP TWELVE PORK PRODUCING COUNTRIES (1991)

COUNTRY	('000) METRIC TONNES (Carcass Equivalent)
China	24 523
EC	13 751
U.S.	7 257
CIS	5 634
Poland	1 966
Japan	1 483
Canada	1 129
Taiwan	1 126
Brazil	1 100
Hungary	965
Mexico	820
Former Czechoslovakia	810

Source: U.S.D.A., World Livestock Situation

#### PORK TRADE - WHERE THE WORLD SHOPS

The largest volume of international trade in pork presently exists between members of the European Community (EC), with Holland and Denmark accounting for the bulk of the exports. The EC has also been a strong competitor in international trade and, as a region, they exported 493 000 metric tonnes of pork in 1992. Denmark has been a world leader in exports of frozen and processed pork and has historically been the largest exporter of processed pork products to the U.S. (though at a declining rate in recent years). Now that Holland is considered free of foot-and-mouth disease, they should also become a force in international trade.



Canada is the third largest exporter of pork in the world, with consistent annual sales of 250 000 metric tonnes, and through close liaison with the trading companies and packers, has developed a leading reputation as a pork producer, processor and exporter. The proximity of the U.S. has assisted in making it Canada's most important customer. Canada's growing reputation in pork has permitted it to diversify and open markets such as Japan, who were searching for high quality, value-added pork products.

The following pork exports identify current Canadian shipments by product form (1992):

Fresh/Chilled Pork	48%	\$320 million
Frozen Pork	34%	\$227 million
Processed Pork	14.5%	\$95 million
Pork Offal	2%	\$14 million
Pork Fat	1.5%	\$10 million

Canada's long history of pork exports has produced a mature and committed export infrastructure including trading houses, transportation and numerous other service components. This infrastructure was augmented in 1991 with the establishment of "Canada Pork International", the export promotion agency.

#### CANADIAN DOMESTIC SECTOR DESCRIPTION HOG PRODUCTION

In 1992, there were sixteen million hogs marketed annually by 30 000 mostly specialized family farms. Hog cash receipts, \$1.75 billion in 1992, represent approximately 30% of total livestock sales. Hog production is a vital player in the country's economy.

	No. of Pig Farms in Canada	No. of Pigs per Farm
1981	55 800	177
1985	36 500	268
1990	30 000	322

Canada is favoured with ample grain production, providing feeding at reasonable cost.

One third of the pork produced in Canada comes from the Western provinces with the other two thirds coming mainly from Ontario and Quebec. Canadian pork enjoys an excellent reputation for leanness. There is close co-operation of the industry and the Federal Government in its meat inspection, food safety and health programs. The Canadian hog herd is free of all major diseases, making foreign health and inspection standards easier to comply



with on Canadian pork shipments.

Canada's system for breeding, selling and testing hogs is unique and effective. Industry works together, from the breeders to the packers, on a national scale to form a very organized sector which has developed high quality genetics. Canada has elite breeding stock that has gained world recognition and is protected so that reliability of a high quality supply can be assured by its' 500 breeders.

Provincial Boards/Commissions bring about orderly and effective marketing of hogs. These agencies are responsible for the sale of virtually all market hogs in Canada. The Canadian Pork Council is the national federation of the producers marketing organizations in all ten provinces through which producers communicate with the government, packers, distributors and other participants in the sector.

Canada was one of the first countries to implement a national hog carcass classification system, employing electronic grading probe technology which values carcasses on the basis of objective measurements of both fat and muscle content. The electronic probe has greatly assisted in accuracy and narrowing of hog variability. Also Canadian residue testing is very effective realizing a 99.6% to 100.0% compliance.

A normal hog breaks into the following primal cuts:

Cut	% of Cuts
Ham	34
Loin	24
Shoulder	23
Belly	19

### SLAUGHTERING/PROCESSING INDUSTRY

The livestock slaughtering and processing industry for meat and meat products employ 33 000 persons at 523 inspected plants. Only a small percentage of these plants are involved in exporting. Six Canadian plants, five in Quebec and one Ontario, are approved to inspect pork to be shipped to the EC. Following are Canadian pork production volumes for the hog slaughter/processing industry including import and export levels:



	1991	1992 PROVISIONAL
(in 000's metric tonnes)		
Pork Production	1 129	1 200
Pork Imports	15	10
Total Domestic Supply	1 144	1 210
Pork Exports	266	300

Source: U.S.D.A., World Livestock Situation

The slaughter/processing industry has been restructured resulting in fewer, better managed state-of-the-art plants and is competitive through incorporating state-of-the-art equipment; including immobilizing, splitting, electronic probing and in-process precision cutting, deboning and massaging. Processors have specialized niche kill and cut operations. Sixteen plants now slaughter 94% of all hogs. Each of these sixteen plants can process over 10 000 hogs per week at line speeds of 300 to 600 kills per hour. In addition, there are 25 plants with a capacity of under 10 000 hogs per week at line speeds of less than 300 kills per hour.

Slaughter capacity is under-utilized in all provinces ranging from 73% utilization in Manitoba to 87% in Alberta. Canadian firms have the capacity to increase exports without affecting domestic supply.

One of the trends in the processing sector has been to specialize processing around a single product. In Canada, one of the main plant specializations from dedicated plants has been in bacon and ham production. In addition, to the small number of dedicated plants, many of the large processors in Canada are fully integrated from slaughter through further processing.

## CONSUMPTION

Pork is Canada's second highest consumed meat. Canadian per capita consumption is approximately 34kg. While Canada's per capita consumption of pork has remained reasonably level over the past five years, significant changes in consumer perceptions and lifestyles have taken place over this time period. Consumers are opting for smaller portions of "better-for-you" foods which translates into a demand for pork in smaller, conveniently packaged portions of leaner meat. Even with these important changes, pork has continued to maintain its level of consumption in Canada.



## **RESEARCH AND TECHNOLOGY**

Government and industry's support of applied research assure ongoing quality and innovation in the raising of pigs and processing of pork products in Canada.

Canadian developments include the Estimated Breeding Value (EBV), a microcomputer program developed at the University of Guelph that identifies superior performance traits of leanness, growth rate, feed conversion and prolificacy.

Another first for Canada is the very recent development, by universities in Toronto and Guelph, Ontario, of a DNA probe for gene characteristic identification. This is being used experimentally at this time and licensing is now being entertained with interest being expressed by other countries.

## **2. NEW AND EMERGING GLOBAL OPPORTUNITIES AND TRENDS**

### **INTERNATIONAL TRADE IN AGRICULTURAL FOODS**

As Agriculture productivity throughout the world has increased, international trade in agricultural commodities has become increasingly competitive. The value of world agri-food trade has been expanding steadily, rising from US\$209 billion in 1985 to US\$325 billion in 1990. Canada's agri-food exports of \$11 billion accounted for 3.5 per cent of 1990 world trade in agri-food products. Canada's share of world trade in agri-food products has increased with exports of \$13.3 billion in 1992, but our share of value added exports still remains low. Pork is an important part of this share accounting for approximately 5% of Canadian agri-food exports.

### **INTERNATIONAL TRADE IN PORK**

World consumption of pork is highest among all meats. Although intensive production of pork takes place in northern countries, they also provide good opportunities for international trade due to increased domestic consumption or demand for high quality or special cuts. There are many countries which for religious reasons eat little or no pork, and there are limited opportunities for increasing pork exports to these countries.

Pork exports in the fifteen years leading up to 1990 were stable with established trade patterns. Denmark had established a prominent position in the international market. Poland and Hungary also had established markets, particularly with Russia and the U.S. The U.S. was a net importer whose exports were not large, and were mainly offal directed to Europe. The Canadians were regular participants in the U.S. market, as they are today.

Up until 1991, the U.S. was the largest importer of pork products, but was then displaced by Japan, which imported over 500 000 metric tonnes.



Japan's demand for imports is expected to continue. A new key growth market appears to be Mexico. Mexico's economy is growing rapidly with increasing consumer incomes leading to increasing consumer demand throughout the country. In 1991, the Commonwealth of Independent States (CIS) was a large import market (454 000 metric tonnes) with most of the product coming from Eastern Europe. However, the economic difficulties of the region have severely affected its near-term purchasing power, so it is largely dependent on credit. On the other hand, local producers will likely only supply 70% of the processors meat requirements in Russia in 1993.

Of particular note is the growing U.S. presence in international trade, particularly to Japan, the Pacific Rim and Mexico. Also noteworthy is the rising production (and consumption) within China as well as exports which may dominate the Southeast Asian markets and Eastern Russia for low priced pork meat. The Polish and Eastern European exports have dropped considerably, as well.

### LEADING EXPORTERS AND IMPORTERS OF PORK \*(1992)

<u>EXPORTS</u>	<u>METRIC TONNES</u>	<u>IMPORTS</u>	<u>METRIC TONNES</u>
EC	493 000	Japan	690 000
Taiwan	300 000	CIS	316 000
Canada**	275 000	US	293 000
U.S.A.	185 000	Hong Kong	202 000
China	150 000	EEC	90 000
Baltic Countries	116 000	Mexico	50 000
Hungary	110 000	Poland	40 000

Source: U.S.D.A, World Livestock Situation

\* Provisional

\*\* Source: Canada Pork Exports, Agriculture Canada, Statistics Canada

### CANADIAN PERSPECTIVES

Canadian pork is a premium quality product having acquired an excellent reputation in the areas of leanness and wholesomeness. The total value of Canadian exports of pork products, not including live hogs, in 1992 was \$665 million which were exported to 58 countries.



In 1992, the top 10 Canadian export markets were (in million of dollars)

• USA	434.6	
• Japan	153.1	
• Mexico	30.6	
• Cuba	13.3	
• Russia	6.9	
• Australia	6.3	
• Hong Kong	4.2	
• Poland	4.0	
• Hungary	2.7	
• France	1.8	
<b>TOTAL</b>	<b>\$665</b>	<b>million</b>

In comparison, Canadian exports in 1991 amounted to \$595.1 million and were shipped to 54 different countries. Canadian exports continue to rely on the U.S. market, although there has been expansion to overseas markets. The share of the U.S. market in the Canadian total pork export sales has decreased from 75% in 1991 to 65% in 1992.

### 3. CANADIAN COMPETITIVE STRENGTHS

Canada has developed its high quality pork over a long period of time. The leanness and wholesomeness of the Canadian product is desired in many markets and should give Canada a definite edge over many of its competitors.

Canada can assure reliability of supply which is of concern to any importer. A steady supply and assurance of quality that comes from acknowledged testing especially in food products is paramount and an invaluable asset.

Canadian systems and methods are effective and well respected for breeding, selling, indexing (grading), inspecting, residue testing and technological focus. Canada has excellent disease control.

The proximity to and familiarization with the major US market and the potential of Mexico as a NAFTA partner are definite assets. Canada has extensive experience in exporting, in handling shipments, and understanding and meeting the needs of the foreign buyer and markets.

In terms of price Canada is competitive in most situations, except perhaps where fresh pork is required in distant countries and even then in cases such as the Asia Pacific market we are more competitive than European competition.



#### 4. TRADE IMPEDIMENTS/CONSTRAINTS

##### JAPAN

The Standard Import Price System does not always allow the Canadian exporters to market the most profitable combination of products. Exploitation of this system by competing countries, at various times in the past, has put Canada at a disadvantage. As an exporter of high quality frozen pork, Canada is working to ensure that any changes to the standard import price system, as a result of the MTN, do not discriminate against Canadian exporters of pork to this market.

Japanese imports of chilled pork represents 25% of the country's total pork consumption and has the highest annual growth rate, approximately 20%. A few Canadian plants are presently equipped to properly handle this trade. A few major Japanese processors control a large portion of the table meat trade, and it could be difficult to find new Japanese buyers without antagonizing these current customers.

It appears that Japan is everyone's target market and competition there will be fierce. For example, in 1992, the Netherlands were authorized to ship pork to Japan. Belgium, France, Germany and Poland are also negotiating with Japan and should also be granted access by the end of 1993. This "pack mentality" has surfaced in the Japanese meat trade before, and reliance on one major market may create considerable swings in prices. While there is a current recession in Japan there is no certainty that the Japanese consumption of pork will climb indefinitely. Should the Japanese government intervene in some way to protect national production, we will vigorously protect our trading rights.

##### MEXICO

Mexico is a relatively new market and hence the Canadian exporters are not yet fully familiar with the Mexican distribution system. In addition, the Mexican trade is not fully aware of the Canadian ability to supply. The principal constraint to the growth of Canadian exports is the 20% tariff which is scheduled to be phased out under NAFTA over ten years.

An important question relates to Mexico's ability to continue absorbing higher amounts of pork imports. Under a NAFTA agreement, Canada's pork exporters will greatly benefit, either by going directly into Mexico with products, or by filling market requirements in the Northern U.S. as U.S. producers flow product south into Mexico. A bullish view of Mexico suggests that affluence will grow and red meat consumption will strongly outpace the ability of national production to keep up. However, regardless of Mexico's new free market initiatives, Mexican producers have always found a way to pressure the government into various protectionist stances, and the need to continuously pursue our trading rights will remain.

##### RUSSIA AND CENTRAL/EASTERN EUROPE

The lack of convertible currency constitutes the major constraint to trade in



this region. In addition, the structural changes taking place in Russia and other countries in the region make it very difficult to identify importers and adequate distribution channels.

### **EUROPEAN COMMUNITY**

Due to highly restrictive import measures, particularly the variable import levy/slucicegate pricing regime, and the third country meat plant inspection directive, Canada has been effectively shut out of the European Community market for pork cuts and processed products for more than a decade. Canadian pork exports to the EC amounted to 17 400 tonnes and only 3 787 tonnes of offal in 1992.

### **AUSTRALIA**

Australian producers continue to put pressure on processors and retailers to source only from Australia and on Australian Quarantine Inspection Services (AQIS) to prohibit Canadian pork imports on quarantine grounds.

### **KOREA**

The current import regime is based on price safety zones for live swine to stabilize the domestic prices of pork. Imports are authorized through tenders, issued by the National Livestock Cooperative Federation (NLCF), when price fluctuations in the domestic live swine market warrants it. Rules governing the importation of fresh and chilled pork are being liberalized at a faster pace than those for frozen pork. Frozen pork is of greater interest to Canada.

### **CHINA**

A key question arising from current trends is the growing economic might of China and how it will influence the international pork trade. China has the fastest growing hog inventory (370 million head in 1993) and is the fifth largest exporter. Firm data is not easy to come by and is considered somewhat unreliable; however, if China could solve its regional foot-and-mouth disease and other diseases, it could not only dominate the Russian and South Asian markets, but make a play for Japan's market. Chinese production is rapidly rising and the technology for product chain efficiencies are being imported regularly from the West. Obviously higher per capita consumption within the country will absorb much of the production growth, but once that is stabilized, the focus will be on export. In terms of competition, Canadian pork is a much higher quality product than Chinese pork and can remain competitive in these markets as the Canadian pork is directed to a different segment of the market than the lower priced Chinese pork.

### **OTHER COUNTRIES**

In the Philippines, import permits are required from the National Meat Inspection Council of the Department of Agriculture and are only issued to meat processors to import pork for reprocessing. This has the potential to restrict and impede access to the market .

Canadian pork exports to Taiwan face high tariffs, restrictive import



licensing and a ban on offal.

The major constraints to the expansion of our exports to Cuba is the need for credit financing and the scarce availability of foreign currency, which will remain for the next few years.

Argentina has systematically refused to allow pork imports from Canada arguing that Canadian pork presented a risk of communicating diseases to the domestic hog population although Agriculture Canada was able to demonstrate that our products could be imported with an acceptable risk.

In summary, Canada's pork industry development has been spurred by export development and production continues year after year indicating a commitment and ability to serve both domestic and international markets. The importance of exports as a vital part of Canada's pork industry is recognized by participants at all levels. It has become an integral part of their total output today and this is expected to continue into the future.

## 5. OVERVIEW OF EXPORT MARKET OPPORTUNITIES

### UNITED STATES

During the 1980's when the United States was the world's largest pork importer Canada enjoyed a favourable position in this market. However, the US hog and pork sector is rapidly moving towards self-sufficiency and is expected to become a net exporter of pork in the near term. This change is being driven by consolidation at both the producer and packer/processor levels. Productivity gains are being made by both groups.

The quality advantage that Canadian hogs have enjoyed in the US market is diminishing as American producers continue to import Canadian and European genetics. The resultant changes will make the USA, Canada's most important export market, more difficult to access. Nevertheless, the U.S. still remains the key market for pork and processed pork, absorbing about 65% of total pork exports.

With US per capita consumption at 31 kg, pork has evolved into a product with a high degree of consumer demand as it is viewed as one of the meats of choice for health conscious U.S. consumers. This has a very positive affect for lean carcass cuts. Fattier cuts will be more difficult to sell. Consumers are demanding meat products that are convenient and/or "different". Low fat products that taste good will sell.

In Jan. 1993, USDA issued its' final rule on "Nutritional Labelling of Meat and Poultry Products". Theses rules become effective in July 1994, when most processed meat and poultry products must carry the new nutritional label. This will mean that there are some significant differences between the US and Canadian systems. Health claims will be allowed on US labels while not in Canada. Serving sizes become a must on labels in the U.S. and imitation products will be able to call themselves by mainstream or generic



names in the US if minimum content requirements are met. It is very important for Canadian exporters to have a clear understanding of the requirements before attempting to export products to the US market.

The United States is currently the only export market where a full range of Canadian pork products are being sold. For years Canadian pork products have passed relatively easily from Canada to the United States. Commodity pork products have always gone south to the U.S. in large volume, based more on a production-oriented selling than market-oriented selling.

It is difficult to succeed in the U.S. market exporting branded products. For Canadian companies to increase exports of branded processed pork products, more market oriented methods will need to be adopted. With a unique or different product it will be easier to get a listing with a U.S. company. The U.S. market is highly competitive and Canadian exporters have had difficulty getting their branded products listed with U.S. companies. Having sufficient capital to support new products in the highly competitive U.S. market is also necessary.

Short term potential for Canadian exports remains good. Canada has a long standing tradition of supplying this market, has a higher quality product, and a favourable exchange rate. In the long term, Canadian companies may gain a location advantage in the northern U.S. markets if U.S. production continues to move south due to harsh weather conditions. If this trend continues Canadian companies will gain a transportation advantage to markets in the northern states.

## ASIA-PACIFIC REGION

After the U.S., Japan is Canada's largest pork export market and Japan's reliance on pork imports is expected to grow between 5 and 10% per year representing a significant opportunity for Canadian exporters.

The Australian government in 1990 lifted the ban on imports of frozen pork from Canada. Domestic pork consumption has potential for moderate increase and it is believed that there is merit in pursuing market opportunities.

In Hong Kong food supplies are in great demand and more than 90% of its pork requirements are imported. Although it is difficult for Canadian exporters to compete with the great abundance of lower-priced and fresher pork from neighbouring China, there is still a good opportunity to promote high quality Canadian pork in Hong Kong, as there are many young consumers who are less sensitive to price, more health conscious and demand higher quality products.

The Republic of Korea is committed to liberalizing its pork imports, in 1993 for fresh and chilled pork and in 1997 for frozen pork. Per capita income is increasing rapidly and there is an increasing demand for meat. Combined



with diminishing production, the country will have to rely more and more on imports once liberalization is achieved.

The Philippines is one of the largest pork producing countries in Asia. The importation of pork is currently limited to pork for processing and offal. Meat processors are currently importing 30% of their annual meat requirements. In light of the current import restrictions, the opportunities are limited to low price pork for reprocessing.

## LATIN AMERICA AND CARIBBEAN

Mexico is a promising market as swine and pork meat production has been decreasing, due to high costs. The Mexican preference is for lean, boneless cuts and fresh and chilled meat rather than frozen. The potential Canadian market share in this growth market is considered to be at least 50% of total Mexican imports. The NAFTA agreement should benefit Canadian exporters as they gain easier access to this market.

Cuba, Canada's fourth largest export market, purchased over \$13 million of Canadian pork products in 1992. Most of the products were frozen and chilled pork directed at the tourist sector.

The Puerto Rico local pork industry meets only 30% of market demands. The Canadian Trade Office estimates that Canada's share of the market could easily double in the short term. It is estimated that as much as 40% of the best imported cuts come from Canada. Most Canadian exports reach Puerto Rico via the US. Puerto Rico would welcome a more aggressive attitude on the part of the Canadian exporters.

Jamaica which bought over 650 tonnes of Canadian pork in 1992, could become an even more attractive market as the tariffs are reduced from 45% to 30% in 1993. Presently, Canada has a virtual monopoly on Jamaican pork imports and that situation is not expected to change in the near future.

## CENTRAL AND EASTERN EUROPE

Although Central and Eastern Europe has a long tradition in hog production, the liberalization process that is taking place provides short to medium term market opportunities in many of these countries. Russia's domestic pork industry's output has declined by 20% with domestic suppliers only able to provide about 70% of the processing industry's requirements. Industry leaders are interested in importing more pork for processing as well as some less expensive meat products.

Domestic production has declined in both Poland and Hungary. In Poland there are opportunities for the sale of both high quality (lean pork) and lower-end products. In Hungary no increase in Canadian pork shipments is foreseen in the next few years due to adequate self sufficiency and lower consumer demand due to the present recession.



## COMPETITORS MARKETS

Currently, the EC internal support measures (variable import levies and sluicagate price) make Canadian pork products uncompetitive and Eastern European suppliers will also continue to have a competitive advantage in the EC with the association agreements that have been negotiated. If Canada is not able to find a highly specialized market niche, it is difficult to foresee many viable market opportunities in the long run.

Denmark is among the world's leading exporters of pork, bacon and pork products with production expected to increase by 6% again this year. Imports are usually low-end and offered to Danish consumers at discount cost, while the Danes sell their product abroad. Nevertheless, achieving larger exports outside of the EC is becoming increasingly difficult. Japan continues to be their major export target market.

Taiwan has put itself in the lead position in pork exports to Japan but environmental regulations appear to be more onerous every year. Hog production may face declining investment as the cost of environmental controls escalate. This may benefit Canadian exporters.

## 6. EXPORT MARKETING STRATEGY

### *Market Penetration*

A longer-term marketing strategy for the sector, should take into account shifting market demand, new competitors and demographic changes. The US market for Canadian pork has long established roots and accounts for 65% of Canadian pork exports. This is a substantial amount and is expected to fall in the future as the US moves from a net importer to a net exporter of pork. This reflects the need for Canada to form stronger market position in markets other than the United States. There are significant opportunities for expansion in the Pacific Rim countries, Japan in particular and with Mexico. However, this does not preclude the need to pursue other markets which have the potential for development.

### *Generic Market Promotion*

Canada's long history of pork exports has produced a favourable image as a supplier of lean and healthy high quality products. This image was augmented in 1991 with the establishment of "Canada Pork International", the export promotion agency. The promotion of a high quality Canadian image in international markets must continue in order to assist Canadian exporters attempting to further penetrate new or existing foreign markets.

### *Market Access*

There is a need to defend and maintain the existing level of market access into international markets. Efforts will focus on defending existing levels of market access and removing such barriers as tariffs, tariff rate quotas and import quotas and other NTB's such as health and safety issues to ensure they do not discriminate against Canadian exporters of pork. By decreasing



or eliminating some of these barriers to trade we may be able to open up new markets for our pork exports.

### ***Improve the Delivery of Market Intelligence***

Industry has indicated a need for better and more timely commercial information and intelligence on developments and sales opportunities for pork in foreign markets. More government effort is to be targeted at providing the private sector, including through industry associations, with information on market conditions, consumption trends, market access factors, distribution channels and business contacts with respect to pork in general.

## **SECTION B**

### **COUNTRY PROSPECTS**

Questionnaires have been sent out to 45 posts (excluding the USA) in major pork importing and exporting countries. The information received has been summarized and organized on a country specific basis to highlight market opportunities for Canadian exporters. This section contains detailed information on local production, government policies, imports and exports, access issues, transportation and distribution, as well as full names and addresses of major importers and buyers.



# AUSTRALIA

## SECTION B

## ASIA PACIFIC REGION

In Australia, the meat year runs from October through September and the statistics below are on that basis, unless otherwise specified. The Australian pork industry has undergone a difficult time over the past few years. Low consumer incomes, lower prices for other meats and higher prices for feed grains have placed significant pressure on the saleyard price of hogs. The industry has changed industry expectations (enhanced competition). Dry conditions during 1991-92 forced up domestic feed grain prices and increased the costs of hog farming. According to ABARE (Australian Statistics Bureau), pork production rose by about 4% during 91/92 as the swine industry had continued to run down. Over the past few years, sow numbers have fallen by around 8%. The decline in sow numbers has, however, reduced the production of piglets. As a result of the industry's response to the downward pressure on pig prices, current quarantine arrangements, apart from the frustration element of further bureaucratic procedural requirements, are not likely to have major effect on imports.

### Local Production

In 1991, the Australian pork production amounted to 326 000 tonnes (4 990 000 slaughterings). Meat processing is located around major urban centres. Production levels are affected by feed costs, which is certainly the case in South Queensland, with feed costs of 20 cents per kg. Production is concentrated in New South Wales. Pigs produced in New South Wales are sold under direct sale. However, significant use of electronic sales is carried out. More than 90% of hog sales are under direct sale. The major component of hog sales is however, they are sold under direct sale.



In most cases, prices are determined by the weight and quality of the carcasses after slaughter. Dressed weight is the major factor in price determination. Most hams are sold to the processor as range dressed carcasses and have a backfat measurement of 15 mm. Dressed carcasses measurement of carcasses has been an increasingly important issue, as buyers and consumers demand carcasses with more meat and less fat. The processing industry is moving to lean meat yield as basis for payment. In recent years, pork cuts have tended to come from heavier and leaner pigs. This has followed the promotion of "New Fashioned Pork". Pork cuts under this group come from hogs with a dressed weight of 60-65 kg.

In 1988, a campaign entitled "Cured Hams" was carried out directed towards the top end of the ham market. A "Cured Ham" is a ham about 1 kg in weight with a high level of quality control. These hams can only be produced under licence. Since this promotion, major processors have tended to provide smaller hams of 3 or 4 kg.



or eliminating some of these barriers to trade we may be able to open up new markets for our pork exports.

### *Improve the Delivery of Market Intelligence*

Industry has indicated a need for better and more timely commercial information and intelligence on developments and sales opportunities for pork in foreign markets. More government effort is to be targeted at providing the private sector and industry associations, with information on market conditions, consumption trends, market access factors, distribution channels and business contacts with respect to pork in general.

## SECTION B

### COUNTRY PROSPECTS

# ASIA PACIFIC REGION

Questionnaires have been sent out to 42 pork producing countries in major pork importing and exporting countries. The information received has been summarized on a country-by-country basis to highlight market opportunities for Canadian exporters. The report contains detailed information on local production, government policies, imports and exports, access issues, transportation and distribution, as well as full names and addresses of major importers and buyers.





# AUSTRALIA

In Australia, the meat year runs from October through September and the statistics below are on that basis, unless otherwise specified. The Australian pork industry has undergone a difficult time over the past few years. Low consumer incomes, lower prices for other meats and higher production have placed significant pressure on the saleyard price of hogs. The introduction of Canadian pork has changed industry expectations (enhanced competition). Dry conditions during 1991-92 forced up domestic feed grain prices and increased the costs of hog farming. According to ABARE (Australian Statistics Bureau), pork production rose by about 4% during 91/92 as the swine industry herd continued to run down. Over the past few years, sow numbers have fallen by around 8%. The decline in sow numbers has, however, reduced the productive capacity of the industry. As a consequence, pork consumption is forecast to decline during 92/93 increasing the upward pressure on pig prices. Current quarantine arrangements, apart from the frustration element of further bureaucratic procedural requirements, are not likely to have major effect on imports.

## Local Production

In 1992, the Australian pork production amounted to 326 000 tonnes (4 990 000 slaughterings). Meat processing is located around major urban centres. Production levels are affected by droughts, which is currently the case in South Queensland, with feed costs varying from A\$120/tonne to A\$260/tonne. Although related to New South Wales, the following information is fairly consistent with the national situation. Pigs produced in New South Wales are mostly sold within the state. However, significant interstate trade is carried out, with levels varying from year to year. More than 90% of hogs are sold under direct consignment, including 7% sold by electronic description market systems. Live pig auction sales are a very small component of hog sales. However, they are conducted regularly.

In most cases, prices are calculated using the weight and quality of the carcass after slaughter. Dressed weight and fat thickness are the major elements in price determination. Most hogs are sold in the 60 to 75 kg range dressed weight and have a backfat measurement of 8 to 15 mm. Objective measurement of carcass quality has been an increasingly important issue, as buyers and consumers demand carcasses with more meat and less fat. The processing industry is moving to lean meat yield as basis for payment. In recent years, pork cuts have tended to come from heavier and leaner pigs. This has followed the promotion of "New Fashioned Pork". Pork cuts under this promo come from hogs with a dressed weight of 60-65 kg.

In 1988, a campaign entitled "Cameo hams" was carried out (directed towards the top end of the ham market. A "Cameo ham" is a ham about 1 kg in weight with a high level of quality control. These hams can only be produced under licence. Since this promotion, major processors have tended to provide smaller hams of 3 or 4 kg,



often with the leg bones removed to making for easier carving. The Pig Research and Development Corporation supports a range of projects related to meat quality.

### **Domestic Consumption**

The per capita pork consumption was 18.8 kg in 1992. Consumer research reveals spontaneous awareness of 38.6% and prompted awareness of 63.3% which compared favourably to awareness levels for beef and lamb. There was a positive awareness of the positioning statement used: "The other white meat". (Australian Pork Corporation annual report - To obtain a copy please write directly to APC whose address appears under "Industry Association Contacts" below).

Compared to 90/91, the Australian Pork Corporation reports for 91/92 the following results for their market research:

- **Fresh pork** In-home penetration increased by 25%. On average 28% of Australian homes purchased fresh pork each month in 91/92 compared to 23% in 90/91. Volume purchases increased by 27%. Average price per kg in 91/92 was A\$ 4.98 compared to A\$ 4.99 in 90/91.
- **Ham** In-home penetration increased by just 5%. average of 41.4% of homes purchased ham each month in 91/92 compared to 40.4% in 90/91. Volume purchases increased by 6%. Average price per kg remained at A\$ 7.68.
- **Bacon** In-home penetration increased by a little over 8%. On average 37.2% of homes purchased bacon each month in 91/92 compared to 35.2% in 90/91. Volume purchases increased just 13%. Average price per kg was sustained at A\$ 6.90 in 91/92 compared to A\$ 6.85 in 90/91.

TV commercials highlighted "The other white meat" positioning as well as the National Heart Foundation "tick" of approval as well as a variety of pork dishes and cuts.

### **Exports**

In 1991/92, Australia exported 6 191 tonnes, of which 3 708 tonnes were game pigmeat. During that period, 17.5 tonnes were exported to Canada for a value of A\$50,800. There are no specific export incentive schemes for pork, but exporters may be eligible for general schemes such as the International Trade Enhancement Scheme, Export Market Development Grants, the Marketing Skills Program and the Innovative Agricultural Marketing Program. The Australian pork industry has not been a major exporter in the past. However, some within the industry see export markets as a key to the future stability of the industry.



## Imports

Main imports are middles, fore quarters/hinds and boneless legs.

In 1991/92, imports were as follows:

	Tonnes	Value (A\$ '000)
Canada	4 003	13 930
New Zealand	44	309
Denmark	14	63
Singapore	1	5
Japan	2	20

Most importing is now conducted via a broker who resells to the end-user. Some small goods processors buy direct.

## Access

There are no tariffs or duties that apply to Canadian pork. Strict quarantine regulations are enforced and only frozen pork is being allowed. Product must also conform with the National Food Standards Code labelling and packaging requirements.

## Transportation and Distribution

Australia has an excellent transportation and distribution network. Products can be landed by air or sea.

## Market Opportunities for Canadian Products

Domestic pork consumption has potential for moderate increase. Given the fact that Australian Customs (confirmed by the Anti-Dumping Authority) did not find evidence of Canadian countervailable subsidies or dumping (although this matter has now been referred to the Federal Court for review) and fact that some processors still want to buy from Canada (if price is competitive), it is believed that there is merit in pursuing market opportunities.

Australian producers continue to put pressure on processors and retailers to source only from Australia and on the Australian Quarantine Inspection Services (AQIS) to prohibit Canadian pork imports on quarantine grounds.



## Industry Association Contacts

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## HONG KONG

Hong Kong is a market of 5.8 million people. Food supplies are in great demand and more than 90% of its pork requirements are imported.

### Local Production

Supply of local pork is insignificant.

### Government Policies

The Government does not provide any incentive to increase production.

### Domestic Consumption

Hong Kong consumers prefer fresh pork to frozen. Pork is consumed at home, in restaurants and hotels and is served as steaks, barbecued or as an ingredient in soups and many other recipes. However, Hong Kong consumers generally perceive pork as kind of a good and yet very ordinary meat. They normally cannot distinguish between high and poor quality pork. In addition, most of them believe that all pork in Hong Kong comes from China.

Generally, Western pork is perceived to have a higher quality image. The Americans are doing particularly well in portraying the quality image by emphasizing the use of high quality American meat in very popular fast food chains like McDonald's, Burger King, Pizza Hut, etc. However, Western pork is also perceived to be more expensive than Chinese pork.

### Imports

In 1992, Hong Kong imported 2.79 million hogs, valued at \$358 million, almost 100% from China that were slaughtered, on a daily basis, in government regulated slaughterhouses to supply fresh pork to the local market. In addition, Hong Kong imported 472 579 tonnes of meat and meat products, valued at \$870 million, which include

- 47 310 tonnes of pork, valued at \$112 million (Canada's share was 900 tonnes, valued at \$1.17 million)
- 9 744 tonnes of edible offal of swines, valued at \$12.9 million (Canada's share was 2 861 tonnes, valued at \$3.3 million)

### Exports

Hong Kong does not export.

### Access

There are no import tariffs or duties nor government health regulations governing the importation of foodstuffs into Hong Kong, with the exception of a health certificate, required for fresh and frozen meat, that must be issued by Agriculture Canada and



must accompany the shipment.

### **Market Opportunities for Canadian Pork Products**

The great abundance in the supply of lower-priced and fresher pork from neighbouring China makes it difficult to compete price wise. It also hinders the acceptance of high quality pork. However, there is still a good opportunity to promote the high quality of Canadian pork in Hong Kong, as the country has many young people who have received their education in Western countries or have adopted Western lifestyles. These young consumers generally have a higher disposable income, are less sensitive to price, are more health conscious and demand higher quality products. Canadian pork is perceived to meet those needs.

### **Recommendations to Canadian Exporters**

High class hotels and restaurants are appropriate institutions on which to concentrate marketing efforts. Another channel is Dah Chong Hong (DCH), one of the single largest importers of meat, which owns more than 50 stores in Hong Kong and which has demonstrated a significant aggressiveness in promoting Western frozen food in this market. DCH's target market is the same as that for high quality meat.

### **Major Trade Shows**

In the local market, there are only two large food exhibitions; HOFEX is a trade show for food traders from all over the world. It was held in May 4-7, 1993. The next HOFEX will be held in 1995. The other food show is Food Expo (August 11 - 15, 1993), an annual consumer food exhibition organized by the Hong Kong Trade Development Council during the summer.

### **List of Importers**

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Mr. Peter Lee, Director

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John D. Hutchison Trading  
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15/F., JDH Centre  
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Siu Lik Yuen, Shatin  
New Territories, Hong Kong  
Tel: 635-5555  
Fax: 635-0084  
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Lucullus Food & Wines Co.  
Ltd.  
9 Wang Kwong Road  
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Tel: 798-1299  
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Mr. John Tai, Procurement  
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Mr. Andrew Vagg,  
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# INDONESIA

## Local Production

For hog exporting purposes, the government of Indonesia has concentrated its hog farms in three provinces, out of 27 provinces in Indonesia, North Sumatra with 10 farms, Riau (in the middle of Sumatra) with 2 and West Kalimantan with 1. The 1992 total production of these 15 farms amounted to 631 204 head. Other areas of Indonesia, such as Bali, North Suwalesi, West Irian raise hogs only for domestic consumption.

Year	Hog population	Pork Production ('000 tonnes)
1969	2 878 000	34.2
1973	2 622 000	41.2
1978	2 902 000	47.7
1983	2 248 000	93.9
1988	6 484 000	154.3
1989	6 936 000	136.3
1990	7 136 000	123.3
1991	7 612 000	110.0
1992 (est.)	8 062 000	114.4

Pork production represents about 10% of the country's total meat production. The mortality rate amounted to 13.85% in 1979. There were 210 hog slaughtering establishments in 1992.

Year	Pork prices (\$/kg)
1986	1.86
1987	2.00
1988	2.32
1989	2.42
1990	2.70

## Imports

Duty for products such as ham, bacon, pork floss, trotters, shoulders, etc. 30% + 10% VAT. Imports consisted of processed pork products in 1990 and 1991



	1990		1991	
	Kg	US\$	Kg	US\$
Hams and cuts in air tight containers (16024110)	4 418	3 588	46 788	22 172
Hams and cuts not in air tight containers (16024190)	10 730	3 349	8 304	7 176
Shoulders and cuts in air tight containers (16024210)	1 271	928	326	307
Prepared meals of pork inc. mixtures				
(16024911)	3 692	6 065	2 227	835
(16024912)	1 732 769	446 116	1 698 633	410 490
(16024913)	32 667	7 854	40 895	9 734
(16024919)	24 316	17 588	95 758	58 678
(16024991)	200	70		
(16024999)			278	82

The 1990 Indonesian statistics showed that Indonesia imported from Canada 426 kg at a total value of US\$ 401. Indonesia imported most pork products from China, Taiwan, Malaysia, Thailand and Hong Kong with occasional shipments from the US, Australia and the United Kingdom.

### Exports

Indonesia only exports live hogs to Singapore. In 1991, 266 685 hogs, valued at US\$17,548,494 were exported against 211 287 in 1992 for a value of US\$ 14,352,000. Hog farms in North Sumatra exported three categories of hogs: porker (80-100 kg), suckling pigs (5-6 kg) and piglets (25-35 kg). The others only exported porkers.

### Market Opportunities for Canadian Products

Indonesia is a predominantly muslim country. The opportunities are limited and pork imports are not likely to increase significantly.

### Major Show

Packaging and Food Processing Indonesia - The 8th edition will be held from November 16 to 20, 1993.

### For Further Information Contact:

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## JAPAN

The annual size of this market is about 2 million tonnes, on a dressed carcass basis, and has been relatively stable since 1987. Local production accounts for approximately 70% (80% five years ago) while imports have increased from 20% to 30% during the last five years. From 1988 to 1992, the combined shares of Taiwan and Denmark in the total Japanese pork imports have varied between 70% and 80%. During the same period, Canada's share has remained in the 5% to 9% range (5.8% in 1992).

### Local Production

In 1992, Japan produced 1 432 999 tonnes and 19 130 950 hogs were slaughtered. As of February 1993, there were 10 279 000 hogs in Japan. There were 24 900 farms raising hogs with an average of 431 hogs per farm. Feed costs are estimated to be \$80.11/100 kg with the total production costs at \$231.97.

The size of this market is approximately 2 million tonnes, having fluctuated in the 2 to 2.1 million tonne range over the last five years (FY 1987-91). The local production has slightly declined from 1.6 to 1.5 million tonnes whereas imports have been steadily growing from 400 000 tonnes to 600 000 tonnes.

Japan's long term outlook for pork demand is 2.2 to 2.4 million tonnes on a carcass basis by year 2000, in which local production is forecast at 1.8 million tonnes and imports at 400 000 to 600 000 tonnes. For FY 1991, the self-sufficiency ratio was 71.5%. The domestic production is mainly located in Kyushu (Kagoshima) and Miyazaki prefectures as well as in the Kanto district (Ibaraki and Gunma prefectures).

### Government Policies

**Price Support System** - Since 1961, Japan has a price stabilization program which is based on a price range for half-carcasses. Government will only intervene if domestic prices exceed the upper limit or go below the lower limit. For the fiscal year 93 (April 93-March 94), the price levels per kg of skinned half-carcasses have been established at \$6.01 (Cda \$ = 94 ¥) for the upper limit and \$4.26 for the lower one.

### Domestic Consumption

For FY 1991, the annual per capita consumption was 16.1 kg on a carcass basis. Unlike Japanese domestic beef, Japanese pork has little marketing/sales features. There have been some cases where imported pork (Denmark, Taiwan, USA) have exceeded the official tolerance levels for farm chemical residues and which were reported by the Japanese press. Thus, the majority of Japanese consumers are concerned that imported products may be unsafe, which has a negative impact for non violators such as Canada. In order to capitalize on consumers' reaction, the Japanese pork industry has been addressing the food safety aspect. Since it is gradually losing market shares to imported pork, some domestic suppliers are



promoting specific pathogen free (SPF) hogs to concerned consumers.

### Exports

In 1992, total exports were 78 tonnes, valued at \$145,000, mostly all frozen boneless pork, of which 76 tonnes (\$132,000) went to Hong Kong and 1 tonne (\$11,000) to North Korea. Usually, Japan exports very limited quantities and the above mentioned 78 tonnes represents the largest quantity exported during the last five years. With the decline in the domestic production and the large volume of imports, it is unlikely that Japan will export substantial quantities in the foreseeable future.

### Imports

The following import figures are on a boneless basis and do not include offals, unless otherwise specified. In 1992, Japan imported 479 080 tonnes from 21 countries for a value of \$2,418 million (Cda \$ = ¥ 126 in 1992).

Chilled pork	109 622 tonnes	\$607 million
Frozen pork	369 458 tonnes	\$1,811 million

Boneless pork accounted for 477 622 tonnes, or 99.7%, and bone-in pork 1 418 tonnes or 0.3% (carcasses and half-carcasses accounted for 10 tonnes). Unlike beef, import records do not provide a breakdown by cut.

	Chilled (MT)	% of Total Chilled	Frozen (MT)	% of Total Frozen	Total (MT)	% of Imports
Taiwan	75 886	69.2	140 912	38.1	216 797	45.3
Denmark	23	0.02	148 648	40.2	148 671	31.0
USA	31 465	28.7	35 376	9.6	66 842	14.0
Canada	889	0.8	26 941	7.3	27 830	5.8
South Korea	826	0.8	7 185	1.9	8 011	1.7

The above imports were valued as follows:

Taiwan	\$1,083 million
Denmark	\$727 million
USA	\$373 million
Canada	\$138 million
South Korea	\$42 million

In 1992, Canada exported 13 tonnes of frozen bone-in cuts. The top five supplying countries accounted for 97.7% of the total Japanese pork imports in both value and quantity. Taiwan is the least heard of in terms of promotional efforts in this market, but their chilled pork exports have expanded into the retail (supermarkets) sector in



recent years.

Denmark, so far, has not organized any particular promotional campaign, but their frozen pork is regarded as a core item by the local processing industry. Danish frozen pork enjoys a market share of approximately 40% of the total frozen pork imports, slightly higher than Taiwan. Denmark has been experiencing great difficulties in shipping chilled pork due to its geographic disadvantage. It seems that Denmark is pursuing a further penetration in the processing sector.

The U.S. Meat Export Federation (USMEF) has been consistently conducting promotional activities directed at the households and at the processing sector, demonstrating an increased interest in this market and upgrading its efforts after opening an office in Osaka a few years ago. As far as the households are concerned, the USMEF has a continued promotional campaign on chilled pork with supermarket chains and directed at the housewives (cooking seminars, contests coupled with their promotional efforts on beef by placing a strong emphasis on both U.S. beef and pork).

There is a significant shift in Japanese imports from bone-in to boneless due to the difficulty in securing skilled labour in Japan and more recently a shift from frozen to chilled which is common to imported beef as well.

#### **Importers**

The major trading houses importing pork into Japan are:

- Itochu Corp.
- Marubeni Corp.
- Mitsui and Co. Ltd.
- Sumitomo Corp.
- Toshoku Ltd.
- Kanematsu Corp.
- Mitsubishi Corp.
- Sumikin Bussan Kaisha Ltd.
- Taiyo Fishery Corp.
- Zenchiku Co. Ltd.

These companies belong to the Japan Meat Traders Association (JMTA) which used to be a trade organization concerned with meat other than beef. It is now also acting as a beef importers organization since April 91 when beef imports were liberalized. A consolidated organization will be established by this fall at the latest.

#### **Market Opportunities for Canadian Products**

The future of the Japanese pork market is encouraging. For example, the demand will grow by 10% to 20% to 2.2-2.4 million tonnes by the year 2000. The outlook for local production of 1.8 million is said to be too optimistic and therefore will leave room to additional pork imports. Chilled pork is the fastest growing segment of the imported pork market and this has been brought to the attention of the Canadian pork industry in the past.

It is essential to map out a promotional plan by sector i.e HRI and retail besides



processing, making full use of market opportunities for frozen pork until Canada further expands chilled pork exports to Japan. The 1992 in-depth study on the opportunities for Canadian pork in the Japanese foodservices sector, conducted on behalf of Canada Pork International, contains numerous recommendations that could be adopted to optimize the results in the short and long terms.

### **Major Shows and Other Promotional Activities**

The recommended approach for the Canadian pork industry are the solo shows, company or product specific shows, held at the Embassy in Tokyo and in priority regional markets. It is perceived that Canada Pork International (CPI) could make better use of the Canadian Meat Week concept. It may be effective if it becomes a regular event, not necessarily every year, which would feature Canadian pork, CPI and its individual members. As far as promotional seminars are concerned, they should be scheduled on a regular basis, and target specific sectors (e.g. foodservices) for a certain period. In term of in-store promotions, it is suggested that the Canadian pork exporters gradually expand their efforts commensurate with the increase of chilled pork exports to Japan.

### **Access**

- **Standard Import Price (SIP)**

The Japanese pork import regime is based on a minimum import price which is also known as Standard Import Price (SIP). Each April 1st, the Japanese Government sets a minimum and a maximum price for pork carcasses. The average between these maximum and minimum prices becomes the import minimum price level that all imported pork cuts must meet to enter Japan (¥ 483 for 1993). If the product is valued at a price lower than the SIP the duty becomes the difference between the CIF price and the SIP to which a 5% tariff is added. If the product is valued at a higher price than the SIP only the 5% tariff applies. In order to import low value cuts, the Japanese Government allows importers to buy a combination of low and high valued cuts that has an average price equal to or greater than the SIP.

- **Food sanitation**

The Japanese Ministry of Health and Welfare conducts routine inspection to ensure that imported pork complies with the farm chemical residue tolerance levels. In addition the Ministry implements every year a special monitoring period, which is a tightened inspection, that lasts approximately 3 months. The monitoring covers antibiotics, sulfonamides and other designated farm chemicals for which there is a zero tolerance and pesticides, such as DDT (5 ppm), Dieldrin (0.2 ppm) and Heptachlor (0.2 ppm).

- **Labelling and Packaging**

These requirements of the Food Sanitation Law apply to the processed products.



## **Transportation and Distribution**

The Japanese distribution channels are complex. Some companies act as importer and distributor, while on the other hand, there are primary and secondary distributors when volumes are important. Shipments to Japan are virtually all done by sea. The major ship companies are Nippon Yusen KK, Mitsui OSK Lines Ltd, Navix Lines Ltd and Kawasaki Kisen Kaisha Ltd. Within Japan, nearly all transportation is done by truck. The major companies involved are Nippon Express Co. Ltd., Segno Transportation Co. Ltd. and Yamamoto Transport Co.

Availability of cold storage for chilled and frozen pork is only a concern for imported pork products, which also have to compete with imported fishery products that also grew in importance in recent years. With the increasing interest in chilled pork, and imported chilled food products in general, especially for retail outlets, it is becoming more and more important to select the right partner(s) who own or have access to well developed chilled-distribution network.

## **Marketing Channels**

- Standard import and distribution channels
  - Importers-Meat Processors-Retailers-Consumers
  - Importers-Wholesalers/Commission Merchants-HRI-Consumers
  - Importers-Large Scale Supermarkets-Consumers

The curtailment in middle marketing channels is increasing (e.g. Importers- Large Supermarkets). Large meat processors are gradually importing directly. The delayering of the Japanese distribution network is the result of ongoing Japanese consumers' sensitivities to prices. Direct deals between Canadian meat packers and Japanese processors are likely to increase from now on. In this case, Canadian meat packers would be able to receive large orders at one time, which should provide Canadian exporters with more opportunities to consummate deals.

## **Recommendations to Canadian Exporters**

- Fluctuation in supply, especially short supply, is not taken well by the Japanese trade. In fact, if it happens too often for their taste, the exporting country might end up with an unreliable supplier label.
- The continued diversification of products is in the best long term interests of the Canadian pork industry.
- Japanese companies are quality-minded, seeking high quality, and more importantly uniform quality. In this regard Canada has a good image, but it will remain that there are always some minor points to be improved or that new situations need to be addressed, such as labour shortage which forces the Japanese customers to request specific cuts that do not require any further trimming.



- Continued contact with the local Japanese trade is important. The best means is to visit them on a regular basis but also inviting representatives to visit companies in Canada or to attend Canadian pork industry's or Japan/Canada business trade conventions should also be considered.
- Promotional efforts should be tailored to the Japanese market situation (e.g. be prepared in Japanese) and addressing current Japanese concerns such as food safety. Canada Pork International has prepared some generic material along those lines, but there is a need for more focused material.

#### Government Contacts

Ministry of Agriculture, Forestry and Fisheries  
Meat and Eggs Division  
Livestock Industry Bureau (demand/supply)

Japan Ham and Sausage Processors Coop  
Association/  
Japan Meat Processors Association

Ministry of Health and Welfare  
Veterinary Sanitation Division  
Environmental Health Bureau (farm chemical  
residues)

National Federation of Meat Purveyors Coop  
Association

Food Sanitation Division  
Environmental Health Bureau (food  
sanitation law)

Japan Meat Conference  
An umbrella organization of the local meat  
trade.

#### For Further Information Contact:

Livestock Industry Promotion Corporation (LIPC  
or LIPCO)  
Meat Department (Stabilization- SIP)

Canadian Embassy  
7-3-38 Akasaka  
Minato-ku  
Tokyo 107

#### Industry Contacts

Japan Meat Traders Association  
It used to be a trade organization  
representing meats other than beef  
(importers of pork, horsemeat, broilers,  
etc.). Since the liberalization of beef  
imports, its member importers are engaged  
in beef imports as well.

Tel: (011-81-3) 3408-2101  
Fax: (011-81-3) 3470-7280  
Contact: Mr. Enzo Di Emanuelle,  
Consellor

Japan Chain Stores Association (supermarket  
chains)

Canadian Consulate General  
P.O. Box 150  
Osaka Minami 542-91  
Tel: (011-81-6) 212-4910  
Fax: (011-81-6) 212-4914

Japan Foodservices Association

Foodservices industry, typically fast food and  
chain restaurants.



# KOREA

## Local Production

The growth rate of the pork production is the fastest of all livestock sectors. The total hog numbers grew by 11% in 1991, 5 046 029 in December 1991 compared to 4 528 000 during the same month in 1990. In the first nine months of 1992, the number has increased to 5 664 344. The number of slaughtered hogs reached 8 454 356 in 1991 and 6 846 444 in the first nine months of 1992. The daily supply of hogs was 8 811 head as of December 23, 1992.

Hog prices have fallen to Won 98 000 (\$158) per 90 kg as of December 20, 1992 from the record Won 186 000 posted in July 1992, due to the increased number of hogs and the unsatisfactory procurement by the Government. The Korea Swine Product Association was established in 1974 to develop the productivity of the pork industry. Its membership is comprised of 2 500 full time hog farmers who raise more than 50 pigs.

Agricultural waste water generated by farmers raising livestock (especially hogs) is the most toxic waste water produced in Korea. The Government has budgeted 45.7 billion Won for the treatment of livestock sewage.

## Government policies

The Korean Ministry of Agriculture and Food (MAFF) provided in 1988 Won 7.6 billion to 457 farms for three years to improve livestock barn facilities. This program was expanded to 1 500 farms in 1992 with a budget of Won 45 billion. MAFF has selected in 1992 several hog producers that were willing to integrate their businesses and will finance them with annual budget of Won 13 billion. MAFF has subsidized the modernization of five selected slaughterhouses. To establish a hog price stabilization zone, MAFF has secured Won 110 billion from the Livestock Promotional Fund.

## Imports

Korean imports in the first six months of 1992.

Fresh/chilled pork (CIF)

Australia	3 tonnes	US\$ 4,764
USA	59 tonnes	US\$ 39,749
Total	62 tonnes	US\$ 44,513

Other (such as pig feet) (CIF)

Canada	32 tonnes	US\$ 23,702
Denmark	61 tonnes	US\$ 120,485
USA	287 tonnes	US\$ 409,999
Total	380 tonnes	US\$ 554,186



Korea imports pork through two mechanisms:

- Import quotas administered by the National Livestock Cooperative Federation (NLCF), filled through tenders, and with quantities and issuance dependent on the domestic price exceeding the trigger price; and
- An arrangement whereby Korean pork processors can import, only when the domestic prices exceed the trigger price, an amount equal in value to what they have exported to Japan.

In 1990 and 1991, Korean pork imports were equivalent to respectively 0.5% and 3.4% of the domestic output.

### Exports

In 1991, the Korean pork export price was US\$ 5,242/tonne for frozen pork and US\$ 6 744/tonne for chilled pork.

### Access

Imports of fresh and chilled pork will be liberalized in 1994, but frozen pork imports only in 1997.

Duty 30% on a CIF basis

### Transportation and Distribution

The following distribution channel exists for domestic pork:

Pig farmers - merchants - slaughterhouse - meat wholesale market - wholesaler - general butcher chop (retailer) - consumer

### Government and Industry

#### Contacts

Livestock Bureau  
Ministry of Agriculture,  
Forestry and Fisheries  
Tel: (011-82-2) 503-7171  
Fax: (011-82-2) 500-2644

National Livestock Cooperative  
Federation (NLCF)  
Tel: (011-82-2) 485-3142  
Fax: (011-82-2) 486-6760

### IMPORTERS

Korea Cold Storage Company  
(Hannang Ham & Sausage  
Manufacturer)  
#13-8 Noryangjin-dong  
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Mr. Choi Jung-Sik,  
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Mr. Bae Kyung-Hyon,  
Deputy Manager  
Mr. Yang Jun-Ho,  
Manager of Purchasing Dept.

Lotte Ham & Milk Co., Ltd.  
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Mr. Lim Byung-Sung,  
Manager (Purchasing)  
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Manager (Overseas)  
Mr. Lee Tae-Jong,  
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Mr. Kim Hak-Kon,  
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Mr. Chung H.Y., President

Hiway Trading Co  
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Mr. H.W. Yoo, President

Soyeon Trading Co  
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Kangnamku, Seoul  
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753-7290  
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Contact: Mr. Dan Daley,  
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## MALAYSIA

Malaysia is a multi racial country and Islam is the official religion. Partly due to religious factors and cultural sensitivities, the Malaysian Government does not provide many incentives to promote hog production. Nevertheless, this industry has progressed tremendously and Malaysia has been a pork exporter since 1981.

### Local Production

Malaysia reached self-sufficiency in pork production in 1963. A further intensification of the production in the last two decades has enabled Malaysia to become a net pork exporter in 1981. In 1990, the total hog population was 2 240 000 with 95% located in the major producing states located on the west coast of Peninsular Malaysia: Selangor (548 000), Perak (306 000), Negeri Sembilan (618 000), Penang (250 000), Johore (302 000) and Malacca (191 000). Many of these farms are small and scattered in remote areas. With the implementation of the Pig Rearing Act in Johore, Perak, Malacca and Negeri Sembilan, many small farms located within or close to urban centres are expected to disappear.

The production is projected to reach 3.8 million head in 1992, 4.2 million in 1995 and 4.9 million in 2000. It will continue to increase to meet a growing local demand and also in response to the complete banning of hog farming in Singapore since 1989. However, limited land size, the implementation of pig farming areas (PFA), high cost of waste control measures and cultural sensitivities could restrict the future expansion of the industry.

### Government Policies

There are currently no significant government policies to promote this industry contrary to the 1960's where the government actively encouraged the growth of the pork industry to reduce the country's dependence on imports in order to conserve foreign exchange. At that time the government provided pig farmers with subsidized building materials, pigs and even government land to start hog farming under the "Pawah Scheme".

One recent major policy is the introduction of the Pig Rearing Act which requires all farms to treat waste prior to discharging it into rivers and canals. Pig manure has been identified as the single largest industrial source of organic pollution in the country. According to the Department of Environment, hog farming generated about 44% of the total industrial pollution load.

### Domestic Consumption

The production is expected to increase to meet local demand, from 161 975 tonnes (2 945 000 head) in 1992 to 242 055 tonnes (4 401 000 head) in 2000. The pork consuming population in Malaysia (5.8 million in 1992) includes 100% of the Chinese population (4.6 million) and about 50% of the remaining non-muslim population. It is



expected that the pork consuming population will grow to 6.8 million in 1995 and 7.1 million in 2000.

The pork per capita consumption of those consuming pork is expected to increase from 27.9 kg in 1992 to 28.6 kg in 1995 and 33.9 in 2000 as a result of increased consumer income. Also a factor is the decrease in the relative price of pork as a result of the adoption of new technology such as better breeds which take less time to reach maturity and the use of linear programming to minimize feed costs. In addition pork is still the cheapest source of animal protein in this country compared to beef and mutton. Even though pork consumption is expected to increase, there is a tendency to consume more white meat (poultry, rabbit) than red meat for health reasons.

### Imports

To support the local industry, the government will continue to limit pork imports. The Malaysian major imports in 1990 were: (value expressed in Ringgit RM which was worth \$2.1 on February 16, 1993)

Product	Country of origin	Volume (tonne)	Value ('000 RM)
● Fresh/chilled hams, shoulders and cuts, bone in	Denmark	31	95
	Australia	2	14
● Frozen carcasses	Belgium	3	15
	Denmark	9	35
	Netherlands	3	15
	Singapore	2	12
● Frozen hams, shoulders and cuts bone in	Australia	14	41
	China	9	21
	Denmark	3	15
	India	54	140
● Frozen, other cuts	Australia	54	120
	Denmark	26	68
● Frozen liver	Australia	57	163
	Denmark	44	212
	United Kingdom	22	74
	USA	90	205
● Frozen, other offal	Denmark	5	48
	Belgium	1	7



● Bacon, salted in brine, dried or smoked	Denmark	10	111
	Netherlands	2	30
● Salted pork	China	17	95
● Hams and cuts in air tight containers	China	3 027	10 230
● Hams and cuts, other than in air tight containers	China	30	82
	Denmark	4	13
● Shoulders and cuts, in air tight containers	China	32	151
	Denmark	5	42
● Other cuts in air tight containers	China	1 650	34 015
	Denmark	37	177
	Hong Kong	49	123
	Switzerland	29	49
	Germany	17	70
● Pig fat	Canada	461	970
	China	44	80

### Exports

Malaysia basically only exports live hogs to Singapore (969 000 head in 1991). However, it is expected that due to an increased domestic demand these exports will decrease to 900 000 head in 1992, 700 000 in 1995 and 500 000 in 2000.

### Market Opportunities for Canadian Products

There are opportunities for offal, lard, back fat and processed products, such as bacon and sausages but price competitiveness remains the main determining factor that would influence the demand.

### Access

No import duties

### Transportation and Distribution

Easy access to Malaysia by air and sea. Lorries and trucks are used to move the products upon arrival at the point of entry. There are adequate storage and handling facilities.



## List of Major Importers

United Sino Trading Sdn Bhd  
12 Jalan kemunting  
Off Jalan Dawangi  
50300 Kuala Lumpur  
Tel: 03-2984322  
Fax: 03-2922037  
Mr. K.C. Chung, Manager

Xian Jiang Trading Sdn Bhd  
27G Jalan Pandan Indah  
11-23D Pandan Indah  
55900 Kuala Lumpur  
Tel: 03-9849188  
Fax: 03-9826918  
Mr. Chang Jim Jeng, Export  
Manager

Yue Sang Cheong Sdn Bhd  
44 Jalan Hang Kasturi  
50050 Kuala Lumpur  
Tel: 03-2382592  
Fax: 03-2389310  
Mr. K. C. Cheah, Manager

Deluxe Avenue Sdn Bhd  
30-Jalan Batam 7  
Taman Rakyat  
56100 Kuala Lumpur  
Tel: 03-9820618  
Fax: 03-9837078  
Mr. Lu Hok Ni, Manager

Hang Soon Trading Company  
22-24 Jalan Sultan Iskandar  
30000 Ipoh, Perak  
Tel: 05-540692  
Fax: 05-542477  
Mr. Shit Meng Keong, Manager

Perniagaan Keng Chew  
15 Jalan SS21/34  
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Tel: 03-7187459  
Fax: 03-7188266  
Mr. Wong Lee Seow, Manager

Ben Foods (M) Sdn Bhd  
6 Jalan SS13/6  
Petaling Jaya  
Tel: 03-7345901  
Fax: 03-7345898  
Mr. Koh Ngoo Teh, Manager

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Mr. C.H. Lee, Manager

Lucky Trading Sdn Bhd  
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Mr. W.K. See, Manager

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Din, Commercial Officer



## NEW ZEALAND

In New Zealand, the meat year runs from October through to September and the production statistics below are on that basis, unless otherwise specified.

### Local Production

	Breeding sows (at January 31)	Total Pigs Slaughtered (year ended Sept 30)	Tonnes
1989	44 471	779 541	43 995
1990	44 665	749 054	42 261
1991	48 100	748 336	43 111
1992	NA	808 316	47 170

When comparing 1991/92 to 1990/91, production increased substantially with an increase of 7.9% in the number of hogs slaughtered and of 9.4% in tonnage. This increase in tonnage resulted from the increased number of hogs slaughtered and an increase of 0.78 kg in the average weight. Over the two years to September 1992, there was an increase of nearly 2 kg per hog carcass weight.

There has been only one year in the last thirty, when production was higher than 1992. It was in 1985 when production reached 47 700 tonnes with 851 500 hogs slaughtered. The farmers experienced in 1992 a drop of 12-15% in the price they received. At June 30, 1991 there were 233 620 hogs in the North Island a 0.4% increase over 1991. At the same time, in the South Island the number of hogs reached 173 686, a 7.2% increase over the previous year. Although New Zealand had 4 612 farms with hogs in 1991, it is estimated that 300 producers produce 80% of the country's pork. The 1000 plus hog herds accounted for 243 172 animals in 1992.

### Domestic Consumption

The total tonnage available for consumption was 48 654 tonnes in 1991/92 to give a per capita consumption of 14.3 kg compared with 13.6 kg in 1990/91, an increase of 5.1%. Pork consumption represented in the last year 16.7% of all meat consumption.

### Imports

At Christmas and Easter, the local production of pork does not meet consumer demand and, as result, New Zealand resorts to imports. As the meat is bought for the processing industry, for all intents and purposes it is price that determines the source of imports. Further processing also means that the identity of pork is lost and that the consumer does not know if he/she is purchasing local or imported product.



As could be expected with an increase in the local kill, the pork imports again fell substantially against the previous year. Imports for the 1991/92 year were 1 484 tonnes compared with 2 568 tonnes in 1990/91, a decrease of 42%. Imports from Australia and Canada accounted for the bulk of the pork imports, with 58% and 38% respectively of the total.

### **Access**

Tariff for meat of swine, fresh, chilled or frozen (HS Code 02.03) is 0% for product of Canadian or Australian origin. The rate for less developed countries is 10%, while the normal tariff is 12.5%. No other taxes apply.

### **Market Opportunities for Canadian Products**

For many years, Canada has had a traditional market in New Zealand for pork and according to the New Zealand Pork Industry Board, there will always be a place if the price is right. The Canadian market share dropped approximately two years ago mainly due to the fact that Australia received approval to sell pork in the country and were more competitive.

Price aside, Canadian pork gives New Zealand processors some practical problems since cuts are larger than New Zealand's or Australia's. Canadians slaughter at approximately 90 kg whereas New Zealand and Australia slaughter at approximately 60 kg.

### **Industry Contact:**

New Zealand Pork Industry Board  
P.O. Box 4048  
Wellington  
Tel: (011-64-4) 385-4229  
Fax: (011-64-4) 385-8522  
Contact: Mr. Dave Dobson, General Manager

### **For Further Information Contact:**

Canadian High Commission  
P.O. Box 12-049  
Wellington  
Tel: (011-64-4) 473-9577  
Fax: (011-64-4) 471-2082  
Contact: Mr. Keith MacFarlane  
Counsellor (Commercial)

Canadian Consulate  
P.O. Box 6186  
Wellesley St. Post Office  
Auckland  
Tel: (011-64-9) 309-3690  
Fax: (011-64-9) 307-3111



## PHILIPPINES

The Philippines is one of the largest pork producing countries in Asia with swine farms ranging from a mere 10 head to as large as 85 000 head. The local hog producers are strongly lobbying against pork imports. The importation of pork is currently limited to pork for processing and offals.

### Local Production

Since the Philippines is composed of 7 100 islands, hog production is scattered all over the country. Metro Manila is responsible for at least 40% of the national production. The total 1991 hog inventory amounted to 8 019 000 head, a 4% increase over 1990. The production since 1977, with the hog inventory growing at an average annual rate of 1.8%. The number of hogs slaughtered reached 3 626 000 in 1989, 5 620 000 in 1990 and 5 486 000 in 1991. The local industry estimates that in 1992 10% more hogs were slaughtered than in 1991. Most meat processors are located in Metro Manila.

### Domestic Consumption

Current consumer practice is to buy freshly slaughtered meat. They have the notion that freshly slaughtered meat is better than frozen or chilled. Local consumers are accustomed to purchasing meat from the market butchers.

### Imports

Only the meat processors are allowed to import and only pork for processing. Meat processors are currently importing 30% of their annual meat requirements. Processors seem to go for the cheapest possible source. They import through local agents.

In 1991, the Philippines imported 456 tonnes (US\$ 462,000), down from 1,177 (US\$ 1.35 million) the year earlier. The major suppliers in 1991 were Germany 173 tonnes, Netherlands with 72, Denmark with 55 and Taiwan with 45. Canadian exports amounted to 23 tonnes in 1991, compared to 157 tonnes in 1990. The government is currently studying the possibility of lifting the quantitative restrictions and instead impose a higher tariff, currently at 20%.

### Exports

In 1991, the only reported exports were 5 900 tonnes to Hong Kong, mostly processed meats. The Philippines government is very supportive of exports, but animal health problems are besetting the livestock sector.

### Market Opportunities for Canadian Products

In light of the current import restrictions, the opportunities are limited to low price pork for reprocessing. In the event that these restrictions are lifted, it will be difficult to penetrate the table meat market given the consumers' preference for freshly slaughtered meat.



## Access

Duty 20%

Import permits required from the National Meat Inspection Council of the Department of Agriculture and only issued to meat processors to import pork for reprocessing.

## List of Importers

CALIFORNIA MFG. CO. Km. 18,  
East Service Road  
So. Superhighway  
Paranaque, Metro Manila  
Tel: (011-63-2) 828-7561  
Telex: 63633 CALMAC PN  
Contact:  
Mr. Jose Silerio, E. V. President &  
Gen. Mgr.

FINEST FOOD PRODUCTS  
404 Jaboneros St.  
Binondo, Manila  
Tel: (011-63-2) 49-98-55/47-06-41  
Contact:  
Mr. Chan Santos Kun Biao, Asst.  
Manager

KINKING SUE HAM & SAUSAGE  
CO., INC.  
402 Tandang Sora St.  
Caloocan, Metro Manila  
Tel: (011-63-2) 35-85-75 /  
35-86-89 / 35-85-48  
Telex: 66170 MCC PN / 27954  
TOTC PH  
Contacts:  
Mr. King Sue, General Manager  
Ms. Laura Tan, Purchasing  
Manager

LIBERTY FLOUR MILLS, INC.  
7th Floor, Liberty Bldg.  
Pasay Road, Makati  
Metro Manila  
Tel: (011-63-2) 86-50-11  
Telex: 66082  
Contact:  
Mr. Felix Maramba, Sr. President

PHILIPS FOODS CORPORATION  
622 Apelo Cruz St.  
Pasay City, Metro Manila  
Tel: (011-63-2) 833-6771 /  
833-6772 / 833-6769  
Telex: 63028 CSVEN PN  
Contacts:  
Mr. Mariano Co, General Manager  
Mr. Philip Co, Asst. General  
Manager

PUREFOODS CORPORATION  
3rd Floor, Ortigas Bldg.  
Ortigas Avenue  
Pasig, Metro Manila  
Tel: (011-63-2) 673-2081 /  
673-1354 / 693-6779 to 81  
Telex: 40696 PFC PM  
Contact:  
Mr. Renato G. Buhain, President  
Mr. Boots Nazareno, Group  
Manager - Materials

RFM CORPORATION  
8th Floor, RFM-RECON Building  
Pioneer St., Mandaluyong,  
Metro Manila  
Tel: (011-63-2) 77-37-11 /  
97-91-90 / 697-9190  
Telex: 42288 REFLOUR PM  
42045 REFLOUR PM  
Contacts:

Mr. Augusto L. de Leon, President  
Mr. Chito Ignacio, Superior  
Supervisor  
Manggahan Food Division

RENO FOODS, INC.  
9 A. Juan St. San Juan,  
Metro Manila  
Tel: (011-63-2) 70-09-94 /  
79-40-91  
Telex: 22031 IMC PH  
Contact:  
Mr. Vicente Khu, President  
Mr. Alfred Khu, Purchasing Mgr./  
Gen. Mgr.

UNIVERSAL ROBINA  
CORPORATION  
E. Rodriguez Ave., Bagong Ilog  
Pasig, Metro Manila  
Tel: (011-63-2) 673-7523  
Telex: 63828 CFCURC PN /  
43125 CFCURC PM  
Contact:  
Mr. Henry Go, Vice-President

PHILIPPINE INTEGRATED MEAT  
CORP.  
117 E. Rodriguez Avenue Pasig,  
Metro Manila  
Tel: (011-63-2) 673-4391  
Contact:  
Mr. Dionisio Papelerias, Assistant  
to the Vice President  
Mr. Joseph Yu, Plant Manager

EURO SWISS  
74-31 Yakal St. Makati,  
Metro Manila  
Tel: 011-63-2) 815-1359 /  
818-6271  
Telex: PN45678 EUROCH  
Contact: Mr. Werner Berger  
President



**YCB FOOD CORPORATION**  
8410 Gomburza St.  
Paranaque, Metro Manila  
Tel: (011-63-2) 827-1961 /  
821-1248  
/ 828-2041

Contact:  
Mr. Eduardo Co, President/General  
Manager  
Mr. Remigio Pascua, Purchasing  
Manager

**SUNPRIDE FOODS, INC.**  
422 National Road  
Barrio Talon, Las Pinas  
Metro Manila  
Tel: (011-63-2) 801-2053 /  
801-2057 / 801-1141  
Contact:  
Mr. Eduardo Yap Branch, Manager

**R & L MEAT PRODUCTS**  
37 Santol St.  
Quezon City, Metro Manila  
Tel: (011-63-2) 62-18-91  
Contact:  
Mrs. Belen Jocson, Marketing  
Assistant  
Mr. Ramon Galindez, President

**BAVARIA FOOD PROCESSING  
PHILS. INC.**  
Carmona, Cavite  
Contact:  
Dr. Rodrigo A. Inciong, President

**For Further Information Contact:**

**Canadian Embassy**  
P.O. Box 971  
Makati Central Post Office  
Makati, Metro Manila  
Tel: (011-63-2) 815-9536  
Fax: (011-63-2) 810-1699  
Contact: Mr. Alan Dacanay  
Commercial Officer



## SINGAPORE

The pork consumption is fairly high in Singapore, with an estimated market of \$200 million per year for pork products. However, the bulk of it consists of imports of live hogs for slaughter, as Singapore does not have a hog farming industry and must import all of its live pork requirements. Traditionally, Canadian pork products have never been competitive in this market, the main reasons being the consumer preference for fresh pork and the availability of product from neighbouring countries at significantly lower prices. Canada may, however, find a niche with certain processed products, where the competition is Europe and the United States.

### Local Production

In 1991, Singapore imported approximately 900 000 hogs, mainly from Malaysia, that were slaughtered in two government operated abattoirs. About 20% of these hogs go through an auction, where prices are determined by market forces.

### Government Policies

As indicated earlier, the government has phased out all hog farming in Singapore to optimize land use. As land is scarce, it is unlikely that this policy will change. This will directly benefit hog producers in neighbouring countries like Malaysia and Indonesia.

### Domestic Consumption

No figures are available for the total domestic consumption. However, it can be noted that, in 1991, fresh pork imports, mainly from Europe, totalled 150 tonnes, and frozen pork, mostly from China, the Netherlands and other European countries, totalled 4 400 tonnes. Locally slaughtered pork provides for the bulk of the consumption, with 800 000 hogs slaughtered in 1991. All the quantities listed above support a population of 2.6 million, of which at least 25% does not consume pork for religious reasons. Pork is widely consumed among the ethnic Chinese, about 75% of the population. Pork is not perceived as a specialty meat, unlike beef or mutton, and constitutes a key food item in most households.

With the recent emphasis on healthy diets and lifestyles, an increasing number of younger Singaporean families are cutting their intake of meat items, like pork and beef. This will not significantly affect the pork consumption in the short term, but the trend seems to indicate a reduction in the demand for pork products in the longer term, as consumers become more aware and selective of the type of food they eat.



## Imports

In 1991, Singapore imported the following pork products, with the major suppliers:

● Fresh/chilled pork	Netherlands	97 tonnes	\$143 000
	United Kingdom	24 tonnes	\$37 000
● Frozen pork	China	1 842 tonnes	\$5 900 000
	Netherlands	1 061 tonnes	\$1 700 000
	Denmark	378 tonnes	\$688 000
● Fresh/chilled/frozen offal	Denmark	785 tonnes	\$1 200 000
	Sweden	207 tonnes	\$335 000
● Ham, salted in brine or smoked	Denmark	110 tonnes	\$713 000
	Belgium	17 tonnes	\$46 000
	USA	14 tonnes	\$127 000
● Bacon, salted in brine, dried or smoked	Denmark	382 tonnes	\$1 650 000
	Sweden	104 tonnes	\$398 000
	USA	33 tonnes	\$288 000
● Ham prepared or preserved	Denmark	84 tonnes	\$455 000
	Belgium	70 tonnes	\$192 000
	Netherlands	38 tonnes	\$383 000
	USA	22 tonnes	\$170 000
● Luncheon Meat	China	7 266 tonnes	\$14 300 000
	Denmark	127 tonnes	\$275 000
	Netherlands	48 tonnes	\$119 000
● Other pork prepared or preserved	China	4 640 tonnes	\$14 700 000
	Denmark	170 tonnes	\$275 000
	Belgium	147 tonnes	\$367 000
	USA	66 tonnes	\$462 000

Imports from Canada consisted in 1991 of frozen edible offal, 24 tonnes valued at \$33,000 and another item classified under ham and cuts prepared or preserved, 240 kg valued at \$2,000. Unlike major imported meat products, like beef or veal often



regarded as specialty meat items, pork products are not often promoted by the importers. However, there have been scattered promotions, at some major local hotels, organized by US and Europeans export agencies that focused specifically on processed products like ham and bacon.

### **Exports**

The value of products reexported from Singapore is under \$5 million and they mainly consist of processed products shipped to regional destinations, like Malaysia and Brunei.

### **Market Opportunities for Canadian Pork Products**

As Canada is unlikely to be competitive in bulk generic pork, it has to find a niche in the value added processed pork items such as ham and bacon. The statistics indicate that the processed products have a market value of approximately \$40 million and account for about 20% of the total pork market. However, the competition from Europe and from the United States is very intense and to enter this market Canada must establish strong links in the market through aggressive pricing and good marketing strategies.

Given to the nature of this market, it will be difficult for any Canadian pork product to make an impact in the short term. However, with an increased effort and focused niche-end marketing, it is possible that some Canadian pork products may eventually do well. It is already generally accepted that Canada is a high quality supplier of food products, but the challenge lies in projecting the image that Canadian products are also price competitive and they can fulfil the needs of the consumers who require quality pork at reasonable prices.

### **Major Shows**

There are no major shows focusing specifically on pork or meat products. The major regional food show is Food and Hotel Asia, a large food and hospitality show, held every second year in Singapore. The next one is scheduled for April 1994.

### **Access**

There are no tariffs, duties or quotas that apply to pork imports. They are, however, subject to the usual meat import regulations which require an official health certificate issued by Agriculture Canada as well as documents proving that the meat originates from government accredited slaughterhouses.

### **Transportation and Distribution**

Singapore has an excellent infrastructure supported by one of the most modern network of air, land and sea clearance facilities to enable all products to be imported and exported expeditiously. Ample storage facilities, warehouses and cold storages, are available throughout the inland to support the demand. The standard channels of distribution would be through major meat wholesalers and distributors who would



import directly and distribute to wet markets and to retail and institutional establishments.

### Recommendations to Canadian Exporters

As a start, promotions can be held at retail and institutional levels, where various pork products can be featured together with a range of other Canadian food items. The High Commission usually organizes one of these promotions once a year and Canadian pork products can possibly be integrated into such a promotion. There is a possibility that the High Commission may consider participating in the next Food and Hotel Asia in 1994 and Canadian pork products could also be featured there.

### Government Contacts

The key government contact is the Department of Primary Production, the local agricultural authority, especially its Veterinary Public Health Division is the relevant agency that deals with meat inspection and quality control and meat import accreditation.

Veterinary Public Health Division  
 Primary Product Department  
 5 Maxwell Road Unit 03-00  
 Tower Block, MND Complex  
 Singapore 106  
 Contact: Dr. Chua Sin Bin  
 Tel: (011-65) 222-1211  
 Fax: (011-65) 220-6068

### For Further Information Contact:

Canadian High Commission  
 Robinson Road, P.O. Box 845  
 Singapore 9016  
 Tel: (011-65) 225-6363  
 Fax: (011-65) 226-1541  
 Contact: Mr. Francis Chan  
 Commercial Officer

	1991	1992	1993	Value (1000 USD)
Canada	0	23	0	0
France	23	0	0	0
Japan	212 491	211 880	212 880	28 274
Korea	14 201	23	0	3
North Korea	0	22	0	2
Philippines	89	0	0	0
Singapore	20	28	2	2



# TAIWAN

## Local Production

In 1991, Taiwan pork production reached 1.37 million tonnes and was virtually unchanged in 1992 at a near record level as high domestic prices underscored the profitability of production. Although this level of supply will likely overburden the market and could lead to falling prices in 1993, it is forecasted that prices will remain above break-even levels. Therefore only a slight decline in production is expected for 1993.

## Government Policies

In an effort to control animal waste, the 1991 Hog Policy Adjustment Act was supposed to lead to a one-third reduction in hog slaughter by 1997. However, as long as it appears that the waste is controlled, it is not expected that there will be any move to reduce herds. The Taiwanese government introduced more rigid standards for waste water treatment on January 1, 1993, but is already reviewing producer petitions to relax the requirements.

## Domestic Consumption

In 1991, the per capita consumption was 37 kg. In Taiwan, pork is traditionally made into stew, with vegetables, sausages, jerky and ground pork. Consumption peaks are on the 1st and 15th of each lunar month for religious ceremonial.

## Exports

Taiwan exports about 30% of its production, almost entirely to Japan. As increased domestic demand boosted Taiwan's prices and low U.S. prices were more competitive in Japan, exports fell to 212 007 tonnes in 1992, down from a record 226 908 tonnes in 1991. However, the decline was registered in exports of frozen pork, while sales of fresh/chilled product increased in 1992. As prices decline in 1993, Taiwanese pork is expected to become more price competitive in the Japanese market. This coupled with increased Japanese imports, should lead to a rebound in Taiwan's exports. Total exports in 1993 should be up about 5% from 1992.

	Tonnes		Value ('000 000 NT\$)	
	1991	1992	1991	1992
Canada	0	23	0	3
France	27	0	2	0
Japan	212 491	211 880	25 555	25 374
Korea	14 301	23	831	3
North Korea	0	35	0	4
Philippines	69	0	2	0
Singapore	20	28	2	4



## Imports

Imports of sausages and canned pork products amounted to \$680,000.

## Access

### Duty

fresh/chilled/frozen	20%
processed	40%

For all pork products, an approval from the Council of Agriculture, Executive Yuan, is required as well as an import license issued by the Board of Foreign Trade.

## Major Show

Taipei International Food and Food Equipment Show June 1994

For More Information Contact:

Canadian Trade Office  
13th Floor  
365 Fu Hsing North Road  
Taipei  
Tel: (011-886-2) 713-7268  
Fax: (011-886-2) 712-7244  
Contact: Mr. Eric Song  
Commercial Officer



# THAILAND

The Thai government does not allow pork imports into Thailand, unless the local production warrants it which is very rare.

## Local Production

There are approximately 7.9 million hogs in Thailand. 816 029 hogs were slaughtered in 1992 for production of 672 000 tonnes. Thailand is basically self-sufficient.

## Government Policies

Hog and pork prices are regulated. Retail pork prices are controlled by the Internal Trade Department of the Ministry of Commerce. As pork is deemed an essential commodity, it is expected that the government will continue to play an important role in the price setting.

## Domestic Consumption

The pork per capita consumption was 12 kg in 1992. Thais prefer fresh to processed pork.

## Imports

Thailand prohibits pork imports. In very rare occasions will the government will allow some and only the quantities required to regulate domestic production.

## Exports

In 1992, Thai fresh and frozen pork exports amounted to 1 243 tonnes to mostly Hong Kong and Singapore.

## Access

When allowed imports command a tariff of 60% + 7% Value Added Tax

For Further Information Contact:

Canadian Embassy

P.O. Box 2090

Bangkok 10500

Tel: (011-66-2) 237-4126

Fax: (011-66-2) 236-7119

Contact: Mr. Thawee Thaiprasithiporn

Senior Commercial Officer







# THAILAND

The Thai government does not allow pork imports into Thailand, unless the local production warrants it which is very rare.

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There are approximately 7.8 million hogs in Thailand. 816 029 hogs were slaughtered in 1992 for production of 872 000 tonnes. Thailand is basically self sufficient.

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## Imports

Thailand prohibits pork imports. In very rare occasions will the government will allow some and only the quantities required to regulate domestic production.

## Exports

In 1992, Thai fresh pork exports amounted to 1.2 million kg to mostly Hong Kong and Singapore.

## Access

When allowed imports demand a 10% + 7% Value Added Tax.

## For Further Information Contact:

Canadian Firm  
P.O. Box 20  
Bangkok, 10250  
Tel: (011) 66-21 237-4128  
Fax: (011) 66-21 236-7119  
Contact: Mr. Thanet Theprasthian  
Senior Commercial Officer



# ARGENTINA

## Local Production

The total hog population is estimated at 4-5 million, with the greatest concentration in the southern part of the province of Santa Fe.

## Domestic Consumption

Argentina is not a traditional fresh pork meat consumer. The total consumption per capita is only of 5 kg per year (1989). Pork is mostly consumed processed in products like cold cuts, hams (cooked and salted), sausages, etc. Argentines buy what is available and normally on a limited scale. If a certain pork product cannot be found at the retail level, it is replaced by a beef product (cheap and plentiful) by the potential buyer. As pork historically has always been more expensive than beef, there has been no increase in the per capita consumption over the last two decades.

## Imports

Argentina is essentially self-sufficient in hog production and imports are completely price driven. The country is not a traditional pork importer and only started with frozen pork imports in 1989. The only reason to import is to attempt to bring the price of local products down, which in many cases has been excessive.

In 1991, a total of 8 700 tonnes have been imported, 5 500 tonnes from Chile and 2 500 tonnes from Germany. According to the official statistics, there were no imports in the first four months of 1992. However, it is estimated that an undeclared amount of fresh and frozen pork is brought into the country unofficially from Brazil. Pork imports are very recent in Argentina and there are no traditional importers of frozen and/or fresh pork products. The imports from 1989 onwards were mainly organized by one association.

## Exports

Argentina does not export.

## Market Opportunities for Canadian Products

At certain periods, there are definite export opportunities for Canadian products providing that prices are right, but currently Argentine authorities will not permit entry to Canadian pork due to animal health reasons. Only if and when this problem is solved can there be any Canadian marketing effort and by that time the Argentine demand might be non-existent or dominated by cheap Brazilian supply.

## Access

Import tariffs for frozen pork are 5% CIF + 10% statistical tax + 18% VAT



**For Further Information Contact:**

**Canadian Embassy  
Casilla de Correo 3898  
1000 Buenos Aires  
Tel (011-54-1) 805-3032  
Fax (011-54-1) 806-1209  
Contact: Mr. Hans Glansdorp  
Commercial Officer**

ARGENTINA

**Local Production**

The total hog population is estimated at 4-5 million, with the majority in the southern part of the province of Santa Fe.

**Domestic Consumption**

Argentina is not a traditional fresh pork meat consumer. The total consumption per capita is only of 5 kg per year (1989). Pork is mostly consumed processed in products like cold cuts, hams (cooked and salted), sausages, etc. Argentinians buy what is available and normally on a limited scale. If a certain pork product cannot be found at the retail level, it is replaced by a beef product (cheap and plentiful) by the potential buyer. As pork historically has always been more expensive than beef, there has been no increase in the per capita consumption over the last two decades.

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Access  
import tariffs for frozen pork are 5% CIF + 10% statistical tax + 18% VAT



## BARBADOS

Due to the increase in local production and the stabilization of demand, the country is quickly becoming self-sufficient. For instance, in 1991 Barbados satisfied 38% of its local demand, while in 1992 the figure rose to 71%. Barbados restricts entry of pork products to pork used for processing only and a license is required. Barbados can, therefore, limit imports to periods when the local supply is insufficient to meet local demand. Canada was the largest supplier of pork used in processing in 1992. The statistics provided in this document are for Barbados only.

### Local Production

1991	19 850 hogs
1992	22 049 hogs

The total hog population in Barbados has been estimated at approximately 24 000. Feed costs constitute 65%-70% of the production costs. Local production has been increasing by approximately 10% per year since 1988.

	1991	1992	%Diff
Total number of pigs slaughtered *	19 850	22 049	11.1
Total liveweight (tonnes)	1 593	1 727	8.4
Average hog weight (kg)	80	78	-2.5
Total carcass weight (tonnes) **	1 115	1 209	8.4
Average carcass (kg)	56	55	-1.8
Total number of carcasses absorbed and processed by processors ***	6 639	8 380	26.2
Total carcass weight absorbed and processed by processors (tonnes)	422	489	15.8
Average weight per carcass (kg)	64	58	-9.4
Carcasses absorbed by processors as % of total	33	38	15.2
Weight absorbed by processors as % of total	38	40	7.9



	1991	1992	%Diff.
Weight of imported pork utilized by processors (tonnes)	680	202	-59.7
Total weight of pork processed (tonnes)	1 102	691	-37.3
Imported pork processed as a % of total	62	29	-53.2
Total number of carcasses on fresh market	13 211	13 669	3.5
Total weight of carcasses on fresh market (tonnes)	693	720	3.9
Average weight per carcass (kg)	52	53	1.9
Carcasses on fresh market as % of total	67	62	-7.5

\* total number of hogs slaughtered by BMC's Abattoir, Six Roads Public Market and at slaughterhouses in the North.

\*\* 70% of total liveweight

\*\*\* Survey

There is no government price support. However, discussions do take place with producers before imports are allowed.

#### Domestic Consumption

1991	693 063 kg	38% self-sufficiency
1992	719 781 kg	71% self-sufficiency

The consumers are purchasing more pork because of improved quality and presentation. In 1989, there was a 38.3% increase in the consumption of fresh pork. This has been maintained at a level of approximately 8% per annum.

#### Government Policies

There are no government incentives or subsidies to the pig industry in Barbados. Credit can be obtained from BAS



**Imports**  
In 1991, tonnes

	Total	Canada	USA
Pork, fresh/chilled/frozen	593	511	82
Pig trotters	181	129	52
Pork, salted/in brine	598	562	36
Offals	274	206	53

**Exports**

Very minimal amount of sausages exported to other CARICOM countries.

**Access**

Barbados adheres to the Common External Tariff (CET) which determines the duty on extra-regional imports. Duty on fresh/chilled/frozen pork is free. Pork can however only be imported by the processors and requires a licence. Ham and bacon has a duty of 35% and pork salted or in brine has a duty of 5%. Pork must meet the Ministry of Agriculture and Ministry of Health regulations.

**Transportation and Distribution**

All modes of sea and air transportation available to land product in Barbados. Product is moved by land to end user.

**List of Importers**

Hipac Ltd.  
Box 870E, Bridgetown  
Barbados  
Tel: (809) 427-5621  
Fax: (809) 427-6938  
Attn: Lleslie Proverbs

Barbados Marketing Corporation  
Princess Alice Highway  
Bridgetown, Barbados  
Tel: (809) 427-5250  
Fax: (809) 426-0694

Barbados Packers and Canners  
Edghill  
St. Thomas, Barbados  
Tel: (809) 425-0062

**For Further Information Contact:**

Canadian High Commission  
P.O. Box 404  
Bridgetown  
Tel: (809) 429-3550  
Fax: (809) 429-3780  
Contact: Ms. Charlotte  
Hutson, Commercial Officer



# BRAZIL

## Local Production

As of 1992, Brazil had 35 million head, consisting mostly of Landrace, Large White and Duroc breeds, which constitutes the fourth largest swine herd in the world. Southern Brazil has 40% of the national herd and is responsible for 88% of federally inspected slaughter. Processing companies located in the south and southeast dominate the Brazilian commercial production.

The Brazilian production is evaluated at 1 million tonnes or 18 million hogs slaughtered. Low per capita consumption (8 kg per year) and the harsh recession in Brazil, which saw in the last decade an accentuated disproportion in the distribution of wealth, did not provide enough incentive to the producers to enlarge their herd. There is no price control nor any incentives to the farmers.

Carcass yield, lean meat and back fat thickness are traits still disregarded as essential for industry competitiveness as there is no federal carcass classification system. The industry still improved its yield in the period 1977 to 1987 when vertically integrated companies started to become dominant with pigs raised in small farms (average 100 hogs per farm) that receive part of feed and integral technical assistance, including health and sanitary control.

## Government Policies

There is a federal program to improve the national herd health status. An informal cooperation exists between the Brazilian Research Agency (EMBRAPA) and Agriculture Canada to train Brazilian technicians at the University of Guelph to develop a carcass evaluation program similar to the one existing in Canada. The program should be implemented within the next two years. It is expected that the implementation of a carcass classification system, based on the Canadian model, with industry payment to the producers based on yield, lean meat and back fat, could increase the number of hogs raised.

## Domestic Consumption

About 30% of pork produced in Brazil is consumed fresh, the remainder is consumed as processed products, such as hams, smoked products and sausages, etc. The total consumption amounts to 956 000 tonnes with an annual per capita consumption of 8 kg. Pork ranks third in Brazilian consumer preference after beef and poultry. The production of poultry products, 30% cheaper than pork and beef, is still expanding. Poultry consumption more than doubled in the last 15 years whereas beef consumption declined by 30% and pork by 18%.

In order to improve consumption of fresh pork, the industry will have to improve cuts appearance and presentation at retail. Consumption of processed products is expected to increase as a large number of housewives enter the workforce and prefer ready or



easier to handle products. Per capita consumption is expected to increase by approximately 25% to reach 10 kg by year 2000.

### Imports

Brazil is essentially self-sufficient and does not usually import. Limited imports of frozen pork and offal occurred during the Collor Plan Program (1989/1990) and originated from Argentina, the USA and Canada. It is unlikely that Brazil will import any significant quantities in the foreseeable future.

### Exports

Brazil is a net exporter:

1990	13 127 tonnes	US\$ 22.2 million
1991	17 312 tonnes	US\$ 29.9 million
1992	43 816 tonnes	US\$ 73.5 million

### Major export markets in % of total Brazilian exports

	1990	1991	1992
Hong Kong	66	82	41
Canary Islands	26	-	12
Argentina	-	-	35
Others	8	18	12

### Products exported:

- Fresh/Frozen: Tender loin, ham, shoulder, ribs, offal
- Processed: smoked ham

Pork exports grew strongly in 1992, mainly due to the favourable exchange rate in Argentina and low prices in the domestic market this year. Brazil is trying to improve its health and sanitary status to compete in markets such as the Far East (Singapore, China, Hong Kong and Japan) and Europe (Italy, Portugal, Hungary and Poland). The country has not had any reported outbreak of African swine fever since the early 1980's. Moreover, the establishment of SPF (Specific Pathogen Free) herds improved Brazilian product attractiveness. The Brazilian pork industry association has developed a strategic plan to increase its exports.

### Market Opportunities for Canadian Products

Market prospects for Canadian pork in Brazil are very limited with occasional imports when any shortage occurs. In this case, surrounding countries, especially Argentina and Uruguay, are the potential suppliers in view of the existing advantages they enjoy under the Mercosur Agreement.

### Major Show

- FISPAL (June 22-25, 1993)



## Access

- Tariff 10%

The import duty applies to all countries, but Latin American countries signatories of the ALADI Agreement enjoy a 15% discount.

- Value added tax 18%

This tax (ICMS) is levied on the CIF price + import duty when the goods are cleared at Customs.

- Health and sanitary certificates

To certify that herds are free of diseases already eradicated in Brazil, such as swine fever and hog cholera.

## List of Importers

Sudanisa Cia Indl De Alimentos  
Rua Fortunato Ferrax, 529/569  
05093 - Sao Paulo, SP  
Phone: 55 11 260 8612  
Fax: 55 11 833 3800  
Mr. Joao Bellotti,  
Director Cabanha Comercial

Bon-Beef Ind. E Com. De Carnes  
Rua Nanuque, 652  
05302 - Sao Paulo, SP  
Phone: 55 11 261 1911  
Fax: 55 11 832 4339  
Mr. Vasco Carvahô Oliveira Jr.,  
President

Ceval Agro Indl SA  
Rod. Jorge Lacerda, KM 20  
89110 - GASPAR, SC  
Phone: 55 473 32 2176  
Fax: 55 473 31 2005  
Mr. Antonio Yafelici

Sadia-Oeste Sa  
Al. Tocantins, 525  
06400 - Barueri, SP  
Phone: 55 11 420 4333  
Fax: 55 11 420 4394  
Mr. Ademir Maraschin, Director

Sola Sa Ind. Alimenticias  
Av. Zoelo Sola, 1100  
28800 - Tres Rios, RJ  
Phone: 55 242 52 0112  
Fax: 55 242 52 0755  
Carlo Sola, President

Comrcio Industria Carnes Floresta  
Rodovia SP-284 KM 519 - gua de  
Lavadeira 19600-00  
Rancharia, SP  
Phone: (55 182) 51-1800  
Fax: (55 182) 51-1034  
MR. Paulo Roberto Custodio De  
Souza, Director

Frigorifico Bordon Sa  
Rua Irineu Jose Bordon, 215  
05120 - Sao Paulo, SP  
Phone: 55 11 260 1011  
Fax: 55 11 832 4328  
Mr. Geraldo Moacir Bordon,  
President

Frisa Frig. Rio Doce S/A  
Rua Marui Grande, 58  
24110 - Niteroi, RJ  
Phone: 55 21 719 4255  
Fax: 55 21 718 5886  
Mr. Arthur Arpini Coutinho,  
Cabanha Comercial Importadora E

Exportadora  
Rua Rodrigues Alves, 2623  
95070 - Caxias Do Sul, Rs  
Phone: 55 54 222 4448  
Fax: 55 54 222 6944  
Mr. Antonio Yafelici

Frigorifico Bertin Ltda.  
Av. Brigadeiro Faria Lima,  
1451-5 Andar  
01451-000 - Sao Paulo, SP  
Phone: 55 11 816 7577  
Fax: 55 11 814 2542  
Mr. Atalino Bertin, Director

Frigorifico Serra Grande  
Fazenda Santana S/NR - TUCUM  
29141-720, Cariacica, ES  
Phone: (55 27) 336 4545  
Fax: (55 27) 336 4488  
Mr. Eraldo Serrao

Frigorifico Taurus Ltda.  
Rua Pedro Tipoli, 409  
09400-00 Ribeirao Pires, SP  
Tel: (55 11) 459 3955  
Fax: (55 11) 459 7888  
Mr. Elson Jeronimo, Indl Director



**CHILE**

Importadora de Alimentos Do  
Clear Ltda.  
Rua Governador Sampaio, 144 -  
Centro 60055-050  
Fortaleza, Ceara  
Tel: (55 85) 231-5449  
Fax: (55 85) 231-4556  
Mr. Manuel Pessoa de Araujo  
Junio, Director

Organizacao Nossa Senhora da  
Abadia Ltda.  
Supermercado Mineiro  
Rua Paracatu, 1385 - Santo  
Augustinho  
30180-091 Belo Horizonte, MG  
Tel: (55 31) 275-4242  
Fax: (55 31) 275-2874  
Mr. Walter Santana, Director

Perigao Agroindustrial S/A  
Bairro Sao Cristovao  
88665 - Capinzal, SC  
Tel: 55 495 33 0066  
Fax: 55 495 33 0052  
Mr. Paulo do Oliviera, Director

**For Further Information Contact:**

Canadian Embassy  
Caixa Postal 07-0961  
70410 Brasilia D.F.  
Tel: (011-55-61) 321-2171  
Fax: (011-55-61) 321-4529

Canadian Consulate General  
Caixa Postal 22002  
01499 Sao Paulo SP  
Tel: (011-55-11) 287-2122/  
287-2234/287-2601/287-2176  
Fax: (011-55-11) 251-5057  
Contact: Ms. Sonia Silva  
Commercial Officer



# CHILE

## Local Production

In 1992, the Chilean hog population amounted to 1 762 637 and the country produced 138 402 tonnes (carcass weight). The production increased by 10% since 1988.

Year	Number of Hogs Pork Production (tonnes)	
1987	1 246 002	88 255
1988	1 383 607	100 113
1989	1 570 426	113 225
1990	1 666 679	123 171
1991	1 700 746	128 835
1992	1 762 637	138 402

On average each sow produced 23 piglets in 1992. The feed efficiency was 3.1, with a carcass yield of 82%. The cost of production for a live hog was \$US 0.80/kg. Chile has abundant feed, mostly corn and fishmeal. Chile has the expertise to produce good quality lean pork. The country is self-sufficient. Most production is located in Central and South Chile.

## Domestic Consumption

Per capita consumption was 9.6 kg in 1992.

Year	Beef	Pork	Chicken
1988	15.6	7.0	8.5
1989	17.8	7.8	8.3
1990	19.1	8.7	8.6
1991	18.3	9.2	8.8
1992	15.8	9.6	11.6

Pork has a positive image in Chile. The consumption of processed pork is increasing.

## Exports

Chile exports almost exclusively frozen pork (mainly hams) to Argentina.

1992	6 054 tonnes	\$US 9 518 061
1991	7 544 tonnes	

These exports to Argentina are rather stable and are dependant on the prices of Brazilian pork sold to Argentina.



## Imports

Chile did not import in 1992.

## Access

Duty 11% over CIF value + 18% value added tax

## Market Opportunities for Canadian Products

Very limited at this time, but could improve if prices are competitive. Direct sales to supermarkets could be promising.

## Transportation and Distribution

Product could be landed by air and sea. Chile has a good transportation network and adequate storage facilities.

## Major Trade Shows

EXPOAGRO 1993

Casilla (PO Box) 40-D

Santiago, Chile

Tel: 562-533-2838

Fax: 562-533-1667

Dates: September 7-12, 1993

## List of Major Importers

Frigorifico Lo Valledor Sa.,  
Av. Carlos Valdovinos 3460  
Santiago  
Tel: 562-683-3003  
Fax: 562-683-3779

Frigorifico O'Higgins Sa  
Camino A Melipilla 8139  
Maipu  
Tel: 562-557-8745  
Fax: 562-557-3747

Cecinas Super  
San Pablo 9500  
Santiago  
Tel: 562-643-1899  
Fax: 562-643-2295

Cecinas Winter Sa  
Montreal 4561  
San Miguel, Santiago  
Tel: 562-552-1970  
Fax: 562-643-2295

Cecinas San Jorge Sa  
Miguel De Atero 2459  
Quinta Normal, Santiago  
Tel: 562-775-1177  
Fax: 562-773-6611

Mitrax Sa  
Av. 11 De Septiembre 2214 Of.  
99  
Santiago  
Tel: 562-231-2085  
Fax: 562-233-1782

## For Further Information Contact:

Canadian Embassy  
Casilla 771  
Santiago  
Tel: (011-56-2) 696-2256  
Fax: (011-56-2) 696-0738  
Contact: Mr. Pablo Serez  
Commercial Officer



# COLOMBIA

High prices of beef, due to short supply (cow retention in cattle cycle), have traditionally led to increased demand for pork and caused hog prices to follow the same pattern, resulting in 1992 in higher consumption of poultry and fish available at more competitive prices. With the opening of the Colombian economy to world markets, first time imports of poultry meat were recorded in 1992. If beef prices continue the upward trend in 1993, a few thousand tonnes of pork could be imported into Colombia to alleviate pressure.

## Local Production

In 1991, it amounted to 124 000 tonnes, in 1992 126 000 tonnes and it is forecasted to reach 129 000 tonnes in 1993. The hog population is 3.5 million head and is increasing stimulated by high pork prices. The Colombian pork production trails significantly behind beef output. Cow retention in herds over the last two years has forced beef prices up, with the consequent increase in pork prices. This retention is expected to cease by the end of 1993, with more beef going to the market, leading to depressed pork prices.

Two major pork processors control 90% of the market: ZENU with plants in Medellin and Bogota and RICA RONDO in Cali.

## Government Policies

There are no specific policies to favour the hog production, except credit from the Agricultural Financing Fund (FINAGRO) at interest rates no more favourable than loans for other agricultural projects.

## Domestic Consumption

The Colombian demand for pork, which is still very low, has traditionally been met by domestic production. The average per capita consumption of all meats in Colombia is 39 kg, of which 3.1 kg for pork. The pork consumption could easily double, provided prices are competitive. The pork consumption in Western Colombia is three times higher than the national average. Higher pork prices over the last two years have cut down the pork consumption as such, although by-products supplied have increased substantially.

The trend is towards higher consumption of pork by-products during the period of high beef prices. The consumption of pork will remain low for the rest of 1993, thereafter increasing as beef prices level off. The present consumption rate of meats is: 55% beef, 26% poultry, 9% pork and 10% fish. Poultry and fish consumption has substantially increased in last two years with more favourable prices in relation to beef and pork.

## Imports

There have been no pork imports into Colombia in the past. Live fat pigs in large



numbers were smuggled in from Venezuela seven years ago due to heavy grain subsidies in that country. These subsidies have now been removed. Only lard, pigskin and tripe have been imported from Venezuela, Spain, United States and Peru in 1991 and 1992.

### Exports

Small shipments of pork, 1 000 refrigerated carcasses per month, have been trucked to Ecuador for the last two years. An export incentive, in the form of an income tax refund certificate, equivalent to 5% of the FOB price, will be eliminated by January 1994.

The Export Bank of Colombia (BANCOLDEX) grants special lines of credit to exporters.

### Market Opportunities for Canadian Products

If beef prices increase, there could be a short term potential for pork imports in an amount which would force down the domestic pork prices.

### Access

Duty: 20% ad valorem

Approval by the Ministry of Agriculture is required. The fact that no quotas have been imposed for chicken imports suggests that no quotas should be expected for pork.

### Transportation and Distribution

The easiest access is by sea for frozen and refrigerated pork. The products could be moved by refrigerated trucks to major cities which have limited refrigeration facilities. Refrigeration is expensive in the 15 major Colombian cities. There is currently no import distribution pattern. However, it could be envisaged to have importing agents that would distribute to supermarkets and major meat retailers in major cities or to sell directly to supermarkets.

### Government Contact

Dr. Jorge Tovar  
Division Carnicos  
Ministerio de Agricultura  
Avenida Jimenez N° 7-65  
Santafe de Bogota  
Tel: (011-57-1) 334-1199  
ext 418/419  
Fax: (011-57-1) 284-1775

### List of Importers

Distraves Ltda.  
Carrera 24 NQ 51-32  
Bucaramanga  
Contact:  
Ms. Claudia Guzman, General  
Manager  
Tel: (011-57-7) 471-329  
Fax: (011-57-7) 471-297

Carnes Los Sauces Ltda.  
Avenida Boyaca NQ 54-06  
Santafe de Bogota  
Contact:  
Mr. Raul Castellanos,  
General Manager  
Tel: (011-57-1) 295-4777  
Fax: (011-57-1) 295-6095



**Supermarkets**

**Cadenalco S.A.**  
 Calle 30A NY 65B-57  
 Medellin  
 Contact:  
 Mr. German Jaramillo, President  
 Tel: (011-57-4) 265-1515  
 Fax: (011-57-4) 235-6196

**Carulla y Cia. S.A.**  
 Carrera 68D NQ 21-35  
 Santafe de Bogota  
 Contact:  
 Mr. Romano Vargas, Marketing  
 Manager  
 Tel: (011-57-1)  
 292-4555/411-4288  
 marketing 292-4546  
 Fax: (011-57-1) 411-4194

**POMONA**  
 Calle 109 NQ 6-70  
 Santafe de Bogota  
 Contact: Mr. Jaime Merino,  
 General Manager  
 Tel: (011-57-1) 215-8118  
 /215-8184/215-7981  
 marketing 215-8184  
 Fax: (011-57-1) 611-0225

**Supertiendas Olimpicas S.A.**  
 Apartado 17516  
 Santafe de Bogota  
 Contact: Mr. Pablo Villalba,  
 Manager  
 Tel: (011-57-1) 413-7075  
 Fax: (011-57-1) 413-6180

**Almacenes Exito S.A.**  
 Apartado 3479, Medellin  
 Tel: (011-57-4) 331-0544  
 Fax: (011-57-4) 331-4792

**General Food Importers**

**Internaciones Ltda.**  
 Carrera 4 NQ 55-45  
 Cali  
 Contact:  
 Mr. Luis Perez, General Manager  
 Tel: (011-57-23)  
 471-884/471-879  
 Fax: (011-57-23) 471-885

**John Restrepo Cia.**  
 Carrera 50 NQ 54-51, Medellin  
 Contact: Mr. Eduardo Restrepo  
 Tel: (011-57-4) 113-840/317-618

**For Further Information Contact:**

**Canadian Embassy**  
 Apartado Aero 53531/2  
 Bogota 2  
 Tel: (011-57-1) 217-5152  
 Fax: (011-57-1) 310-4509  
 Contact: Carlos Van Cottmen  
 Commercial Officer



## COSTA RICA

### Local Production

In 1992, the total hog population was estimated at 650 000 and 250 000 were slaughtered that year.

### Government Policies

The government provides production incentives such as import duty exemptions for equipment and inputs. Environmental controls are now requested but are not yet widely observed in practise. However, large swine breeding centres have purification facilities which allow the recycling of water.

### Domestic Consumption

The total consumption was evaluated at 15 000 tonnes in 1991, with a per capita consumption of 5.3 kg. 15% of production is consumed as table meat, while the remaining 85% is processed into hot dog sausages, hams and other smoked and processed products.

### Exports

In 1992, Costa Rica exported 145 tonnes of frozen pork and processed hams to Puerto Rico and San Andres Island.

### Imports

Costa Rica is not a traditional pork importer and local production covers the national demand.

### Access

The duty rate is 125% on CIF.

### Government and Industry Contacts For Further Information Contact:

Ministerio de Agricultura y  
Ganaderia  
P.O. Box 10094-1000  
San Jose  
Tel: (011-506) 324496  
Fax: (011-506) 322103

Canadian Embassy  
Apartado Postal 10303-1000  
San Jose  
Tel: (011-506) 55-35-22  
Fax: (011-506) 23-23-95  
Contact: Mr. Manuel Ruiz  
Commercial Officer

Consejo Nacional de Produccion  
P.O. Box 2205-1000  
San Jose  
Tel: (011-506) 236033  
Fax: (011-506) 339660



## CUBA

Cuba is suffering a severe economic recession, officially known as the "Special Period", which has considerably reduced its production and import capacity due to the lack of raw materials. Agriculture like all sectors is affected. In the case of the pork industry, it has suffered a reduction of both pork and processed products. Consequently, Cuba has been forced to import pork to meet the needs for frozen and processed pork products of the international tourism industry as well as those of foreign residents that have access to hard currency. Imports of these products for consumption by the local population are given a low priority in Cuba's purchasing decisions.

### Local Production

Cuban statistics are habitually outdated. In addition, no recent statistics have been published as a consequence of the "Special Period" of austerity, now in its third year. The most recent information published by the State Committee of statistics is of 1989 and quotes a pork production of 110 400 tonnes, with 1 393 400 hogs slaughtered. Worsening economic conditions have resulted in a drastic reduction in the pork production in 1991 and 1992 to probably 10% of the 1989 level.

All production is state controlled with the exception of small private farmers whose output is basically used for own consumption and (illegal) sales to local population. However, this production is minimal and unrecorded by the Cuban statistics. The major meat processing facilities are located in Havana and in Camaguey and were built before 1959, but have undergone an extensive program of upgrading and modernization with Italian and ex-East German machinery.

### Government Policies

The Cuban Government has no program incentives for pork production. Environmental controls, although existing in theory, are not widely observed in practice. However, larger swine breeding centres have purification facilities which allow the recycling of water.

Animal welfare programs, developed and implemented by the Institute of Veterinary Medicine of the Ministry of Agriculture, are widely observed. Cuban experts maintain periodic health inspections of the swine population as well as vaccination programs. However, due to Cuba's reduced import capability, the acquisition of veterinary pharmaceutical products has become difficult affecting the frequency and the application of the health programs. Despite the situation, the Cuban government has not reported that there has been any case of animal mortality due to the unavailability of pharmaceutical products.

### Domestic Consumption

According to the 1989 Cuban Statistical Yearbook, the domestic pork consumption



reached 67 100 tonnes. However, this figure does not adequately represent the consumption by the Cuban population as it also includes what is consumed by the Cuban hospitality and foodservices industry. In fact, it is difficult to estimate the actual consumption rate by the Cuban population as pork has not been available at retail for the last four years. This meat is only available to the local consumer from private farmers, black market dealers and from individuals who occasionally raise hogs in Cuban cities outskirts when permitted by the health authorities (Pigs are now being raised by some families in their bath tubs).

Pork is, together with beef, the preferred meat of Cubans. It is the essential ingredient in the traditional Cuban cuisine and whenever Cubans wish to provide hospitality or celebrate an important event or mark a special occasion. This attitude is unlikely to change, despite the economic austerity program and the unavailability of this meat in local meat stores.

### Imports

Due to animal health considerations, Cuba is only importing frozen pork from Canada, primarily in halves. The product is further processed by Cuban meat processors and packers. Imported meat is processed into various types of salami, hot dog sausages and ground pork while pork cuts are delivered directly to hotels and restaurants.

Statistics Canada reported the following Canadian pork exports to Cuba for the first nine months of 1992:

● Fresh/chilled carcasses/half-carcasses	2 tonnes	\$4 000
● Fresh/chilled hams, shoulders and cuts thereof, bone in	22 tonnes	\$52 000
● Fresh/chilled cuts	0.3 tonnes	\$2 000
● Frozen carcasses/half-carcasses	1 644 tonnes	\$3 600 000
● Frozen cuts	349 tonnes	\$1 000 000
● Cured bellies and cuts	3.3 tonnes	\$35 000
● Cured meat	3.5 tonnes	\$36 000

### Exports

Cuba does not export.

### Market Opportunities for Canadian Products

Canada has basically no competition for frozen and chilled pork. Canadian exporters only face competition from Italian and Dutch suppliers in the area of processed products such as salami, hams, hot dog sausages and bacon. The market for these products is estimated at approximately \$5 million. To date Canadian sales of these products have remained very limited at approximately \$120,000, despite Cuban buyers repeated indications that that sales level would likely be increased given the proven excellent quality of Canadian products and Canada's high animal health



standards. This performance may be explained by the fact that Cuban buyers tend to maintain their relationships with established suppliers provided they have proven satisfactory.

It is expected that better shipping service and lower freight costs between Cuba and Canada, when compared to Europe, may influence Cubans' decisions to increase imports from Canada of processed pork products in 1993.

### **Major Shows**

Canadian exporters are encouraged to participate in the following Food Shows:

- ALIMEXPO September 1994
- TECNOTUR May 1993
- Havana International Fair November 1993

### **Access**

Once the Cuban buyers have decided to purchase, there is no access problem.

### **Transportation and Distribution**

Cuba can be accessed by air and sea and the country has adequate facilities to handle shipments of frozen and processed products. Upon arrival at the port or at the Havana international airport, the products are moved to appropriate warehousing facilities either in refrigerated trucks (for frozen or perishable products) or in conventional trucks in the case of canned food products. The means of transportation are used from the warehouses to the stores or to the hotels and restaurants.

All imports are conducted via state trading organizations. Importers also perform the distributing function.

### **Government Contact**

Meat Products Division  
Ministry of Food Industry  
Avenida 41 n° 4455  
Havana

### **Recommendations to Canadian Exporters**

Canadian companies along with competitors from Italy, the Netherlands and to a lesser extent from Spain have successfully participated in major Cuban shows in 1992. They have also organized solo shows for Cuban buyers. Canadian exporters are encouraged to participate in Cuban food shows.

Persistence and patience are essential for companies interested in doing business with



Cuba. They should visit Cuba at least twice a year to follow up with established contacts and to identify new needs or requirements. The exporters should not normally expect to conclude a contract in the first two or three visits as Cuban buyers usually take their time to scrutinize and build their confidence with new suppliers.

### List of Importers

#### CUBA - List of State Organizations Importing Pork

##### ALIMPORT

Infanta 16  
Vedado, Ciudad Habana  
Contact: Ana Vivian Gonzalez,  
Buyer  
Tel: (011-53-7) 7-4971 to 79  
Fax: (011-53-7) 70-1274

International Trading House (ITH)  
Calle 26 Esquina a 7ma Avenida  
Miramar, Playa, Ciudad Habana  
Contact: Lourdes Gutierrez,  
Chief Buyer  
Tel: (011 -53-7) 33-1404  
Fax: (011 -53-7) 33-1402

##### CUBALSE

(Imports for Diplomatic  
Community)  
Avenida Tercera y Final  
La Puntilla, Miramar,  
Ciudad Habana  
Contact: Xiomara Ferrer, Buyer  
Tel: (011 -53-7) 33-2794  
Fax: (011 -53-7) 33-1263

##### Treviso Trading

Calle 2 nQ 106  
Miramar, Playa, Ciudad Habana  
Contact: Roberto Gonzalez,  
Manager  
Tel: (011 -53-7) 33-2287  
Fax: (011-53-7) 33-2409

##### ABATUR

Edificio 54, Planta Baja  
Ciudad Camilo Cienfuegos  
Habana del Este, Ciudad Habana  
Tel: (011 -53-7) 65-6567  
Fax: (011-53-7) 33-8219

##### GAVIOTA

(imports unprocessed pork  
through ALIMPORT and processed  
through Treviso)  
Calle 16 # 514  
Miramar, Playa, Ciudad Habana  
Tel: (011 -53-7) 81 -2908  
Fax: (011 -53-7) 33-2780

#### For Further Information Contact:

Canadian Embassy  
Commercial Division  
P.O. Box 500 (HVAN)  
Ottawa, Ontario  
K1N 8T7  
Tel: (011-53-7) 33-2516/17/27,  
33-2382, 33-2752  
Fax: (011-53-7) 33-2044  
Contact: Mr. Wayne MacKenzie  
Counsellor (Commercial)



# DOMINICAN REPUBLIC

Pork imports are banned by the Dominican Republic.

Because of the local overproduction, the government has authorized INESPRES (Institute For The Stabilization Of Prices) to purchase \$500,000 worth of local hogs. At first, 10 000 hogs will be purchased from small and medium sized producers that are having difficulties due to a lack of market and low prices.

Some pork is illegally brought into the Dominican Republic, sometimes in suitcases, and sold. However, it will be confiscated if caught. A shipment of pig feet was brought in and confiscated in December 1992.

**For Further Information Contact:**

**Canadian Embassy**  
**Apartado 2054**  
**Santo Domingo**  
**Tel: (809) 689-0002**  
**Fax: (809) 862-2691**  
**Contact: Mrs. Nancy Collado**  
**Commercial Officer**



# GUATEMALA

Guatemala is practically self-sufficient in pork. The very small amount of imports is for specialty products that do not have a significant impact on the total market value or on per capita consumption figures.

## Local Production

1991	246 900 head for 19 223 600 lbs. of pork
1992	325 000 head for 24 375 000 lbs. of pork
1993	350,000 head for 24 500 000 lbs. of pork (projected)

The processing industry is located in or near Guatemala City.

## Government Policies

The Government does not subsidize or provide any other incentive to producers and its role is basically limited to establishing and enforcing sanitary measures and controls.

## Domestic Consumption

1991	9.4 million inhabitants	2 lbs. per capita
1992	9.7 million inhabitants	2.5 lbs. per capita
1993	10.0 million inhabitants	2.4 lbs. per capita

The Central Bank statistics for the last 13 years indicate that annual per capita pork consumption remains fairly stable from year to year with 3.5 lbs. being the highest in 1980 and 2 lbs. the lowest in 1991. Pork is too expensive for the majority of the population which eat mainly beef (8.1 lbs. per year) and poultry (16 lbs. per year). Sanitary conditions and concerns also have an effect on pork consumption.

## Exports

	Country	Kg	\$US CIF
1990	El Salvador	10 939	18 591
1991	USA	39 509	60 480



## Imports

In the Customs register, it is listed as "Pork Meat, Including Fresh, Refrigerated or Frozen Bacon":

	Country	Kg	\$US CIF
1989	USA	38 104	47 400
	Denmark	48	100
1990	USA	36 741	42 391
	Netherlands	47	327
1991	USA	18 751	18 364
	Denmark	204	273
1992	(6 months)USA	107 449	83 729

## Access

Duty 30% ad valorem CIF  
Canadian labelling is accepted.

## Market Opportunities for Canadian Products

Opportunities are very limited at this time.

## Transportation and Distribution

Guatemala has modern facilities to service any type of transportation mode.

### List of Importers

Almacenes Paiz  
la, Avenida 8-01, Zona 10  
Guatemala C.A.  
Tel: 321777 to 83  
Fax: (502-2) 321784  
Telex: 5194 PAIZCO GU

Samaritana, S.A. (SERSA)  
6a. Calle 4-17, Zona 1  
Guatemala, C.A.  
Tel: 539777 to 79  
53702 to 84  
Fax: (502-2) 715697

Codicasa  
5a. Calle 1-10, Zona 1  
Guatemala, C.A.  
Tel: PBX 720076  
Fax: (502-2) 332048

Dife S.A.  
29 Calle 1-43, Zona 3  
Guatemala, C.A.  
Tel: 716526  
Fax: (502-@) 711263

### For Further Information Contact:

Canadian Embassy  
P.O. Box 400  
Guatemala City  
Tel: (011-502-2)  
321411/321413/321426/321418  
Fax: (011-502-2) 321419  
Contact: Mr. Hugo Cerezo  
Commercial Officer



# JAMAICA

Although the Jamaican meat industry is still in its infancy stages, pork and pork products are now very rarely imported except if there is a shortage of the product, which is usually preceded by a glut. Although the island is basically self-sufficient in supplying the local demand for pork, supplies are affected by the various input materials which are also imported - raw materials for animal feed for example.

## Local Production

In 1990, the pork production amounted to 7 394 tonnes, compared to 4 740 in 1991.

## Government Policies

No government policies have any effect on this industry as it is purely a matter of supply and demand. The price of the product is also important and is the main determinant of the production levels of pork for any given year. An increased price to the consumer due to higher prices for animal feeds in 1990, led to a glut on the market which is only just now recovering.

Substantial technical assistance to pork farmers is being carried out in order to upgrade and modernize the industry. This assistance work is also being provided to the beef and poultry farmers. Technical personnel seem to be very optimistic re the progress of the local industry. Steps have been taken in order to arrive at some stability in the animal feed industry in terms of the pricing and the imported raw materials. The feed mills have been included in the developmental process as well. Domestic production facilities are for the most part located in the rural areas of the island and whilst they are not at the most advanced stages re technology etc., they are current where standards are concerned.

## Domestic Consumption

Demand for pork product is seasonal as the Christmas and Easter seasons have hams and ham shoulders as part of the traditional menus. With the advent of certain other festive events e.g. Carnival, there also seems to be additional demand. Although, there has been a seasonal demand for certain pork products, there are indications that a year-round demand could be developing.

## Exports

Jamaica does not export.



## Imports

### \* 1991 Imports

	Total (tonnes)	From Canada (tonnes)	From others (tonnes)
● Fresh/chilled hams and shoulders and cuts thereof, bone in	26	26	-
● Frozen hams, shoulders and cuts thereof, bone in	22	22	-
● Frozen, others	168	165	USA 3
● Pig trotters	82	17	USA 30 Ireland 34
● Frozen, other offal	192	78	USA 59 Ireland 45 UK 10
● Bacon, salted in brine, dried or smoked	3	3	-
● Other meat, salted or in brine	133	132	USA 1

### Market Opportunities for Canadian Products

Pork products presently being imported in large volumes are primarily from Canada. No foreseen threat to the virtual monopoly on this market as even American suppliers contact the Canadian High Commission from time to time, seeking Canadian products to fill confirmed orders they have received.

The demand for certain pork products have been increasing over the last few years even though they are seasonal. The worrying factor is price, which is affected by the value of the Jamaican currency versus the Canadian dollar and import duties as well. With the increasing demand of certain pork products such as ham, there are always opportunities for Canadian suppliers, also in light of the fact that new distributors and importers enter the market from time to time.

### Transportation and Distribution

Air and ocean freight facilities are available to the local trade to land goods into the island. There are adequate modes of transportation available to move product from port of entry to cold storage to consumer. Jamaica has distribution channels similar to Canada.

### Access

Duty - Jamaica adheres to the Common External Tariff (CET) which determines the duty rate for all imported products being brought into the CARICOM region. The duties on the respective pork products are as follows:

- Frozen hams, shoulders and cuts thereof, bone in 30%
- Edible offal, fresh or chilled 5%



- Edible offal, frozen 5%
- Pig trotters 5%
- Pig fat 5%
- Ham 45%
- Bacon 45%
- Other salted or in brine 5%
- Other 45%

Products must adhere to the sanitary and veterinary requirements of the Ministry of Health and the Ministry of Agriculture.

### Recommendations to Canadian Exporters

Trade shows are not the normal channels used for the procurement of pork products. Contacts build up over the years have remained intact. Useful avenue for promotional events is the sales call route by visiting company representatives.

It is suggested that generic promotion could be done through visiting trade missions.

### Government Contacts

- Ministry of Agriculture
- Ministry of Health
- Rural Agricultural Development Authority

### List of Importers

#### JAMAICA - LIST OF IMPORTERS

- |  |  |  |
|--|--|--|
| <p>Grace Kennedy &amp; Company Ltd<br/>64 Harbour Street<br/>Kingston<br/>Contact: Mr Willie Harrison,<br/>Purchasing Manager<br/>Tel: (809) 922-3430<br/>Fax: (809) 922-7567</p>    | <p>Grace Food Processors (Canning)<br/>Ltd. 2 Twickenham Close<br/>Kingston 11<br/>Contact: Mr Patrick Duncan,<br/>Managing Director<br/>Tel: (809) 923-5048<br/>Fax: (809) 922-7567</p> | <p><b>For Further Information Contact:</b><br/><br/>Canadian High Commission<br/>P.O. Box 1500<br/>Kingston 10<br/>Tel: (809) 926-1500<br/>Fax: (809) 926-1702<br/>Contact: Mr. David Shearer<br/>First Secretary (Commercial)</p> |
| <p>Grace Food Processors Ltd.<br/>Paradise, Savanna-La-Mar<br/>Westmoreland<br/>Contact: Mr Michael Ranglin,<br/>General Manager<br/>Tel: (809) 955-2757<br/>Fax: (809) 922-7567</p> | <p>CVF Lambeck Ltd<br/>94J Old Hope Road<br/>Kingston 6<br/>Contact: Mr. Leon A. Beckford,<br/>Managing Director<br/>Tel: (809) 927-6792<br/>Fax: (809) 927-6793</p>                     |  |



## MEXICO

The Mexican market for imported pork is amongst the most promising of the various agri-food market subsectors for Canadian exports. The trend for swine population and pork meat production in Mexico has been downward since its peak in the early eighties because of declining real net returns to producers as a result of inflation eroded selling prices and increased feed and capital costs. During the same period the total demand and consumption of pork, (including offals) has remained fairly stable with both production and imports fluctuating significantly from year to year. Imports, which commenced in 1988, fluctuated between \$65 and \$165 million in the period 1988-92. Imports of Canadian pork, including offals, which have also fluctuated greatly were estimated in 1992 at \$32 million or more than double the 1991 volume. The potential Canadian market share in this growth market is considered to be at least 50%. The only important constraint to this growth is the 20% tariff; this, however, will be phased out under the NAFTA over 10 years. The market advantages for Canada are an excellent image (which should be nourished and expanded) of high quality and superior health and quality standards for our pork.

### Local Production

Swine is raised in all of Mexico's 31 states, but with the bulk of production in the states of Jalisco, Mexico, Michoacan, Sinaloa, Sonora, Guanajuato and Veracruz. The large commercial technologically advanced hog producers are primarily located in the northwest states of Sonora and Sinaloa, as well as in the central states of Jalisco and to a lesser degree in Puebla and Tlaxcala.

In 1992, there were 444 municipal and private pork slaughterhouses, 65% of which were concentrated in the states of Jalisco, Mexico, Michoacan, Sinaloa, Nayarit and Puebla. Additionally, there were 103 TIF (tipo inspection federal/federally inspected plants) of which 25 are exclusively pork plants. The remainder are mainly beef plants, although some slaughter both beef and pork. Ten of the 103 TIF are accredited by the USDA to ship meat to the USA. 80% of the TIF plants are owned and operated by the regional livestock producers unions. There are an estimated 150 meat processing companies (including numerous sausage manufacturers) in Mexico producing a wide variety of fresh pork cuts and processed pork products from domestic and imported half-carcasses and imported carcasses and cuts.

811 899 tonnes were produced in 1992, an increase of 11.7% above total production in 1989 and 7.2% over 1991.

Legalized imports of pork have impacted significantly on the domestic swine industry, with a swine inventory which declined by 13% in 1992 from 15.9 million head in 1991 to 13.8 million head. Imported pork commodities filled 30% of the market, compared to only 3% in 1990. The domestic production of swine will continue to be



critical if current problems of excessive cost of feed and other inputs, credit and transportation continue.

Average prices of imported feedstuffs, FOB Gulf port, in March 1993:

Corn #1 US\$ 100.01      Corn #2 US\$ 100.40      Sorghum #2 US\$ 100.40  
 Sorghum meal (January 1993) US\$ 215.90      Soybean US\$ 223.20

### Government Policies

The swine sector does not receive any government subsidies or incentives for production.

### Domestic Consumption

The total consumption of pork in 1991 was 866 000 tonnes. The per capita consumption declined to 9.8 kg compared to 12 kg in 1988. Mexico's self-sufficiency ratio in 1991 was 86%. Pork is an important source of protein in the Mexican diet. It is consumed extensively in native dishes and fried as chicharron.

The government policy to keep workers' wages within bounds could have a negative impact on the increased consumption of pork. The populace will, however, continue to demand pork in fresh and processed form at its present level. Increases may be expected should consumer buying power improves.

### Imports

In 1991, total quantity 193 755 tonnes, total value US\$ 160,950,962. Imports from Canada - 13 297 tonnes, total value US\$ 6,600,760 - represent 7% of imports and 1.5% of the consumption.

	Value (US\$)	Quantity (tonne)
● Fresh/chilled		
Carcasses and half-carcasses (0203.11.01)	5 327 042	32 210
Canada	51 114	100
USA	5 275 928	32 110
Hams, shoulders and cuts, bone in (0203.12.01)	28 105 860	16 655
Canada	353 286	232
USA	27 752 574	16 423
Other (0203.19.99)	1 614 265	799
Canada	230 370	100
USA	1 340 995	680



Denmark	42 900	19
● Frozen		
Carcasses and half-carcasses (0203.21.01)	4 619 359	2 143
USA	2 038 968	1 485
Philippines	71 199	59
Finland	2 326 610	1 538
Norway	182 582	61
Hams, shoulders and cuts bone in (0203.22.01)	13 322 785	7 823
Canada	1 762 181	873
Denmark	427 897	194
USA	11 001 299	6 423
New Zealand	8 206	2
Sweden	623 202	330
Other (0203.29.99)	26 857 165	16 461
Canada	4 178 297	2 442
Denmark	2 201 639	1 016
USA	14 902 516	9 671
Finland	260 781	179
Norway	123 902	74
Sweden	5 190 030	3 079
● Offals		
Chilled pigskin (0206.30.01)	366 201	632
Canada	25 512	35
USA	340 689	597
Other (0206.30.99) USA	135 260	275
Frozen livers (0206.41.01) USA	27 457	57
Frozen pigskins (0206.49.01)	44 275 002	62 408
Australia	9 731	15
Barbados	16 345	19
Canada	5 364 321	6 948
Denmark	2 003 351	2 716
USA	36 692 493	52 410
Ireland	166 740	261



Sweden	22 021	39
Other (0206.49.99)	29 995 925	45 264
Canada	1 717 395	2 524
Denmark	629 935	709
USA	27 622 147	41 980
Other countries	26 448	51
Other fresh offals (0206.80.01)	154 727	163
Other frozen offal (0206.90.01)	5 649 644	7 866
Australia	24 387	24
Canada	28 345	43
Denmark	110 975	109
USA	5 434 629	7 666
New Zealand	51 308	24
Processed ham, whole and parts (1602.41.01)	2 780 873	737
Belize	18 694	7
Canada	29 817	3
Denmark	651 887	206
USA	1 892 115	481
Netherlands	12 795	2
Dominican Republic	168 142	36
Other countries	7 423	2
Processed shoulders, whole and parts (1602.42.01)	261 445	64
Denmark	203 856	49
USA	40 557	10
Dominican Republic	17 032	5
Cooked pork skins (pieces and pellets)	977 923	351
USA	974 408	351
Denmark	3 515	-
Processed, other (1602.49.99)	1 359 582	605
Denmark	356 833	89
Spain	46 689	15
USA	948 433	499
France	2 943	1
Other countries	4 684	1



## **Exports**

In 1991, Mexico exported 1 124 tonnes of fresh and frozen pork (carcasses and half-carcasses, and shoulders), valued at US\$4.9 million mostly to Japan.

## **Market Opportunities for Canadian Products**

Assuming that Canadian products continue to be price competitive with the American products, the achievement of at least a potential 50% share of the import market for Canadian pork largely depends on the resources and effort the industry devotes to positioning and promoting Canadian pork in the Mexican retail market as a reliable high quality and safe consumer product. One simple technique, successfully employed by the US Meat Export Federation with respect to beef, is the identification via a logo in the retail store meat display counter of Canadian pork. Increased awareness within the Canadian industry of the types of primal cuts preferred and purchased by large Mexican buyers, such as supermarket chains, from domestic suppliers and the capacity to supply the Mexican preference for lean, boneless cuts and fresh or chilled meat rather than frozen would also contribute to a stronger market presence.

Under the NAFTA, a tariff rate quota, based on average import of past years, was negotiated at a level of 6 000 tonnes for fresh, chilled and frozen pork and 500 cured. There was a surge of imports of Canadian pork in 1992 to a level of 14 000 tonnes, well above the tariff rate quota for Canadian pork. Consequently, the tariff rate quota, which increases 10% a year, to some degree could serve to constrain growth in Canadian imports until the 20% tariff disappears in 10 years, as that volume of Canadian pork shipments in excess of the tariff rate quota would be at a significant landed cost disadvantage vis a vis American pork entering Mexico.

In the long term, however, Canadian pork should be able to obtain a significant share of what will be an important and growing market which is estimated, in terms of value of total demand or apparent consumption of pork, exceeded US\$ 1 billion in 1992. Some Mexican importers/distributors consider that there is also a considerable, but yet unexploited, market potential for Canadian highly processed meat products in Mexico.

## **Major Shows**

- Convencion nacional de empaques de carnes frias y embutidos y Exposicion internacional de proveedores

This is the national meat packers convention and suppliers expo held annually in February in Monterrey, Nuevo Leon.

Contact for rental of expo space is:

Promocion Creative International, S.A. de C.V.

Mexico, D.F.

Tel (011-52-5) 286-2107 and 553-0559

Fax (011-52-5) 256-3354



- **Convencion nacional de comercio detallista ANTAD y Exposicion**  
This the national Mexican food and consumer product retailers convention and trade show held annually in March in Guadalajara, Jalisco.

Contact for space rental:  
ANTAD, Mexico, D.F.  
Tel (011-52-5) 545-8803  
Fax (011-52-5) 203-4495

- **EXPOALIMENTOS**

A food and beverage industry exhibition held annually in September in Monterrey, Nuevo Leon.

Contact for space is:  
APEA, Monterrey, Nuevo Leon  
Tel and fax (011-52-83) 69-6660

### **Access**

#### **Duty -**

All pork commodities are subject to a 20% ad valorem duty. Offals (pigskins, livers, other) to a 10% ad valorem duty.

Although this is expected to change in 1993/94, labelling information on processed meat products at the consumer level presently can be in English. Only a small back stick on label in Spanish is required listing the generic product name, importer and exporter, weight or volume and principal ingredients.

### **Transportation and Distribution**

- **Transportation**

The bulk, if not all of Canadian pork imported into Mexico is by refrigerated or freezer trucks. Air transport would also be possible for higher value products, such as vacuum-packed portion control steaks.

#### **Because of**

- the perishability of the product,
- the lack of any direct, fast and frequent ocean freight service between Canadian and Mexican ports,
- the shortage in Mexican ports and some urban consumption areas of sufficient refrigerated and freezer storage and trucking capacity, and
- the inadequate rail and road service between Mexican ports and inland consumption centres, such as Mexico City,
- the use of ocean freight to land product in the market is not practical.



As noted, the most economical "facilities/mode of transport" is the shipment by truck from Canada with a switch, as currently required by Mexican law, to a Mexican tractor/driver at the border, or the off-loading into a Mexican truck, and the direct shipment to the buyer/consumer common mode of transport.

- **Storage Facilities**

All of the 103 TIF (federally inspected) plants have refrigerated storage capacity. The 25 TIF plants specializing in pork have a total installed capacity of 10 500 head per shift for slaughter and 9 100 head for refrigeration.

Although, no official government or industry data on total storage/handling capacity for pork is available, the Confederacion nacional ganadera (CNG), the national livestock producers association, is of the view that capacity utilization of rastros/frigorificos (slaughter houses and associated refrigerated storage) is only about 60%. This underutilization coupled with a decline in both purchasing power and per capita consumption over the past 20 years and a resultant unchanged total consumption level, in the view of CNG suggests that storage/handling capacity is more than sufficient for both domestic production and imports i.e. it is not a constraint on the importation or marketing of pork in Mexico.

Ample in-bond storage is also available for Mexican importers of perishable products and is utilized to a limited degree by some importers of pork.

- **Marketing Channels for Domestic Pork**

The distribution or marketing channel for domestic pork is complex and is estimated to increase by up to 7.5 times the producers' initial selling price of the live animal. As may be noted from the following description of the distribution chain for domestic pork, there can be as many as five levels or intermediaries between the producer and the retail consumer.

Mexican producers sell suckling pigs after weaning to fatteners, who then raise them and sell them to introductores, also called commission agents, collectors or transporters. The larger more sophisticated and technically advanced producers usually are integrated and have their own slaughterhouses. Consequently, they are able to bypass the intermediaries and distribute, by refrigerated truck, approximately 80% of their production as carcasses or primal cuts directly to the retail level and 20% as live animals to other slaughterhouses.

However, the smaller less sophisticated producer usually deals with an introducer who delivers or receives the live animals at the slaughterhouse and supervises their slaughter. Usually, the whole killed animal is taken from the slaughterhouse to the abattoir, to be cut into the different primal cuts. Pork is practically never sold in a carcass form but rather in primal cuts directly by the abattoir or the slaughterhouse. The meat usually is not refrigerated after being slaughtered nor during transportation



to the obrador because, since it is cut with a knife into primal cuts, it is considered easier to cut when warm. The offals are mostly sold to wholesalers and the head is often sold directly to head dealers who break it and sell the different parts predominantly to meat processors to prepare "queso de puerco" (pork head cheese).

The meat packers generally purchase 80% of the legs and backs to produce smoked ham, ribs for smoked ribs, trimmings for sausages, salami and chorizo, and bellies for bacon. Friers buy the fat (manteca) and the skins to prepare cracklings (chicharron) and small cubes of meat for frying (carnitas); both of which are often sold in the streets or from small stands. Butcher shops and supermarkets purchase what is called "capote" in Mexico, or the boneless, fatless meat, such as boneless legs, whole loins and tenderloins, ribs and front feet in addition to fat, liver, kidneys and tongues. They then cut the larger pieces into retail pieces, such as chops and loins. The Mexican consumer favours fresh lean meats with no visible fat and boneless cuts. It is estimated that 85% of Mexican pork production is sold fresh for final consumption and 15% to meat processors.

#### ● Marketing Channels for Imported Products

The distribution channel for imported meat is much simpler i.e. either directly to a meat processor or to an obrador or distributor for sale to supermarkets and butcher shops, hotels and restaurants.

The simplicity of the distribution channel for imported pork would seem to provide it with a considerable advantage over domestic pork. Both the Mexican government and the Confederacion nacional ganadera (CNG/national livestock producers association) appreciate this fact and are intent on eliminating unnecessary intermediaries in the distribution chain for domestic pork and increasing producer returns and reducing the cost to the retail consumer (and as a result increasing domestic pork demand and consumption). The various regional and state livestock producer unions under the CNG have gradually acquired 80% of the TIF slaughterhouses with the objective of buying live animals directly from the producers and selling carcasses, primal cuts and even some boxed meat directly to meat processors, supermarket chains and butcher shops.

Many of the Mexican meat processors and retailers prefer to buy imported meat from an importer/distributor, who looks after the necessary import documentation, customs clearance and warehousing, rather than directly from foreign suppliers. However, it is anticipated that in the short to medium term more and more of the larger purchasers such as the major processors and supermarkets (e.g. Aurrera supermarket chain) will commence buying directly from foreign suppliers. The implication for Canadian suppliers of this trend towards more direct purchase is the elimination of the distributors margin, which on highly processed products can reach 30%, making their product more price competitive with domestic product.



## Recommendations to Canadian Exporters

Participation of industry firms and associations, possibly in a joint industry/External Affairs and International Trade info booth or pavilion, in the shows described above coupled with an annual seminar/meat display/reception in Mexico City and a retail level Canadian pork industry program (described in Market Opportunities) are considered to be worthy of consideration as part of any industry trade development strategy. Hotel/restaurant promotions featuring Canadian pork is also a possible activity.

### • Government Contacts

Dr. Hector Campos Lopez  
General Director,  
Animal Health Secretaria de  
Agricultura y Recursos hidraulicos  
Recreo no 14, Piso 11  
Col Actipan del Valle  
03230 Mexico D.F.  
Tel: (011-52-5) 534-5111  
/1580/5216/4966  
Fax: (011-52-5) 534-4061

MVZ Marco Antonio Hidalgo  
Mendoza, Director General  
Comision Nacional para el  
mejoramiento genetico y la  
reproduccion animal  
(CONAMEGRA)  
Recreo no 14, Piso 2  
Col Actipan del Valle,  
03100 Mexico D.F.  
Tel: (011-52-5) 524-0006/0433  
Fax: (011-52-5) 534-6426

Dr. Igor Romero, Director General,  
Desarrollo agropecuario,  
Secretaria de Agricultura y  
Recursos hidraulicos  
Recreo no 14, Piso 9  
Col Actipan del Valle  
03100 Mexico, D.F.  
Tel: (011-52-5) 534-9744  
Fax: (011-52-5) 534-7985

Ing. Emiliano Gonzalez  
Director de Comercio internacional  
Secretaria de Agricultura y  
Recursos hidraulicos  
Av. Benjamin Franklin no 146  
Col Escandon  
Mexico D.F.  
Tel: (011-52-5) 286-2000/2347  
Fax: (011-52-5) 256-1379

### • Industry Contacts

Ing. Jorge Mason, Presidente  
Comision nacional de porcicultura  
Melchor Ocampo no 405,  
3er Piso Col Nueva Anzures  
11590 Mexico D.F.  
Tel: (011-52-5) 255-2848  
Fax: (011-52-5) 255-1874

Ing. Cesar Gonzalez  
Presidente  
Confederacion nacional ganadera  
Mariano Escobedo no 714  
Col Anzures, Mexico D.F.  
Tel: (011-52-5) 533-2175 to 79  
Fax: (011-52-5) 514-1245

Lic. Hector Rodriguez Licea  
Director General,  
Asociacion nacional de  
empacadoras TIF, A.C.  
Miguel Angel de Quevedo no 350  
Col Coyoacan  
04310 Mexico D.F.  
Tel: (011-52-5) 658-1120/8347  
Fax: (011-52-5) 658-3688

Ing. Luiz Muñoz Cano  
Consejo nacional agropecuario  
(CANAGRO)  
Rio Elba no 47, 1er Piso,  
Despacho 3 Col Cuauhtemoc  
06500 Mexico D.F.  
Tel: (011-52-5) 286-2000/2347  
Fax: (011-52-5) 256-1379

Sr. Augustin Curiel Hernandez  
Presidente  
Consejo coordinador de las  
industrias de alimentos y bebidas  
Obradores de tocinaria  
(bacon producers)  
Camara nacional de la industria de  
transformacion  
Av. San Antonio no 256  
Col Ampliacion Napoles  
03849 Mexico D.F.  
Tel/Fax (011-52-5) 611-2387  
& 563-3400

Sr. Alejandro Urzua Bustamente  
Presidente  
Empacadores de carnes frias  
(fresh meat packers)  
Camara nacional de la industria de  
transformacion  
Av. San Antonio no 256  
Col Ampliacion Napoles  
03849 Mexico D.F.  
Tel/Fax: (011-52-5) 611-2387  
& 563-3400



## List of Importers

- KIR ALIMENTOS, S.A DE C.V.**  
(Meat processor)  
P.O. Box 783  
Monterrey, N.L., Mexico C.P.  
66490  
tel (52-83) 534-646  
fax (52-83) 505-953
- ALIMENTOS COLONIAL, S.A. DE C.V.** (Meat packer)  
Bldv Isidro Lopez Zertuche  
No. 4469 Saltillo, Coahuila  
mailing address:  
P.O. Box 6059 Laredo,  
TX 78040  
USA tel (52-83) 35-7661  
fax (52-83) 35-4209  
& (52-841) 5-2395
- GRUPO GUTSA**  
Av. Revolucion no 1387  
Col. Campestre San Angel  
01040 Mexico D.F.  
tel (525) 662-2713
- ABASTECEDORA SE LA INDUSTRIA TURISTA, S.A. DE C.V.**  
Saramullo 19 SM 25, Cancun  
Contact : Artemio Santos  
Tel (52-988) 42-668  
& (52-988) 40-538  
fax (52-988)
- CORPORATIVO KOSMOS**  
Anatole France # 71A  
Mexico D.F.  
Contact: Victor Durantes  
Tel (525) 255-3189/ 255-4389/  
255-4286  
Fax (525) 203-5069
- RYC ALIMENTOS, S.A. DE C.V.**  
19 Oriente 16  
Plaza Villa Padua  
72000 Puebla, Puebla  
Contact: Ing. Ramon Lozano,  
Gerente  
Tel (52-22) 43-8918  
& (52-22) 43-8937
- GRUPO PISA DE SONORA**  
Quintana Roo y G. y G. Moreales  
# 601 Sur  
Apartado Postal 352  
Navojoa, Sonora  
Contact: Agustin R. Bours,  
Director General  
Tel (52-642) 291-90  
& (52-642) 291-96  
Fax (52-642)
- ALTAMIRANO PARMA**  
La Piedad, Michoacan  
Contact: Marco Aurelio Chi,  
Gerente de Compras  
Tel (52-352) 255-04  
& (52-352) 258-01  
Fax (52-352)
- EMBUTIDOS CUMBRE, S.A DE C.V.**  
Calle 30 No.2585 Z.I.  
C.P. 44940 Guadalajara, Jalisco  
Contact: Daniel Castaneda  
Reynoso  
Tel (52-36) 11-16-19  
& (52-36) 12-15-55  
Fax (52-36) 11-57-45
- GRUPO DISTRIBUIDOR TUCAN, S.A. DE C.V.**  
Fresnillo 60-5  
Col.20 de Noviembre  
15310 Mexico, D.F.  
Tel: (011-525) 702-2226/3858  
Fax: (011 525) 254-0656  
Contact: Mr. Adolfo Arellano  
Ms. Sandra Caballero
- OPERANDORA DE PRODUCTOS PECURIOS**  
Av. Los Angeles No. 1101 Ote.  
Col. del Norte  
64500 Monterrey, Nuevo Leon  
Mexico  
Tel: (011-52-83) 31-1100  
Fax: (011-52-83) 75-6507  
Contact: Dr. Miguel Araujo
- PROMOTORA DE CARNES ALPRO S.A. DE C.V.**  
Lago Cuitzeo No. 113  
Col. Anahuac, Mexico, D.F.  
Tel: (011-525)  
396-0424/0022/0223  
Fax: (011-525) 341-3691  
Contact: Sergio Mondragon
- RIBER**  
Teran 427  
66400 San Nicolas de los Garza  
N.L. Mexico  
Tel: (011-52-83) 50-0933  
Fax: (011-52-83) 76-8307  
Contact: Ms. Bertina Garza  
Rodriguez
- ROGELLO COUTTOLENC CORTES, S.A. DE C.V.**  
Calle 10 No. 8  
Col. San Pedro do los Pinos  
03800 Mexico, D.F.  
Tel: (011 52 83) 516 6838/271  
4589  
Fax: (011-52-83) 277-8163  
Contact: Mr. Gustavo Couttolenc
- Super Bocados Camargo**  
Tuxtla No. 402  
Col. Mitras Norte  
64320 Monterrey, N.L.  
Mexico  
Tel: (011-52-83) 71-0093  
Fax: (011-52-83) 73-4151  
Contact: Mr. Adan Cano
- SUPER CARNES SALINAS, S.A.**  
Abraham Lincoln 175 Pte.  
Col. Mitras Norte  
64320 Monterrey, N.L.  
Phone (011-52-83) 73-2101  
Fax: (011-52-83) 73-5577  
Contact: Lic. Juan Francisco  
Salinas



ALIMENTOS PAR, S.A. DE C.V.  
Sierra Nevada No. 6 -12 -14  
Parque Industrial Nezahualcoyotl  
57800 Mexico, D. F.  
Phone: (011-525)  
855-5822/2359/2957  
Fax: (011-525) 855-6599  
Contact: Mr. Francisco Pardo  
/Arroyo

CARNICERLA Y TOCINERIA LA  
POPULAR, S. A.  
Basilio Badillo No. 928  
Sector Libertad  
Guadalajara, Jal.  
Phone: (011-52-3)  
643-7207/643-7206  
Fax: (011-52-3) 649-1937

DISTRIBUIDORA DE CARNES  
SUPERIORES, S. A.  
F. Gomez No. 89  
Tlalncpantla, Edo. de Mexico  
Phone: (011-525)  
390-5102/5182  
FAX: (011-525) 390-5142  
Contact: Mr. Jose Huerta Rivera

DONFER, S.A. DE C.V.  
Rojo Gomez No. 41  
Col. Guadalupe del Moral  
09300 Mexico, D. F.  
Phone: (011-525) 686  
-2400/9699  
Fax: (011-525) 686-8350  
Contact: Francisco Rion

EMPACADORA BERNINA, S.A. DE  
C.V.  
Norte 75 No. 2909  
Col. Obrero popular  
02840 Mexico, D. F.  
Tel: (011-525) 396  
3647/7587/7359  
Fax: (011-525) 341-0894  
Contact: Mr. Andreas Bosshard

EMPACADORA ARAGON, S.A.  
Av. 506 No. 90  
Unidad Aragon  
07920 Mexico, D. F.  
Tel/Fax: (011-525) 551-6257  
Contact: Mr. Oscar J. Amaro  
Guerrero

EMPACADORA CUIRIEL, S.A.  
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Contact: Mr. Alejandro Curiel

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06880 Mexico, D. F.  
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3744/3617/5783  
Fax: (011-52-22) 37-6000  
Contact: Ing. Ricardo Rausch

EMPACADORA HARRY, S. A.  
San Lorenzo No. 909  
Col. del Valle  
03100 Mexico, D. F.  
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688-4466/604-1698  
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Contact: Mr. Peter Luetke

EMPACADORA JAVIER, S. A.  
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5660 Chalco, Estado de Mexico  
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31-709/31-606  
Fax: (011-52-597) 31-198  
Contact: Mr. Miguel Angel Corona  
Reynoso

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S. A.  
Miguel Negrete No. 4  
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03440 Mexico, D. F.  
Phone/fax: (011-525) 696-1111  
Contact: Mr. Roberto Revilak

EMPACADORA MURGATI, S. A.  
Lopez Mateos No. 52  
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53320 Naucalpan, Edo. de Mexico  
Phone/fax: (011-525)  
373-5898/4562  
Contact: Mr. Pedro Apilano

EMPACADORA PONDEROSA,  
S.A.  
Jose Santos Chocano No. 970  
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Contact: Mr. Gerardo Arrambide

EMPACADORA SAN EMILIO  
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54900 Tultitlan, Edo. de Mexico  
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872-0576/0465  
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Contact: Mr. Emilio Sanchez



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Heliotropo No. 132  
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Contact: Jose M. Olvera Aguilar

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Ejereito Nacional 505-904  
Col. Anahuac  
11520 Mexico, D. F.  
Phone: (011-525)255-5082/5174  
Fax: (011-525) 255-5102  
Contact: Lic. Alfonso Alfaro

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C.V.  
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7255/6655  
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DE C.V.  
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03800 Mexico, D. F.  
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INDUSTRIAL DE ABASTOS, S.A  
Av. de las Granjas No. 800  
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Phone: (011-525)  
394-0088/394-0176  
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651-3617/394-0088

Fax: (011-525) 680-1828  
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15840 Mexico, D. F.  
Phone: (011-525)  
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Fax: (011-525) 740-7011  
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JAMON SERRANO DE MEXICO,  
S.A. DE C.V.  
Zempoala No. 75  
Col. Narvarte  
03020 Mexico, D. F.  
Tel: (011-525) 538-6958/6211  
Fax: (011-525) 530-2799  
Contact: Mr. Giuseppe Calcaterra

**For Further Information Contact:**

Canadian Embassy  
Appartado Postal 105-05  
11580 Mexico D.F.  
Tel: (011-52-5) 724-7900  
Fax: (011-52-5) 724-7984  
Contact: Mr. Sam Elkady,  
Counsellor (Agriculture)

Canadian Trade Office  
Edificio Kalos  
Zaragoza 1300 Sur, Despacho  
314  
CP 64000 Monterrey, Nuevo  
Leon,  
Tel: (011-52-83) 44-32-00  
Fax: (011-52-83) 44.30.48



# PANAMA

Panama is the only country in Central America importing large quantities of pork as a result of a small domestic production.

## Local Production

In 1991, 168 390 hogs were slaughtered and this number is expected to increase by 12% in 1992. Feed and most other inputs are imported from the USA.

## Government Policies

The Government provides several production incentives and a price support scheme to the producers of processed ham in order to increase the domestic production and eventually to displace imports.

## Domestic Consumption

The total consumption was evaluated at 30 000 tonnes in 1991, with a per capita consumption of 9.9 kg. Local production only covers 45% of the national demand. While hams are mostly consumed during the Christmas season, ears, feet and tails are consumed throughout the year. Bacon and sausages are also consumed in limited quantities. The consumption of ears, feet and tails, which are part of the low income person diet, is on the increase.

## Imports

In 1991, Panama imported 9 500 tonnes of processed ham and frozen ears, feet and tails, of which Canada supplied 8 500 tonnes or 90% of their total imports, valued at \$25 million. The remaining 10%, or 1 000 tonnes, came from the USA.

## Exports

Panama does not export pork products.

## Market Opportunities for Canadian Products

With already 90% of total Panama pork imports, increased Canadian sales will largely depend on population growth and increased purchasing power. There is still a good potential in the short and long term for increased sales.

## Major Shows

- |              |  |
|--------------|--|
| EXPOCOMER    | - held in Panama in March of every year      |
| David's Fair | - held in Panama in March of every year      |
| FIAGA        | - held in Panama in May of every second year |



**Access**  
Duty 12% on CIF value  
Quotas only for processed ham  
No special labelling or packaging regulations.

### Transportation and Distribution

Panama is easily accessible by sea and containers are commonly used to move the products from the point of entry to the buyers' facilities. The country has good storage facilities. Canadian exporters can deal through commissioned agents or directly with importers and retailers.

### Recommendations to Canadian Exporters

- To visit Panama and potential customers more often.
- To participate in local fairs and trade missions to Panama.

### Governments and Industry Contacts

#### \* Government

Ministerio Desarrollo Agropecuario  
P.O. Box 1125  
Panama 6

MANGRAFOR SA  
Box 6650  
Panama 5  
Fax (011-507) 205-122

#### \* Industry

Camara de Comercio,  
Industrias y Agricultura  
(Chamber of Commerce,  
Industry and Agriculture)  
P.O. Box 74  
Panama 1

TASOLIE  
Box 6-3005  
Panama 6  
Fax (011-507) 263-127

TZANETATOS INC  
Box 6625  
Panama 5  
Fax (011-507) 601-184

### List of Importers

Tagaropulus Inc.  
Box 6-4000  
Panama 6  
Fax (011-507) 361-620

GAGO SA  
Box 9090  
Panama 6  
Fax (011-507) 292-160

RICAMAR SA  
Box H  
Panama 4  
Fax (011-507) 211-749

### For Further Information Contact:

Commercial & Economic Section  
Canadian Embassy  
P.O. Box 10303  
San Jose, Costa Rica  
Tel: (011-506) 55-3522  
Fax: (011-506) 23-0609  
Contact: Mr. Manuel Ruiz  
Commercial Officer



## PERU

Up to 1990, Peru faced difficult problems with hyperinflation, depression and terrorism. The Fujimori administration, elected in July of that year, made drastic changes liberalizing the market and opening it to free competition. Although in 1992, the Peruvian recession affected most sectors of the economy, including agriculture that had a negative growth, livestock production increased by 3.1% and poultry meat by 13%. Peru still faces some problems with the recession. However, it is believed that the Fujimori government has laid the foundation for a sustained growth.

### Local Production

In 1992, the production amounted to 70 700 tonnes, a 3% increase over 1991. The large hog farms are located near Peru's largest cities, but campesinos' communities in the Andes account for 70% of the total hog population, 2 269 000. Peru's ham and processed pork plants are located in Lima and Callao.

### Government Policies

A renewed confidence in the economic system, the end to price controls, the market liberalization and the reduction of import duties helped to lower the prices of feed ingredients (corn, sorghum, soyameal and wheat).

### Domestic Consumption

Only 10% of the Peruvian production is consumed as table meat, mostly in the Andes region and by low income people in large cities on the coast, while the remaining 90% is processed into hot dog sausages, hams and other smoked and processed products.

The consumption of pork in the largest cities like Lima, which has 1/3 of the population, is low since most hogs are fed on garbage and consumers are afraid of trichinosis. Consumers in middle and upper classes should continue to prefer processed products.

Offal (hearts, tripes, feet and ears) are consumed in large quantities by low income groups. The per capita consumption is of 0.3 kg per year for table meat and 2.9 kg for processed products.

### Imports

Peru did not import in 1992.

### Exports

Peru did not export in 1992.



## **Market Opportunities for Canadian Pork Products**

Although Peru did not import in 1992, the market is opened to imports. The potential exists for lean frozen pork. There is also a good market for hams and frozen offal (ears, feet, lungs, livers and tripes) if the price is competitive. It is possible to increase Canadian sales to Peru through better merchandising in offering a better quality and more variety (fresh, frozen, canned or different cuts or packaging). There is also a good market for packed lean pork chops and hams for the middle and upper class market. In the short term the potential is with offal, with hams in the medium term and with frozen pork chops and ribs in the longer term.

### **Access**

**Duty** 15-18% on pork products and offal

Only packaged hams must bear the name of the processor and the name and address of the importer.

### **Transportation and Distribution**

All modes (air, land or sea) are available to import products into Peru, although most food products enter in refrigerated containers through sea ports. Frozen meat that arrives in refrigerated containers is immediately transported to in-bond storage facilities. There are many warehouses with refrigerating equipment near the port of Callao (close to Lima). Most meat importers have refrigerated trucks which can carry meat, hams, offal from the port of Callao to their plants located within 50 km.

The distribution within Peru is totally handled by importers. There are only two distribution channels for imported pork and offal in Peru, the wholesalers/importers (Frigorificos) and the supermarkets.

### **Recommendations to Canadian Exporters**

Sales promotions of Canadian frozen pork chops and ribs can be organized in coordination with the Wong supermarket chain, the largest in Lima. Offal can be sold to importers (Frigorificos or private slaughter plants equipped with freezing facilities) if prices including import duties, sales tax and profits, are lower than those of local offal. Canadian exporters should ask Peruvian meat and offal importers how they want the products packed.



## **PORK OFFAL IMPORTERS**

**Agro Empaques S.A**  
**Calle Cappa 268**  
**PQue. Internacional de la Ind. y**  
**Comercio**  
**Callao 1, Peru**  
**Tel: (011-51-14) 52-82-89**  
**Fax: (011-51-14) 51-75-81**

**Frigorifico Demesa**  
**Av. Republic de Panama 4151**  
**Lima 18, Peru**  
**Tel: (011-51-14) 45-15-76**  
**Fax: (011-51-14) 47-68-48**

**Frigorifico Ipasa**  
**E. Valenti 688**  
**Lima 13, Peru**  
**Tel: (011-51-14) 74-48-38**  
**Fax: (011-51-14) 77-47-24**

**Frigorifico Pacifico S.A**  
**Av. Argentina 1878**  
**Lima 1, Peru**  
**Tel: (011-51-14) 23-17-95**  
**Fax: (011-51-14) 51-97-34**

**Frigorifico Camal Moderna Av.**  
**Colonial 4444**  
**Lima 1, Peru**  
**Tel: (011-51-14) 52-18-43**  
**Fax: (011-51-14) 64-48-98**

**Harli S.A Planta**  
**Pablo Carriquiri Lima 425**  
**LIMA 27, Peru**  
**Tel: (011-51-14) 41-27-75**  
**Fax: (011-51-14) 42-59-84**

### **For Further Information:**

**Canadian Embassy**  
**Casilla 18-1126, Correo**  
**Miraflores**  
**Lima 18**  
**Tel: (011-51-14) 44-40-15**  
**Fax: (011-51-14) 44-43-47**  
**Contact: Mr. Roger Mailhot**  
**Consul & Trade Commissioner**



## PUERTO RICO

Pork is, after poultry, Puerto Rico's favourite meat. The per capita consumption has increased from 18.9 kg in 1975 to 24.1 kg in 1992. Pork constitutes 29.7% of meat per capita consumption against 20.5% for beef and 48.7% for poultry meat. This present trend is not expected to fluctuate much in the near future. Puerto Rico consumed 85 797 tonnes of pork in 1992, out of which 59 320 were imported, mainly from the United States and Canada. Denmark and Ireland supply a negligible amount.

According to a survey conducted by the Canadian Trade Commission in Puerto Rico, close to 85% of the Canadian pork sold to Puerto Rico comes in through the United States and enters as U.S. products. It is estimated that in 1992 Canada exported to Puerto Rico, directly or indirectly, 10 886 tonnes valued at CIF US\$31.2 million. Pork loins, chops and spareribs from Canada are of very high quality, but not always price competitive. Canada could gain by shipping directly to Puerto Rico. Several local buyers would prefer this and the present 19.2% share, enjoyed by Canada, of the total import market could increase substantially in the near future.

### Local Production

In 1992, Puerto Rico produced 26 478 tonnes of pork, representing 30.8% of total consumption. Production and consumption are not expected to fluctuate much. The local production of meat since 1975 has followed the consumption rate and remained at approximately 30.6% of the overall demand, i.e. local poultry meat fills 40% of the market needs followed by pork at 30% and beef at 22%. Hog producers are subjected to very strict standards and have access to some production subsidies.

### Domestic Consumption

The overall meat consumption in Puerto Rico for the period 1975-1992 has been steadily on the increase. The per capita consumption based on retail weight, has reached 85.6 kg against 61.6 kg in 1975. The economic growth of Puerto Rico along with easier access to foreign markets have been the main contributors to this phenomenon.

The three main meat items consumed on the Island are:

- poultry meat, mostly chicken, with a per capita consumption jumping from 18.9 kg in 1975 to 39.5 kg in 1992. Chicks are imported from the U.S.
- pork showing an increase from 18.9 kg to 24.1 kg during the same period; and
- beef registering a decrease from 18.9 kg to 16.4 kg.

The actual percentage of the overall meat consumption per capita stands at 48.7% for poultry meat, 29.7% for pork and 20.5% for beef. The consumption of other



types of meat does not exceed 1.1% of the overall consumption. Puerto Ricans have incorporated pork consumption into festivities, e.g. during the Christmas Season and Mothers' Day celebration.

Health concern, lifestyles favouring more convenience food products and a growing demand for poultry meat may affect the increase in the future. The share of the market established at 29.7% is not expected to fluctuate much. The local production of pork is expected to remain more or less at its present level.

### **Exports**

Puerto Rico does not export any of the pork produced locally. However, local statistics indicate some exports, approximately 1 134 tonnes. Those are transshipments of products coming from the United States and sent to the Virgin Islands. Some Canadian pork would be included in that amount.

### **Imports**

The local pork industry meets approximately 30% of the market demands. The rest is supplied by the United States, Canada and a negligible amount from Denmark and Ireland. The total pork consumption in 1992 was 85 797 tonnes out of which 59 320 were imported, mainly according to statistics from the United States.

Canadian products coming to Puerto Rico through United States are recorded as U.S. products into the local statistics. According to Statistics Canada data currently available, the total value of meat exported directly to Puerto Rico during 1992 amounts to roughly \$4.3 million, coming mainly from Quebec, with no quantities given. It is assumed that most of that meat is pork. The rest of the Canadian pork consumed on the Island comes in through U.S. channels and although difficult to ascertain it is large.

After an exhaustive enquiry, the Canadian Trade Commission in Puerto Rico has determined that the following figures represent Canadian products coming to Puerto Rico from the U.S.A.. The total quantity, without overlapping, came up in 1992 to 7 250 tonnes valued at approximately US\$ 20.8 million and is estimated to represent close to 80% of the imports from Canada through the U.S., e.g. Atlanta, Miami, Boston, New Jersey, New York, etc. Between 8% and 10% of all Canadian pork exported to the U.S. would end up in Puerto Rico. It is estimated that Canadian products exported directly or indirectly through the U.S. represent approximately 19.2% of total imports and 13.2% of the local pork consumption.

### **Access**

Same requirements as the United States.

### **Major Shows**

Food Fair in April



### **Market Opportunities for Canadian Products**

It is estimated that as much as 40% of the best imported pork cuts, e.g. pork loins and chops come from Canada. Other cuts, e.g. centre cuts, spareribs, hams would represent a lesser percentage of total imports. Canadian bacon is also imported and is considered a favourite among Puerto Ricans. The quality of the Canadian products is better, but prices are unfortunately high due to commissions paid to several intermediaries. Shipping directly from Canada could make Canadian products more price competitive.

Canadian exporters who do not ship directly to Puerto Rico do it for various reasons. Some exporters selling to some Atlanta or Boston based companies are not even aware that some of their exports will end up in Puerto Rico. Others prefer to sell to major American brokers because bureaucratic formalities are dealt with more expeditiously and also products sent to Puerto Rico can be consolidated in larger containers. Goods entering Puerto Rico from the United States are not subjected to Customs paperwork and inspection as it is the case when coming from Canada. However, the addition of one or two more middlemen in shipping pork through the U.S. makes the Canadian products more expensive and less price competitive. Puerto Ricans appreciate high quality pork cuts, but are also price conscious.

Puerto Rico maintains very high health standards in the pork industry and for that reason imports only from countries that meet those standards. Local food brokers and the large supermarkets would buy directly from Canada if volume and quality would be offered at a competitive price. Canada's share of the market could easily double in the short term. Puerto Rico would welcome a more aggressive attitude on the part of the Canadian exporters. Canada has an excellent name and reputation for the quality of its products.

### **Transportation and Distribution**

Products can be landed in Puerto Rico by air or sea. Easy access to retail market because the Island is small.

### **Recommendations to Canadian Exporters**

Canadian exporters should visit the Island in order to get acquainted with the market and to respond adequately to market needs.

### **For Further Information Contact:**

Canadian Trade Commission  
Plaza Scotiabank, Sixth Floor  
273 Ponce de Leon Avenue  
Hato Rey, Puerto Rico 00917  
Tel: (809) 250-0367  
Fax: (809) 250-0369  
Contact: Gerald Milot  
Consul & Trade Commissioner



## TRINIDAD AND TOBAGO

Consumption of pork products in Trinidad and Tobago during the 1986-90 period had been declining due to a decrease in imports which until the end of 1990 had not been compensated by an equivalent increase in domestic production and this would appear to reflect the general reduction in meat supply/consumption in that period. Trinidad and Tobago is close to self-sufficiency in pork supply. Of the approximate \$3 million market for imported pork products, representing 10% of total supply, the US has a 61% market share and Canada is the second major supplier with 32%.

### Local Production

1988	2 973 tonnes
1989	2 286 tonnes
1990	2 443 tonnes

### Domestic Consumption

Total annual consumption (local supply + imports, exports are negligible) amounted to:

1988	3 318 tonnes
1989	2 500 tonnes
1990	2 650 tonnes

The annual per capita consumption is very low:

1988	2.76 kg
1989	2.08 kg
1990	2.21 kg

Pork products are not eaten by the approximately 65 000 muslims, which constitute around 5% of the population. Pig trotters and pig tails in brine are popular in the traditional local cuisine.

Pork consumption levels have been declining from 1987 to 1990. According to official statistics, the total meat supply dropped by almost half from 1986 (15 612 tonnes) to 1990 (8 310 tonnes). This reflects the country's economic difficulties and the major decline in the Gross Domestic Product following the end of the oil boom years. There has been no economic growth since and it is expected that the 1991 and 1992 figures would be similar to 1990.

### Exports

Exports are negligible



**Imports  
For 1991**

	Total tonnes	Canada \$'000	tonnes	Other Suppliers \$'000	
Pork, salted/brine	1 398	2 684	526	911	balance USA
Trotters fresh/chilled					mostly UK,
frozen	349	298	29	30	also Ireland
Other	100	161	11	30	and USA
Bacon	2	25	-	-	balance USA
Hams/shoulders fresh/ chilled	18	66	18	66	all USA
Other fresh/chilled	19	53	-	-	none
Offal frozen	12	17	-	-	all USA
Ham prepared/ preserved	2	11	-	-	all UK
Other preserved	11	7	-	-	nearly all
Other frozen	0.5	5	-	-	Barbados also
					Venezuela
					mostly Barbados
					all New Zealand
<b>TOTAL</b>	<b>1 911</b>	<b>3 327</b>	<b>595</b>	<b>1 056</b>	
Other suppliers					
		USA	1 004	tonnes	\$2 016 127
		UK	238		\$188 486
		Ireland	82		\$67 935
		Barbados	11		\$12 753

**Access**

Customs duty	40%
Stamp duty	15%
Surcharge	35%
VAT	15%

Import licenses are no longer required but the government has placed a surcharge on pork imports to protect the domestic industry.

**Transportation and Distribution**

Product can be exported to Trinidad and Tobago by air and sea.



## List of Major Importers

**Aakanson Trading Company  
Limited**  
Bejucal Road, Cunupia  
Trinidad and Tobago  
Tel: 809-665-3079  
Mr. Naim Khan,  
Managing Director

**Derek Joseph Agencies Limited**  
25 Quamina Street, St. James  
Trinidad and Tobago  
Tel: 809-622-3827  
Fax: 809-628-5634  
Mr. Derek Joseph,  
Managing Director

**Dinanath Maharaj & Sons**  
Cor Gomex & Keate Streets  
San Fernando  
Trinidad and Tobago  
Tel: 809-652-4677  
Fax: 809-652-3317  
Mr. D. Maharaj,  
Managing Director

**Elton Nivet Importers Limited**  
8 Henry Street  
Port of Spain  
Trinidad and Tobago  
Tel: 809-623-3018  
Fax: 809-623-3018  
Mr. Elton Nivet,  
Managing Director

**Copie Samlal Limited**  
Silver Mill Street  
San Juan  
Trinidad and Tobago  
Tel: 809-638-5440  
Fax: 809-674-4160  
Mr. Gopie Samlal, Proprietor

**N.M. Ghany Ltd.**  
5 Broadway  
Port of Spain  
Trinidad and Tobago  
Tel: 809-623-8715  
Fax: 809-624-5991  
Mr. A. Ghany

**Persad's Wholesale & Retail  
Grocery**  
238 Naparima mayaro Road  
St. Julien  
Princes Town  
Trinidad and Tobago  
Tel: 809-655-5172  
Fax: 809-655-6074  
Mr. Hohan Persad,  
Managing Director

**Peter Babwah Import & Export**  
54 Sylvia Street  
Gopaul Lands  
Marabella  
Trinidad and Tobago  
Tel: 809-674-4710  
Fax: 809-658-3995  
Mr. Peter Babwah, Director

**Romike Limited**  
Boundary Rd & Churchill  
Roosevelt Hwy  
San Juan  
Trinidad and Tobago  
Tel: 809-674-4710/6  
Fax: 809-638-2649  
Mr. Michael Valdez, Director

## For Further Information Contact:

**Canadian High Commission**  
P.O. Box 1246  
Port of Spain  
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Fax: (809) 624-4016  
Contact: Mr. Ramesh Tiwari  
Commercial Officer



## VENEZUELA

The Venezuelan pork industry has suffered considerably from the economic adjustment program started in 1990. The contingency arrangement for the purchase of domestic and imported feed ingredients allows the animal feed manufacturers to only import sorghum and soymeal and forces them to use high-priced domestic grains. Furthermore, imports are only authorized on an ad hoc basis and for limited volumes of feed ingredients, denying the manufacturers the possibility of temporary low prices or volume discounts that could enable them to lower production costs. As a result, the pork industry could not take advantage of the low international cereal prices in 1991 and feed production became a major obstacle to the industry growth. An exaggerated surge in pork prices depressed domestic sales to the point that it found itself with 39% of its capacity idle in 1992.

### Local Production

Hog slaughtering generated 105 000 tonnes in 1992 and represented 12% of the total domestic meat production, including poultry. Pork production has been restrained by stagnating consumption, reflecting relatively high prices at retail. Approximately 42% of the pork production goes directly to retail while the remainder is going to the processing industry.

Production in	1988 - 148 000 tonnes
	1989 - 132 000 tonnes
	1990 - 99 000 tonnes
	1991 - 104 000 tonnes
	1992 - 105 000 tonnes

There are 15 large national and foreign (like Plumrose) companies that manufacture locally sausages, salamis, canned ham, cured ham, York ham and other pork products. Most of these pork processing companies are located in the Caracas metropolitan area. The industry's main problems are the lack of local meat supplies and the lack of refrigerated facilities for storage. The pork production over the next five years should reflect the current per capita consumption of about 5 kg per year. It will be adversely affected by chicken prices which will continue to be lower than pork prices.

### Government Policies

The feed industry is regulated by a presidential decree which sets minimum sales prices, tariffs and other limitations on feed ingredient trade (import permits). It is expected that import restrictions will be repealed shortly and replaced by a special tariff rate.



### Domestic Consumption

The per capita consumption of pork-derived products rose from 5.05 kg in 1991 to 5.20 kg in 1992. The Department of Agriculture estimated that output rose only by 1% last year (from 104 000 tonnes in 1991 to 105 000 tonnes in 1992).

Although still lower than beef prices, pork prices have risen considerably as a result of the new economic policy, which has negatively affected the pork consumption already largely restricted in Venezuela to special occasions, like Christmas or the holiday season. Concerns for a healthy diet, characterized by a minimum fat intake, has also helped depress the consumption and will continue to be a major factor in the years to come. Consumption of pork will continue to decline and consumption of processed products will finally determine the fate of the industry.

### Imports

Fresh/frozen pork	6 tonnes	US\$ 2 320
Fresh/frozen liver	314 tonnes	US\$ 164 432
Fresh/frozen/salted bacon	91 tonnes	US\$ 57 417

#### \* 1990 Imports from Canada:

Bacon	57 tonnes	US\$ 36 441
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#### \* January-August 1992 Imports from Canada

Fresh cuts	16 tonnes	CDA\$ 56 000
Frozen cuts	208 tonnes	CDA\$ 712 000

Canadian share of total imports: 14%

US share of 1990 total imports: 81% 333 tonnes US\$ 154 610

### Exports

Venezuela pork exports in 1990:

Fresh/frozen pork	21 tonnes	US\$ 42 658
Hams and premium cuts	12 tonnes	US\$ 33 631
Other frozen cuts	9 tonnes	US\$ 9 027

Destination: all hams and premium cuts were shipped to the Netherlands Antilles and other frozen cuts were exported to Colombia.

### Market Opportunities for Canadian Products

Since July 1992 when the Government introduced a new policy of eliminating import restrictions and gradually lowering duties, there have been good opportunities for all kind of processed and non-processed pork products. There are



opportunities for pork for reprocessing, but very limited expectations for table meat.

#### **Access**

- \* Tariff 20% + 1% Customs' service tax
- \* Certificate

Pork products must be accompanied by a health certificate issued by Agriculture Canada and must comply with local sanitary regulations on quality standards (similar to those in Canada). Products arriving in Venezuela are detained for a maximum of 24 hours and released by the Department of Health and Customs inspectors once they have the assurance that the product is fit for human consumption.

#### **\* Labelling and Packaging**

Packaging materials must be safe and hygienic to preserve the quality of the imported product in a container or on a retail shelf space. Traders dislike to handle heavy packages (12 to 15 kg).

Labels must be in Spanish and include the following information:

- Product name and type
- Weight or volume in metric units
- Country of origin
- Name and address of manufacturer and local importer
- Grade of product
- List of ingredients
- Durable life
- Instructions for use (if necessary)
- Lot number

#### **Transportation and Distribution**

It is preferable to enter by sea in refrigerated containers and the main ports of entrance are La Guaira (close to major pork processors), Puerto Cabello and Guanta. Transport consolidation of shipments to Caracas, Valencia, Porlamar (duty free and trade area), Maracaibo and Barquisimeto is a common feature for distribution through the rest of the country.

Most local importers operate as wholesalers or distributors on a nation wide basis and some importers may ask for exclusive importing rights. Efficient handling of export and transport procedures is vital to succeed in this very competitive market



in which the USA has a strong position.

Importers' terms can vary, but usually offers should be made FOB, although CIF offers may be requested. Payment is generally through a letter of credit (supported by an international trade bank) after the product has landed in Venezuela and has been inspected and approved by local sanitary inspection services. Importers and retailers margins are between 20% and 25% each. Retail prices are about 80% above CIF as a result of operational costs. The primary market areas are the metropolitan Caracas area (36% of the total purchasing power) and other major cities.

### Recommendations to Canadian Exporters

- To establish contact with reliable importers or agents since they are the most promising channel for new entries.
- To invite major local pork importers to visit major Canadian exporters to counterbalance American and Danish influence).
- To enclose a sanitary certificate of analysis, approved by a Venezuelan consulate, of the proposed product with a letter of introduction to the importer.
- If the importer asks for exclusive rights for the product, include a clause in the contract for a minimum volume of annual purchases.
- If you cannot write your correspondence in Spanish, please use English.
- When samples are requested they should be promptly dispatched with a certificate of analysis.
- Enquiries from buyers should be immediately answered.
- Shipments should conform with samples and delivery schedule on which basis the order was placed.

#### Government and Industry Contacts

**Government**  
Ministerio of Agricultura y Cria  
Contact: William Sequera,  
Director of Animal Health  
Tel: (011-58-2) 509-0240

#### Industry

Asociacion de Industriales de la  
Carna (AICAR)  
Contact: Eduardo Blanco,  
President  
Tel: (011-58-2) 239-4474  
Tlx: 21295

Camara Venezolana de la  
Industria de Alimentos  
(Venezuela Food Industry  
Association)  
Contact: Jorge Redmond  
Tel: (011-58-2) 239-9818  
Fax: (011-58-2) 238-3268



## Importers

Chacineria Los Andes CA  
Contact: Jose Alvarez  
Tel: (011-58-2) 751-2222  
Fax: (011-58-2) 751-1657

Charvenca  
Contact: Gabriel Diciano  
Tel: (011-58-2) 212-497  
Fax: (011-58-2) 213-246

Embutidos Paris CA  
Contact: Emilio Paris  
Tel: (011-58-71) 59-058  
Fax: (011-58-71) 57-036

Embutidos Stefanutti CA  
Contact: Aldo Di Gulio  
Tel: (011-58-2) 491-667  
Fax: (011-58-2) 443-6116

Embutidos Schafer SA  
Contact: Mary D'Alesandro  
Tel: (011-58-2) 214-334  
Fax: (011-58-2) 222-109

Embutidos Semosa SA  
Contact: Giacomo Fasce  
Tel: (011-58-51) 455-549  
Fax: (011-58-51) 457-219

Ferris Packing Products CA  
Contact: Elida De Guillermo  
Tel: (011-58-2) 217-031  
Fax: (011-58-2) 228-265

Hermo CA  
Contact: Jose Asiain  
Tel: (011-58-2) 742-412  
Fax: (011-58-2) 741-584

Industria Embutidora Wismar CA  
Contact: Ugo Rosato  
Tel: (011-58-2) 431-3329  
Fax: (011-58-2) 431-3442

Industria Envasadora Nacional  
CA (Plumrose)  
Contact: Hildur Jackobsen  
Tel: (011-58-2) 239-9822  
Fax: (011-58-2) 239-9277

Industrias Ali Menticias Corralito  
SA Contact: Luis Guiacomello  
Tel: (011-58-32) 61-445  
Fax: (011-58-2) 573-5778

Jacusa  
Contact: Ricardo Delgado  
Tel: (011-58-32) 42-726  
Fax: (011-58-32) 45-774

Embutidos Carabobo CA  
Contact: Vittorio Bianco  
Tel: (011-58-41) 319-791  
Fax: (011-58-41) 318-927

Salumificio Ital-Guarico CA  
Contact: Vito Calandriello  
Tel: (011-58-2) 263-0144  
Fax: (011-58-2) 316-415

Venezolana Empacadora CA  
Contact: Eduardo Bianco  
Tel: (011-58-2) 239-5222  
Fax: (011-58-2) 347-058

Veproca  
Contact: Asdrubal Hernandez  
Tel: (011-58-2) 241-0455  
Fax: (011-58-2) 241-2693

Brimara  
Contact: Gunther Brill  
Tel: (011-58-2) 931-266  
Fax: (011-58-2) 941-6319

Diablitos Venezolanos CA  
Contact: Gene Norman  
Tel: (011-58-2) 951-3467  
Fax: (011-58-2) 951-1618

Asociacion Industrial de la Carne  
Contact: Eduardo Blanco  
Tel: (011-58-2) 239-4474  
Fax: (011-58-2) 239-1989

## For Further Information Contact:

Canadian Embassy  
Edificio Torre Europa, Piso 7  
Ave. Francisco de Miranda  
Campo Alegre, Caracas 1060  
Tel: (011-58-2) 951-6166  
Fax: (011-58-2) 951-4950  
Contact: Mr. David Ramirez  
Commercial Officer



Chadwick, Los Angeles CA  
 Contact: Jose Alvarez  
 Tel: (011-52-2) 213-245  
 Fax: (011-52-2) 213-245

Chavez, Los Angeles CA  
 Contact: Gabriel Chavez  
 Tel: (011-52-2) 213-245  
 Fax: (011-52-2) 213-245

Commercial Office  
 Contact: Mr. David Ramirez  
 Tel: (011-52-2) 213-245  
 Fax: (011-52-2) 213-245

Embudos Paris CA  
 Contact: Emilio Paris  
 Tel: (011-52-71) 50-088  
 Fax: (011-52-71) 50-088

Embudos Stanzani CA  
 Contact: Aldo Di Giulio  
 Tel: (011-52-2) 213-245  
 Fax: (011-52-2) 213-245

Embudos Schmitz SA  
 Contact: Mary L. Schmitz  
 Tel: (011-52-2) 213-245  
 Fax: (011-52-2) 213-245

Embudos Semosa SA  
 Contact: Giacomo Semosa  
 Tel: (011-52-2) 213-245  
 Fax: (011-52-2) 213-245

Farms Packing, Los Angeles CA  
 Contact: Elio De Guillermo  
 Tel: (011-52-2) 213-245  
 Fax: (011-52-2) 213-245

Hemo CA  
 Contact: Jose Alan  
 Tel: (011-52-2) 213-245  
 Fax: (011-52-2) 213-245

Industria Embudos Winter CA  
 Contact: Embudos Winter  
 Tel: (011-52-2) 213-245  
 Fax: (011-52-2) 213-245

Industria Embudos Winter CA  
 Contact: Embudos Winter  
 Tel: (011-52-2) 213-245  
 Fax: (011-52-2) 213-245



# CZECH REPUBLIC

Since the Czech Republic only became a nation as of January 1, 1993, we will use the Czechoslovak data and figures as reference.

In the past, Czechoslovakia has always been self-sufficient in pork production despite the fact that per capita consumption has been quite high, 46.8 kg in 1988 and 48.1 kg in 1989. However, with the change to a market-based economy, the situation in agriculture has been considerably modified. A sharp decline in domestic demand for foodstuffs as a result of increasing purchasing power has caused producers to reduce output with temporary shortages of certain animal products being the consequence. As the meat processing industry is still state-owned, it can use its market power to increase the pork prices to consumers. As pork producers curtail production in response to these market conditions, the country may occasionally have to import hundreds or thousands of tonnes of pork. Even if the long term prognosis calls for the per capita consumption in the Czech Republic to fall to between 35 and 40 kg, pork will remain an important part of the daily diet.

## RUSSIA AND CENTRAL / EASTERN EUROPE

### Local Production

Pork production in the new Czech Republic is estimated at about 740 000 tonnes which is about twice as much as in Slovakia (376 000 tonnes). Corresponding figures for total number of pigs in the Czech Republic are 6 380 000 and 2 360 000 sows, 324 000 and 110 000 respectively. In general there has been a little decline in pig production in the Czech Republic in the last few years in the Czech Republic. Furthermore, the per capita consumption (over 50 kg) means that the offer of slaughtering pigs in the near future.



\* Total number of pigs in Czechoslovakia, including private sector

1990	6 471 000	of which sows	2 360 000
1991	6 380 000	of which sows	2 360 000
1992 (July)	6 381 000	of which sows	2 360 000

\* Total number of pigs in Czechoslovakia, including private sector

1989	7 498 000	of which sows	493 000
1990	7 090 000	of which sows	493 000

\* Slaughtered pigs

1990	897 710
1991	756 890
1992 (Jan-May)	311 711



CENTRAL / EASTERN EUROPE  
RUSSIA AND





## CZECH REPUBLIC

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### Local Production

Pork production in the new Czech Republic is estimated at about 740 000 tonnes which is about twice that in Slovakia (376 000 tonnes). Corresponding figures for total number of pigs are 4 598 000 and 2 520 000 and for breeding sows, 324 000 and 180 000. The Czech figures are as of March 1, 1993. In general there has been relatively little decline in the number of pigs in the last few years in the Czech Republic. Furthermore, the higher number of pigs (+ 135 000) over 50 kg means that a higher offer of slaughter pigs can be expected in the near future.

#### ● Total number of pigs in Czechoslovak state farms and cooperatives

1990	6 471 000	of which sows	477 000
1991	6 350 000	"	482 000
1992 (July)	6 361 000	"	481 000

#### ● Total number of pigs in Czechoslovakia, including private sector

1989	7 498 000	of which sows	493 000
1990	7 090 000	"	493 000

#### ● Slaughtered pigs

1990	897 719
1991	756 690
1992 (Jan-May)	311 711



- Pork production (live weight)

1989 1 146 000 tonnes  
1990 1 115 000 tonnes

- Pork production (as final slaughterhouse output)

1989 602 000 tonnes  
1990 594 000 tonnes

### Government Policies

In November 1992, 2 000 tonnes of pork were imported from Germany and the Netherlands on the basis of special measures taken by the Czech Minister of Agriculture to prevent "unreasonable" increase of pork prices by meat processors and retailers. The Minister also established temporary retail prices for pork cuts (i.e. Czech crowns 82.90/kg of pork chops, 90.80/kg of pork steaks etc.) 22.23 Czech crowns to the Canadian dollar.

Those imports were to be frozen and introduced on the market in case the parties involved (farmers, meat processors and retailers) do not follow the ministerial measures and prices rise again. The Minister cancelled the regular import duty of 30% on an exceptional basis for this transaction. Such imports may be repeated in the future, but the removal of the import duty will be decided by the Minister on a case by case basis.

### Imports

Local trade is most comfortable with the import of fresh half carcasses from neighbouring countries due to convenient truck transportation and local preference for fresh meat.

### Market Opportunities for Canadian Products

Pork can be imported from Canada on the condition that prices be competitive. However, it does not seem that there is much chance for Canadian or any other foreign suppliers to export pork to the Czech market in the near future given the present surplus domestic situation. Since Mid-march 1993, the Czech government has decided to purchase 23 000 tonnes from local producers to be exported at a later date.

### Access

Regular import duty 30%

A license is required for every import, but it is automatically issued to all Czech applicants. There are no quotas.



Pork imports can only come from plants approved for export to EC or to the USA, the preference being given to EC approvals, or inspected and approved by Czech veterinary officers. Testing of a pork sample must be made in local laboratories prior to importing pork from a prospective plant, which takes one to two weeks.

Under the association agreement with the EC, a 15% tariff for unlimited pork imports from EC members will only apply to HS codes 0203.19.55 and 0203.29.55 from 1996 onward. Imports of frozen and fresh whole and half carcasses from the EC will continue to be subject to the 30% import duty, thus conferring no advantage to EC exporters.

### List of Importers

#### BOHEMIA FLEISCH LTD.

Evropska 178  
160 67 Praha 6  
Phone: 0042-2-3362869,  
3165205  
Fax: 0042-2-3363409,  
3162702  
Contact: Ing. Ludek Kvizda

#### For Further Information Contact:

Canadian Embassy  
Mickiewiczova 6  
125 33 Prague 6  
Tel: (011-42-2) 312-0251/55  
Fax: (011-42-2) 311-2791  
Contact: Mr. Ross Miller  
Counsellor (Commercial)

#### BOHEMIA FLEISCH

Masha 34  
656 13 Brno,  
Phone: 0042-5-577205  
Phone/fax: 0042-5-339275  
Contact: Dr. Josef Augustyn

#### HERMES TRADING

Pribinova 23  
P.O. Box 82  
810 11 Bratislava, Slovakia  
Phone: 0042-7-212018,  
211696, 214780  
Fax: 0042-7-211550  
Contact: Mr. Tripsky, Mr. Derkaj

#### ANIMALCO Company Limited

Na Kocince 3  
160 00 Praha 6  
Phone: 0042-2-3111-266, 267,  
269, 286, 712, 288  
fax: 0042-2-3111777,  
3111283  
Contact: Ing. Radko Jung



## HUNGARY

Although Canadian exporters sold pork in the value of approximately \$US 4 million in 1992, any increase of Canadian pork shipment is not foreseen in the next years due to adequate self sufficiency at the present level of local demand/supply situation. This is explained by the current recession which influences consumers' food budget. However, later when the economy recovers, increased sales opportunities are expected.

### Local Production

Hungary is a traditional pig breeding country with a hog industry dating back to the 15th century. As early as the 19th century, this industry was already directed and supervised by the pig breeding sector. The country's pig population always was comparable to the human population (i.e. 10.6 million) except for the post World War II years (1945-48) when it decreased from pre-war stock of 5.22 million in 1938 to 1.11 million. Since 1955, the hog population has shown a steady increase until the early 90's as illustrated in the next table.

Year	Pig Population ('000)	Sows ('000)
1938	5 220	612
1945	1 110	214
1955	5 540	638
1960	5 360	407
1965	6 960	571
1975	7 890	590
1985	9 390	678
1990	9 040	679
1991	8 640	596
1992	6 380	494

Compared to most other countries the hog density in Hungary is particularly high (133 per 100 hectares) - EC (74 per 100 hectares) and World (18 per 100 hectares). Only the traditional European pork exporters - Netherlands (670 per 100 hectares), Denmark 330 and Belgium 370 - have a higher hog population density than Hungary. Whereas only 1.1% of the world's pig population can be found in this country, Hungary's share in world's pork production varies between 1.7% and 2.2%.

Despite the pronounced decrease in pig population in 1991/92 caused by various external and internal economic factors (domestic inflation, restructuring the property structure and ownership, the quick collapse of Eastern/Soviet markets for Hungarian agricultural products, etc.) the pork production still achieved 740 000 tonnes.



## Meat Production ('000 tonnes)

Year	Beef	Pork	Mutton	Poultry
1988	237	852	29	438
1989	241	841	24	396
1990	218	793	22	394
1991	199	740	21	260

In value, hog production represents 39.4% of the overall livestock production.

Most of the processing is performed by the 19 county based state-owned meat packing companies. In addition, there are 60 regional meat packing plants operated by agricultural co-operatives and state farms. There are 12 plants slaughtering more than 100 000 hogs per year. In 1991, state meat packing plants slaughtered 5 million hogs while the regional plants did some 2 million. The number of privately slaughtered hogs is estimated at 1.5 million. Four plants located in Western Hungary are EC and USDA approved and can export canned ham. These plants were built in the early 70's with state-of-art Western technology.

With the recent economic and legal restructuring of the agri-food sector, many state-owned plants were put on sale by the State Property Agency for privatization. Other regional plants, formerly co-operative owned, have gone bankrupt and are under liquidation. Western investors have shown an interest for this sector.

### Government Policies

From 1967 to 1971, a large scale "state pig production program" was implemented when 280 large scale specialized hog farms were established. After 1974, the increase in capacity was minimal. At present the production is of a "multi-sectoral character" with large-scale farms accounting for approximately 40% while the privately owned small farms account for the difference. Pig fattening takes place mostly on these small farms, whereas breeding and production of weaners are carried out in the large state-owned units. This pattern may change to the advantage of private farmers, a move which is currently supported by the present government's agricultural policy.

Contrary to other Eastern European countries (i.e. Poland 40% and former Czechoslovakia 30%), the agricultural subsidies in Hungary amount usually to only 10% of the product price. The Agricultural Coordination Committee (ACC), an interdepartmental agency, is responsible for setting the rates of subsidy for Hungarian agricultural exports. With the recent import ban on Eastern European meat and livestock products imposed by the EC on April 7, 1993, and lifted few weeks later, the ACC decided to offer a HUF 17 per kg subsidy for pig halves to encourage the creation of local stocks. (1 \$ CDA = 69.50 HUF). This special



support will be valid until June 30/93 with a gradual phasing out to HUF 22/kg by May 31 and to HUF 5/kg by June 30. The export subsidy on salami, usually 20% was also raised at that time to 30% for 600 tonnes. For 400 tonnes of dried smoked sausages the subsidy went up to 20% from the usual 10%.

In addition to export subsidies, the animal production itself is also supported. The fund for this purpose is valued at HUF 450 million per year, almost equally divided between cattle, swine, horse, poultry, sheep and fish.

World Bank lines of credit totalling \$US 270 million are now available to various programs in the Hungarian agricultural sector. Of this sum, \$US 100 million is allocated to the "Integrated Agrarian Export Program" established in 1990 to improve animal and plant breeding stocks, purchase machinery and equipment and to develop training programs. Credits of up to \$US 10 million from another \$US 100 line of credit, "Products Marketing Improvement Program" opened in 1992, are available to agricultural producers, processors and distributors to develop marketing and distribution.

### **Domestic Consumption**

Pork is by far the most popular meat product in Hungary. In 1992, almost half of the per capita meat consumption (64 kg) was pork (30 kg) followed by poultry (20 kg), beef (7 kg) and other meats (7 kg). There has been a decrease since the mid 80's when the total per capita meat consumption was between 75 and 80 kg, with 42 kg of pork. The consumption is projected to eventually go back to that previous level.

### **Exports**

Before the collapse of the former Soviet Union and the former COMECON, Hungary was ordered to be the major medium quality pork supplier for the Soviet Union (70%), Poland and Yugoslavia (20%) with the rest of quality meat exported to Western European countries, like West Germany. With the recent market changes, the country reoriented its meat exports to West European countries other than Germany and, in the early 90's, the bulk of its 40 000 tonnes exported went to France, Spain, Portugal and the Canary Islands, mainly high quality products such as spare ribs, pork chops and ham. There is a growing market for carcasses and bone-in products in Slovenia and Croatia. Trade with the CIS Republics can only be conducted through barter trade arrangements or on an ad hoc basis since these sales are risky and limited.

### **Imports**

Hungary has been self-sufficient over the years with 25% of its pork production being exported. Prior to the early 90's, no more than one or two thousand tonnes of frozen pork was imported from the EC for industrial re-processing and re-export. The importers had to apply for import permits from a Government committee



composed of representatives of the ministries of Finance, Agriculture, Industry/Trade and International Economics Affairs. In 1992, following the decrease in the domestic hog population (by 30% in 1990 and 26% in 1991), import permits were granted for 12-13 000 tonnes of pork. Around 80% of this one-shot contingent was met by the Netherlands (mainly ham shoulder blade) and from Belgium (hearts and various other offals), the rest coming from Austria and Germany. In 1992, Canadian pork exporters were successful in selling various pork products valued at approximately \$US 4 million.

#### **Access**

Duty - 15% ad valorem, irrespective of parts/cuts and state of processing, on price at point of entry into Hungary.

#### **Market Opportunities for Canadian Products**

Occasionally, when shortages occur or increased export drive/commitment would jeopardize the stability of the local supply, selected pork products can be imported from Canada on the following conditions:

- health and sanitary certificates be accepted by local authorities
- prices quoted on a CIF basis be competitive with those of European competitors (Netherlands, Belgium, etc.)

The outlook for the second half of 1993 is somewhat dim. However, in coming years the economy is supposed to recover and may bring about a situation where the local demand will not be met by the local production which will be limited by the hog production cycles.

#### **Trade Show**

Foodapest - will be held Nov. 23-26, 1994. It is held every second year. It is the only food industry oriented show dealing also with the meat industry. In addition to Hungarian exhibitors foreigners are also welcome.

#### **List of Importers**

In principle, there are about 100 trading companies to which the Hungarian Government granted a meat import licence. The three major importers are:

##### **TERIMPEX**

Karolyi M. U. 9  
H-1055 Budapest  
Contact: Mr. Gyula Zam,  
Managing Director  
Tel: (011-36-1) 117-6434/117-5011  
Fax: (011-36-1) 117-3179

##### **MEATEX Co. Ltd**

Nador U. 36  
H-1051 Budapest  
Contact: Ms. Eva Kollar,  
Managing Director  
Tel/Fax: (011-36-1) 361-131 or  
269-2850

##### **Kolos Trading and Venture Ltd.**

Jokai U. 2  
H-1066 Budapest  
Contact: Mr. Janos Toth,  
Managing Director  
Tel: (011-36-1) 117-3166/269-2850  
Fax: (011-36-1) 117-3077



An up-to-date list of these trading companies is available upon contacting directly the following organization:

National Meat Council  
Garas U. 8/10  
H-1026 Budapest  
Contact: Dr. Gyulia Koch,  
Deputy Director General  
Tel: (011-36-1) 135-8143/136-3580  
Fax: (011-36-1) 135-4754

**Government and Industry Contacts**

National Union of Meat Processing Plants  
Szechenyi Rakpart 6  
H-1054 Budapest  
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National Meat Council  
Garas U. 8/10  
H-1026 Budapest  
Contact: Dr. Gyulia Koch,  
Deputy Director General  
Tel: (011-36-1) 135-8143/136-3580  
Fax: (011-36-1) 135-4754

**For Further Information Contact:**

Canadian Embassy  
Budaskezi ut 32  
H-1121 Budapest XII  
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Fax: (011-36-1) 176-7689  
Contact: Mr. Jean-Yves Dionne  
Counsellor (Commercial)



## POLAND

1992 was the third year of economic transformations in Poland. The situation in agriculture is, however, as in all sectors of the Polish economy, still far from stable. As a result of adjustments to new conditions, agricultural production (including meat sector) and prices were subject to many fluctuations and changes. A severe drought and serious farmers protests were the new elements of 1992, which additionally affected Polish agricultural reality and policy. Total agricultural production dropped in 1992 by 11.9% in comparison to 1991 (mostly in plant production -20%, only 3.9% in animal production).

### Local Production

At the end of 1992, the total hog population amounted to 21 078 000. This is an increase of 1.7% over 1991 (an increase of 6.3% in the private sector and a decrease of 16.7% in the public sector). The total pork production amounted to 2 630 000 tonnes.

Taking into consideration the unprofitable relation between the price of swine feed, which increased by 150-160% in 1992, and the price of pork, which only increased by 19% during that period, it is expected that the pork production will decline in 1993. It is predicted, based on the structure of the hog population, that for the first six months of 1993 the number of hogs being slaughtered should remain at the level of 1992, but should considerably decline in the second half of the year. Over 80% of the hogs are produced on private farms, the balance comes from state farms and cooperatives. The production is almost evenly located in all of Poland.

The processing industry is dominated by the state-owned sector with 60 firms controlling about 80% of the market. The majority of the large Polish meat processors are well integrated, possessing their own slaughtering, processing and canning facilities. They are mainly concentrated in central, north-central and south-eastern Poland. Small and medium sized private enterprises have started to operate all over Poland in the last 2 to 3 years.

### Government Policies

There are no subsidies, production incentives or direct price support schemes. The Polish government does have a policy to protect the local production which includes the following elements:

- intervention purchases (securing the minimum price of slaughter hogs and maintaining a proper level of meat stocks) from local producers by the state-owned Agricultural Market Agency;
- low-interest credits and interim suspension of import duties on animal feed



(special measures taken within the governmental program intended to fight the effects of the severe drought which affected Poland in 1992).

The Polish Ministry of Agriculture also plans to introduce variable levies on imported food products, but the details are still being discussed.

### Domestic Consumption

In 1991, the per capita consumption amounted to 42 kg. Local production has always exceeded local demand and imports have usually constituted a means to diversify the market and a source of less expensive supply. Traditionally, pork has been Poles' favourite meat. Per capita consumption figures for 1991 prove it: pork 42 kg, beef 15.6 kg, poultry 8.2 kg, fish 6.2 kg. This situation is not likely to change in the near future. Only a dramatic change in price relationships (pork vs other meat) could alter the above proportions.

### Imports

#### State Sector

In 1991, imports of unprocessed pork amounted to 27 603 tonnes valued at zl. 533.7 billion (the average exchange rate in 1991 for 1 Cdn\$ was 8 500 zlotys), of which 1 614 tonnes or 5.8% came from Canada.

- Half-carcasses 17 852 tonnes (Hungary 5 559, Germany 5 401, Finland via Germany and Sweden 4 524)
- Cuts 8 721 tonnes (Sweden 2 137, USA 2 035, Canada 1,614)
- Other 1 030 tonnes (Germany 907)

In addition, Poland imported 2 988 tonnes of canned pork, valued at zl. 121.5 billion, mostly from the Netherlands (via the UK) and Ireland (via Sweden, the Netherlands and UK).

#### Private Sector

In 1991, this sector imported pork products valued at zl. 403 billion, but no figures on quantities are available.

- Carcasses & half-carcasses zl. 251 billion (Hungary, Germany and Austria)
- Cuts zl. 47 billion (Germany, Denmark)
- Others zl. 101.8 billion



## Exports

### State Sector

In 1991, this sector exported 2 106 tonnes valued at zl. 57 billion. According to Polish statistics, none of it was exported to Canada.

- Half-carcasses 1 088 tonnes (USSR 653, Germany 398)
- Cuts 1 013 tonnes (Italy 652, Sweden 218)

- Others 2.6 tonnes

In addition, 6 292 tonnes of canned pork (zl. 328 billion) were exported (USA 5 904 tonnes, Puerto Rico 310) as well as 518 tonnes of bacon (zl. 17 billion).

### Private Sector

These exports were valued at zl. 5.26 billion and constituted only 8.3% of the total Polish pork exports. The major destinations were Germany, Italy, Czechoslovakia and Switzerland.

### Market Opportunities for Canadian Products

Both high quality (lean pork) and lower-end products should be considered. The decline in local production in the second half of 1993 may create greater demand for imported meat in the short term. Long term potential is difficult to assess due to the unstable situation created by the emergence of free market (same applies to import policy, import and distribution channels still in "shaping up" phase).

### Major Shows

In Poland: POLAGRA - Agri-food industry fair in Poznan (October of every year)

Both producers and exporters from competing countries (mostly Germany, the Netherlands and Denmark) take an active part in the POLAGRA FAIR. They also organize solo shows for Polish customers, sponsored by national/regional ministries and chambers of commerce).

### Access

The current import duty on pork from non-EC countries varies between 35 and 40% depending on the type of product (EC members enjoy a preferential treatment). Except for import licenses, based on veterinary certificates, there are no other non-tariff trade barriers, but as mentioned earlier, the Polish Ministry of Agriculture plans to introduce variable import levies on some imported food products (probably meat will fall under this category). Regulations concerning packaging and labelling are in the process of being modified to resemble those of the EC. This should also happen to the environmental legislation.



Under the Poland-EC Association Agreement, EC members enjoy some preferential treatment in the form of partially reduced import duties and levies (if and when introduced).

### **Transportation and Distribution**

All transportation modes (air, sea, land via Europe) are available to bring products into Poland. It can be further moved from the point of entry to the consumers by air, rail and road. Large processors/importers usually have their own warehouses, cold storage and sometimes in-bound storage. Smaller ones use rented facilities.

The distribution network has not been fully established yet. It has developed spontaneously over the last 2-3 years. Typically for a transition period, all forms of import/distribution still operate: the old ones of the centrally-planned economy and those matching Western patterns of a free market economy. In the near future, channels adequate for free market operation (agents, brokers, wholesalers, etc.) will dominate, while the others e.g. direct deliveries from producer to retail should disappear. The Polish market is still shaping up. Sources and channels for imported products are still being looked for and modern equipment and technology are still being sought.

### **Recommendations to Canadian Exporters**

More active marketing and an increased presence is required in this market. More frequent and direct mail or personal contacts with potential buyers (importers, distributors, large processors) are indispensable. To some extent participation in a fair is also suggested.

### **Government Contacts**

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Ministry of Agriculture  
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00-930 Warsaw  
Tel: (011-48-2) 623-2333  
Fax: (011-48-2) 623-2750

Agricultural Market Agency  
ul. Wspolna 30  
00-930 Warsaw  
Tel: (011-48-2) 623-1664  
Fax: (011-48-2) 628-9353

AGRICOOOP  
Al. Jerozolimskie 27 -  
00-508 Warsaw  
tlx 817908  
ph 011-48-22-210-840  
fax 011-48-22-211-844

### **IMPORTERS**

Department of Food Processing  
Ministry of Agriculture  
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Tel: (011-48-2) 623-1537  
Fax: (011-48-2) 623-2750

ANIMEX  
ul. Chalubinskiego 8  
00-613 Warsaw  
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fax 011-48-22-300-537

BACONEX  
ul. Wyzwolenia 13A  
86-141 Lniano  
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**KONSBUD**  
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**PEKPOL**  
ul. Chocimska 28  
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fax 011-48-22-498-338

**POLCOOP S.A.**  
ul. Kopernika 30,  
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tlx 814451  
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fax 011-48-22-271-053

**PROVIMEX**  
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tlx 054160  
ph 011-48-58-783-272  
fax 011-48-58-783-349

**ROLMEX S.A.**  
ul. Piekna 68  
00-672 Warsaw  
tlx 813259  
ph 011-48-22-212-721  
fax 011-48-22-292-792

**PPH RIKOL**  
ul. Slowakiego 8  
42-300 Myszkow  
ph 011-48-376-131-028  
fax 011-48-34-651-228

**WAWEL AGENCY**  
Tatynia nr 59  
72-015 Police  
phone and fax  
011-48-91-176-339

**For Further Information Contact:**

**Commercial Division  
Canadian Embassy  
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Fax: (011-48-22) 29-64-57  
Contact: Ms. Hanna Mroz  
First Secretary (Agriculture)**



## ROMANIA

1992 was the third year of economic transformation in Romania, and the situation in agriculture is, as in all sectors of the Romanian economy, still far from stable. Agricultural production (including the meat sector) and prices were subject to many fluctuations and changes as producers adjust to the privatization of agriculture and the disappearance of the centralized control of the economy. A severe drought additionally affected the Romanian agricultural production while severe foreign exchange shortage prevented the importation of feed grains, veterinary medications and other inputs.

### Local Production

At the end of 1992, the total hog population amounted to 9.8 million head. This is a decrease of 15.5% over 1990. The total pork production amounted to 488 523 tonnes in 1992 as compared to 616 321 tonnes in 1990, a decrease of 20.7%. There is a downtrend in the swine population due to a number of factors including the shortage of proper feed, the reorganization and privatization of the sector, and of the increased quantity needed to satisfy the consumers. The Ministry of Agriculture and Food intends to stabilize the hog population at a minimum level of 10 million head.

In 1992, the self-sufficiency level was 108%. Although there are slaughterhouses all over the country, the major packers for exports are in Timișoara, where relatively modern facilities are available.

### Government Policies

There are no subsidies, production incentives or direct price support schemes. The Romanian government does not yet have a well developed policy to protect and encourage local production, but a few elements are in place such as:

- intervention purchases by the state-owned agricultural market agency guaranteeing a minimum price for slaughter hogs of Lei 340/kg live weight, and maintaining a proper level of meat stocks from producers:
- low interest credits to agricultural producers with banks charging 15% interest rate per year versus the normal interest rate to non-agricultural borrowers of 65% to 70%; and
- interim suspension of import duties on animal feed.

### Domestic Consumption

In 1992, the apparent disappearance (production + imports - exports) amounted to 453 731 tonnes (488 523 + 0 - 34 792) for a per capita consumption of 19.8 kg.



The country's population was 22 893 647 at the end of the year. Traditionally, pork has been Romanians' favourite meat. This situation is not likely to change in the near future. Only a dramatic change in price relationship (pork vs other meat) could alter present propensity for pork.

Recently, subsidies for a number of products were removed and prices for these products rose sharply, while wages were increased only proportionately. As a result, consumption will tend to decrease over the short term, and will only return when the price relationship of pork with alternative proteins is established.

### **Exports**

Romania exported 34 792 tonnes in 1992. The government does not offer any export incentives at the present time. The EXIM Bank of Romania is developing export support programs, but these will not be applicable to agricultural products.

### **Imports**

Romania did not import in 1992. Any bulk imports would be undertaken, at the current time, by the state importing agency

Prodexport S.A.

1-3 Valter Maracineanu Plaza  
Bucharest

Contact: Mihai Sturz, General Manager

Tel: (011-40-1) 615-6728

Fax: (011-40-1) 615-2107

The outlook for any imports of non-specialty products is minimal

### **Market Opportunities for Canadian Products**

Given the current supply situation, there is little reason to import pork. There are some special sausage products being imported for the non-Romanian residents, but these are of little value and cannot be identified in the statistics. Canadian suppliers could compete in some specialty products but it is doubtful whether a full marketing effort would be justified. Participation in major international food exhibitions such as SIAL and ANUGA may achieve the required publicity as Romanian private importing companies are attending such exhibitions.

An exporter looking at Romania as a market for pork products would need to have an agent or find a private importer who has access to cold storage facilities and has already established links with the recently growing number of individually owned supermarkets who could be purchasers of such specialty products. With the small number of small sales, direct selling to individual retailers would not be practical.



## **Access**

Duty 20% ad valorem

Romania has recently signed an associate membership agreement to the EC and an accession agreement to the EFTA. As such, access for Canada will be affected by the tariff free status of European countries.

## **Transportation and Distribution**

All modes are available to land product in the country and to move product from the point of entry to consumer.

## **For Further Information Contact:**

**Canadian Embassy**

**P.O. Box 2966**

**Post Office N° 22**

**71118 Bucharest**

**Tel (011-40-1) 312.03.65**

**Fax (011-40-1) 312.03.66**

**Contact: Mr. Thomas D. Greenwood  
Counsellor (Commercial)**



## RUSSIA

The efforts by Russia to cope with a severe economic collapse and at the same time to begin introducing market reforms and democratic process pose significant challenges for the country. One of these challenges is how the government might best respond to continued food shortages. Large 1992 food price increases and mounting economic uncertainty further raise the spectre of social and political tension.

Having reoriented its imports to foodstuffs and prime necessity items, Russia is going to import US\$ 700 million worth of food products to meet the country's needs in 1993. To boost food supplies, the Russian leaders will continue to seek foreign assistance to cover the food import needs. For example, in 1993 the Russian meat processing industry's requirements to produce consumer-ready food products can only be met at 70% by supplies of domestic raw materials.

Russian officials are aware that exporting countries are eager to sell their agricultural surpluses to such a large market. The European Community, France, Germany, Turkey, Canada, the United States and other countries provided credits, guarantees and food aid to cover Russia's, as well as the Commonwealth of Independent States' (CIS), food needs. These countries, by year end 1991, had announced approximately US\$ 7 to 8 billion in food assistance to the CIS. Through 1992, additional credits, guarantees and donations extended by the governments of exporting countries continued to determine the level of CIS food imports. The World Bank estimated that all the former Soviet Republics would need another US\$ 6 billion in external financing to cover their food needs during the last half of 1992.

Food shortages in the country reflected a fall in the agricultural output; a breakdown in the way harvested agricultural commodities were stored, transported and processed; food distribution problems and low hard currency reserves for food imports. The ruble's collapse, restrictions on food shipments between republics, food hoarding and panic buying further exacerbated these problems. Shortages are particularly noted in meat, dairy products and sugar.

Nevertheless, to some degree, the short supplies in state stores were offset by foodstuffs that farms and their workers sold in private markets, but at much higher prices. Imports also helped relieve shortages.

### Local Production

In the past two years the domestic food industry produced 69 kg of meat per capita per year (carcass weight) and an additional 5 kg per person, or 1.5 million tonnes, were imported. Pork represented about 34% of the total meat production, beef 43%.



Since 1990, the situation in the meat processing sector has deteriorated. The output of the industry has declined by 20%. In 1993, only approximately 70% of the meat processing industry's requirements will be met by domestic supplies. It means that the industry needs at least 300 000 tonnes of pork for processing. To boost meat supplies, the leaders of the industry are going to request that the Russian government must increase pork imports for processing. The industry is not supportive of importing consumer ready pork products to protect itself from foreign competition and provide jobs to Russian workers.

The relationship between the distribution and production sectors is not direct and this remains an unfortunate reality. 20 million head of cattle were destroyed this year because of disease and feed problems, exacerbated by the disintegration of state and collective farms. However, only a 20% reduction in actual product availability is noted.

### **Domestic Consumption**

Rationing of some food products exists, but the rationing of products as a result of shortages varies between cities and regions. Increased food availability to some degree reflects a cutback in consumer consumption in response to large price increases and shift in consumption pattern from the most expensive meat and dairy products to such basics as bread and potatoes.

According to different surveys, in the end of 1992 the consumption of meat and meat products decreased by 16 to 50% per person compared to the end of 1991.

Currently, the food situation has changed: attention now has largely shifted from food availability to its affordability. For the poor (the elderly and disabled on fixed incomes, large families, students and other vulnerable groups) almost all of the monthly income goes towards purchasing food. This is also the case for many that earn average wages who have seen their living standards worsening as prices on all consumer goods have soared.

### **Imports**

The state trade, including the retail trade, is interested in importing cheap meat products as the high prices might not be affordable for the majority of consumers. Canned products are rejected because of the cost, as well as concerns about fraud and corruption.

In general, there are three principal ways to conduct business in Russia:

### **Foreign Trade Organizations**

When a state order is issued to import, Prodintorg, one of the foreign trade organizations, V/O in Russian, concludes contracts with foreign suppliers through its specialized firm "Myaso". Prodintorg is one of the largest meat buyers on behalf



of the government. The state order is only drawn up in February and product specifications are available when released.

Another V/O, Rosvneshtorg, can also purchase pork. It differs from Prodintorg as it is using hard currency and must be self-financing. Real mistrust of trade organizations, even Prodintorg, remains as perception still exists that state interests are not being upheld in all negotiations.

#### Regional Authorities

For various reasons, the central government has provided some regional authorities with the power to use state credits for its needs. (For example, St. Petersburg was allocated Spanish credit). In this case, the local authority can select partners, define the form and nature of the cooperation, negotiate prices and other contractual terms.

Prodintorg, like any other trade organization, is experienced in foreign trade. It was granted the authority to trade with foreign partners under the new economic reform and may be chosen to use these credits.

#### Local and Private Organizations

Russia is also reorganizing its foreign trade system by giving direct export and import authority to some local state and private enterprises and associations.

"The Insurance Foodstuffs Fund" is a newly created unit founded by the Russian manufacturers and Entrepreneurs Union, the All-Russian Centre, the International Science Foundation and some commercial banks and public organizations. It is actively doing business in purchasing foodstuffs, including meat products inside the CIS and abroad. It may be a good buyer of pork and pork products. It is conducting foreign trade autonomously, assigning 2-3 year contracts for imported meat and meat products. Among its partners there are companies from France, Spain, China and others. The Fund managed to resolve problems of transportation, distribution and storage through Russia and the CIS.

#### Transportation and Distribution

The former central food distribution have virtually disintegrated after most food price controls were lifted in January 1991. As a result throughout Russia, as well as much of the CIS, new mechanisms appear to be emerging to make food supplies more available in Moscow and other major cities.

In order to economize hard currency, Russia prefers to use its own shipping services. Transportation, storage and refrigerating facilities are not used at full capacity and this situation could continue into next year. It is felt that for short-term procurement Russia more or less possesses enough facilities to handle and hold imported meat.



## **Recommendations to Canadian Exporters**

The usual way to contact potential customers is to participate in the international exhibitions held in Moscow. Exhibitions organized by different companies, including specialized foreign trade organizations, offer means for showing products and developing contacts with potential end-users and foreign trade buying organizations. Commercial centres, joint chambers of commerce and consulting companies can assist in arranging initial meetings with Russian trade partners and in providing other marketing support services. Specialized seminars held by a number of organizations may be a proper step to become acquainted personally with the situation.

### **For More Information Contact:**

**Canadian Embassy**  
**Starokonyushenny Pereulok 23**  
**Moscow 12100**  
**Tel: (011-7-95) 241-5070/241-5882/230-2156/241-1111**  
**Fax: (011-7-95) 241-9034**  
**Contact: Ms. Margaret Skok**  
**First Secretary (Agriculture)**



## BELGIUM

Belgium is a member of the European Community (EC).

### Local Production

As of December 1, 1991, there were 16 331 hog farmers and 6 532 846 hogs, a 2% increase over 1990.

### Market Hogs (head)

• less than 20 kg	1 726 753
• 20-30 kg	1 739 478
• 30-40 kg	1 739 478
• over 40 kg	914 366

## WESTERN EUROPE AND AFRICA

### Breeding Hogs over 50 kg (head)

• boars	19 657
• sows	730 061


There were 10 001 355 hogs slaughtered in 1991, an increase of 15% when compared to 1990, for a total production of 907 659 tonnes, carcass weight. The level of self-sufficiency was 185.91%.

### Domestic

In 1991, total production amounted to 907 659 tonnes, which is 185.91% of domestic consumption.

### Exports

In 1991, Belgium exported 477 011 tonnes, almost exclusively to the other EC members. 477 011 tonnes.



Germany	14 300
France	15 200
Italy	87 300
Netherlands	30 200
United Kingdom	15 100
Portugal	9 600
Spain	7 300
Greece	4 400
Ireland	800
Denmark	300



### Recommendations to Canadian Companies

The usual way to contact potential customers is through the international exhibitions held in Moscow. But there are other ways to find contacts, including specialized foreign trade organizations, trade fairs, trade products and engineering contacts via the press, and direct mail. Many of these organizations, Canadian companies, trade fairs and engineering and consulting companies can assist in contacting potential customers and partners and in providing other marketing and promotional services. Services are provided by a number of organizations and individuals, but most are not available personally with the situation.

## WESTERN EUROPE AND AFRICA

For More Information Contact:

Canadian Embassy  
2000 Avenue des Canadiens  
Montreal, Quebec  
Tel: (514) 393-2222  
Fax: (514) 393-2222  
Cable: CANADA  
Post Office Box 1000





# BELGIUM

Belgium is a member of the European Community (EC).

## Local Production

As of December 1, 1991, there were 16 331 hog farmers and 6 532 846 hogs, a 2% increase over 1990.

## Market Hogs (head)

• less than 20 kg	1 726 753
• 20-50 kg	1 739 478
• 50-80 kg	1 402 531
• over 80 kg	914 366

## Breeding Hogs over 50 kg (head)

• boars	19 657
• sows	730 061

There were 10 001 855 hogs slaughtered in 1991, an increase of 15% when compared to 1990, for a total production of 907 659 tonnes, carcass weight. The level of self-sufficiency was 185.91%.

## Domestic Consumption

In 1991, total consumption amounted to 497 901 tonnes for a per capita consumption of 47.99 kg.

## Exports

In 1991, Belgium exported 477 013 tonnes of pork, almost exclusively to the other EC members, 465 000 tonnes.

Germany	194 300
France	115 200
Italy	87 800
Netherlands	30 200
United Kingdom	15 100
Portugal	9 600
Spain	7 300
Greece	4 400
Ireland	800
Denmark	300



## Imports

In 1991, Belgium imported 56 871 tonnes of pork, most of which from other EC members, 55 100 tonnes.

Netherlands	27 400
France	15 600
Germany	6 400
Italy	3 300

## Access

EC import requirements apply

## Market Opportunities for Canadian Products

Given the current EC import regime, the excess supply and the current low pork prices, there are virtually no opportunities for Canadian pork products, except for offals.

## Transportation and Distribution

Belgium has a highly developed transportation and distribution network.

### Government and Industry Contacts

Ministry of Agriculture  
Agricultural Economics Institute  
Manhattan Centre Office Tower -  
21e Verdieping  
Bolwerklaan 21  
1210 Brussels  
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7636

ONDAH (National Bureau of  
Agricultural and Horticultural  
Marketing)  
Leuvenseplein 4  
1000 Brussels  
Tel: (011-32-2) 210-1711  
Fax: (011-32-2) 218-4667

BIVEX (Industry Association for  
International Meat Trade)  
Rue du Lombard 57, 8th Floor  
1000 Brussels  
Tel: (011-32-2) 502-4221  
Fax: (011-32-2) 502-4224

### Meat Importers

Akymur NV  
Veldstraat 79  
Roeselaere  
Tel: (011-32-51) 20 90 84  
Fax: (011-32-51) 20 38 55

AMIC NV Antwerp Meat Import  
CY NV  
Industriepark Noord 21  
2700 Sint Niklas  
Tel: (011-32-3) 776-2675  
Fax: (011-32-3) 777-5448

AND-IMEX NV  
Schipstraat 29  
Rue Ropsy-Chaudron 24, B 31  
1070 Brussels  
Tel: (011-32-2) 522-3426  
Fax: (011-32-2) 521-9472

Beldal SA  
Rue Van Boeckel 15  
1140 Brussels  
Tel: (011-32-2) 242-7271  
Fax: (011-32-2) 242-7271

Belex Cargo  
Chaussée de Haecht 1311  
1130 Brussels  
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Fax: (011-32-2) 242-3408

Bison  
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6600 Bastogne  
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Faco Foods SA  
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 4884 Goe

Fribona PVBA  
 Vliegweg 23  
 8020 Oostkamp  
 Tel: (011-32-50) 82 56 71  
 Fax: (011-32-50) 82 71 64

Gowpy PBVBA  
 Kortrijksesteenweg  
 1198 9820 Gent  
 Tel: (011-32-9) 222-2420

Van Baalen en Zonen PVBA  
 Steenweg op Bergen 144  
 1070 Brussels

**For Further Information Contact:**

Canadian Embassy  
 2, avenue de Tervuren  
 1040 Brussels  
 Tel: (011-32-2) 735-6040  
 Fax: (011-32-2) 735-3383  
 Contact: Mr. Francis Keymolen  
 Commercial Officer



## DENMARK

Denmark is among the world's leading exporters of pork, bacon and pork products. It is a major competitor to Canada. The country has successfully eradicated all serious pig diseases and sells its products on the basis of quality and cut to meet individual customer requirements in over 100 markets, primarily the EC, but is the second largest supplier to Japan and supplies the USA too. Denmark has achieved its export success in world markets primarily through being highly focused and very flexible in production.

### Local Production

Slaughtered hogs (in million)

\* by Danske Slagterier (Danish Pork and Bacon Council slaughterhouses)

1988	1989	1990	1991	1992
15.8	15.5	15.9	16.3	17.7

\* by other slaughterhouses

(88/89) .3	(89/90) .4	(90/91) .6	(92) .8
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\* total Denmark

1989	1990	1991	1992
15.8	16.3	16.9	18.5

It is anticipated that the Danish production will increase by 5-6% in 1993, but could decrease in 1994 due to worsening production economic conditions.

The self-sufficiency ratio reached 366.1% in 1990. The Danish hog producers pay a mandatory production levy of Dkr 7 per pig. In the financial year October 1, 1990 to September 27, 1991, this amounted to Dkr 237 million. Of that amount 29.2% or 56.1 million Dkr went to the Meat Research Institute and 32.2% or 61.8 million Dkr went to primary production, research and development.

### Government Policies

The Danish Government only provides some support to research.

### Domestic Consumption

The population of the country was 5.1 million in 1990 and the per capita consumption for that year was 64.2 kg. Pork is by far the most popular meat product in Denmark, due both to traditional eating habits and its very low price. It is attractively packaged regardless of cut. Danske Slagterier operates generic educational campaigns to stimulate consumer and youth interest.



## Imports

Imports are usually low-end and "offered" to Danish consumer at discount cost, while the Danes sell their superior product abroad. In 1991, Denmark imported 31 601 tonnes, of which 24 891 tonnes came from Germany, 17 164 of that was lard.

## Exports

In 1991, total Danish exports amounted to 1 001 193 tonnes of which 4 397 to Canada.

### \* 1991 Danish Exports (in tonnes)

	Fresh/frozen/ bacon (inc. live hogs)	Canned/ processed	By-products	Total
● EC	480 275	86 983	84 097	651 354
of which				
Greece	9 807	3 768	23	13 598
Spain	3 474	581	1 421	5 477
Portugal	3 086	191	1 857	5 123
● Other Western				
Europe	10 972	14 060	9 989	35 021
of which				
Sweden	7 516	1 818	8 461	17 795
Canary Isl.	122	7 869	51	8 041
● Eastern Europe	2 637	16 874	1 138	20 649
of which				
Poland	2 537	4 789	176	7 502
Soviet Union	3	10 508	0	10 510
● Middle East	111	3 960	154	4 225
● USA	49 586	34 165	2 850	86 601
● Canada	4 267	57	73	4 397
● Central America	5 374	15 334	3 153	23 859
of which				
Puerto Rico	2 436	8 450	0	10 885
● South America	1 362	905	306	2 572
● Africa	93	622	1 584	2 300
● Japan	139 861	6 982	3 997	150 842



● Other Asia	5 604	8 239	2 068	15 910
of which				
South Korea	4 313	1 141	214	5 667
Singapore	441	2 920	975	4 335
● Oceania	667	2 688	39	3 394
● Unknown	67	1	0	69
<b>TOTAL</b>	<b>700 878</b>	<b>190 868</b>	<b>109 447</b>	<b>1 001 193</b>

\* EC Restitutions (export refunds), Dkr/kg

A) Deboned fresh/frozen  
(Average during the year)

	Hams/Loins Max 3mm fat	Fore-ends/ Hocks	Hams/Fore-ends Hocks/Loins over 3mm fat	Bellies Max 7mm fat	Over 7mm fat
1988	4.44	4.00	4.00	3.55	3.11
1989	2.86	2.68	2.59	2.14	1.88
1990	2.32	2.32	2.32	1.52	1.52
1991	2.69	2.69	2.69	1.80	1.80
USA and Canada					
1988	2.22	2.22	2.22	1.79	1.79
1989	1.88	1.88	1.88	1.43	1.43

B) Processed Products (Average during the year)

	Sausages Dried	Canned Hams	Canned Shoulders	Lunch Meat
1988	5.15	5.33	4.80	3.38
1989	5.18	5.25	2.41	3.32
1990	5.19	5.10	3.07	3.22
1991	5.21	5.12	4.58	3.23
USA and Canada				
1988	5.15	5.07	4.53	3.20
1989	5.18	5.09	2.41	3.21



## List of Trading Companies

Below is a list of some Danish trading companies through whom Canadian Exporters might supply previous Eastern European Markets.

### ESS-FOOD (Marketing Arm of DS)

Axeltorv 3,  
Axelborg  
DK-1609, Copenhagen  
Tel: +45 33 11 56 00  
Fax: +45 33 11 47 72  
Contact: Mr. Jens Josefsen, Director  
W. Tiedeman

DAT-SCHAUB,  
Flaesketorvet 41,  
DK-1711 Copenhagen V  
Tel: +45 31 31 20 33  
Fax: +45 31 31 13 43  
Contact: Lars Bo Hansen

DANPOL COPENHAGEN APS,  
Nordre Toldbod 29,  
DK-1259 Copenhagen K,  
Tel: +45 33 14 04 78  
Fax: +45 33 14 67 71  
Telex: 22969 DANPOL  
Contact: Lea Konig

JOHS. GRAM-HANSSSEN A/S,  
Landskronagade 66,  
DK-2100 Copenhagen OE,  
Tel: +45 31 29 80 80  
Fax: +45 31 29 60 50  
Contact: Jens Rasmussen

EURODAN APS  
Nordre Toldbod 17,  
DK-1259 Copenhagen K  
Tel: +45 33 14 08 43  
Fax: +45 33 14 08 74  
Contact: Henrik Thomsen

### For Further Information Contact:

Canadian Embassy  
Kr. Berniskowsegade 1  
DK-1105 Copenhagen K  
Tel: (011-45-33) 12-22-99  
Fax: (011-45-33) 14-05-85  
Contact:  
Ms. Jade Neergard  
Commercial Officer



## EUROPEAN COMMUNITY (EC)

The current 12 members of the European Community are:

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>● Belgium</li> <li>● France</li> <li>● Greece</li> <li>● Italy</li> <li>● Netherlands</li> <li>● Spain</li> </ul> | <ul style="list-style-type: none"> <li>● Denmark</li> <li>● Germany</li> <li>● Ireland</li> <li>● Luxembourg</li> <li>● Portugal</li> <li>● United Kingdom</li> </ul> |
|--|---|

The Council Regulation EEC 2759/75, modified in 1990 by the Regulation EEC 3577/90, outlines the EC market organization for the pork sector. The products covered under this regulation include live animals, meat, fats, offal and processed products such as sausages and conserved products. The production year runs from July 1 to June 30.

### Production in the EC

The 1991 net pork production in the EC reached 170 598 000 hogs slaughtered for 14 327 000 tonnes.

	Hogs slaughtered ('000 head)	Production ('000 tonnes)
Belgium	10 002	908
Denmark	17 065	1 265
Germany	43 570	3 910
Greece	2 367	153
Spain	24 619	1 869
France	21 615	1 918
Ireland	2 687	179
Italy	12 189	1 333
Luxembourg	104	7
Netherlands	18 764	1 591
Portugal	3 151	216
United Kingdom	14 456	979

For 16 months, the pork market in the EC has been quite favourable. Since the spring of 1991, prices were satisfactory for the producers, reaching between 140 to 160 ECU/100 kg deadweight for the period. Even though, the prices did not reach the levels of 1989/90, they showed some stability as they did not fall heavily as in previous years.

The Community production is running at 14.3 million tonnes which represents in value 10.3% of the total EC agricultural production. The fall currently experienced in hog supply is mainly due to a significant reduction of the herd in the new



German Laenders as well as the appearance of a porcine disease that caused severe damage to the piglet production in the Netherlands and in Germany. The pork sector should experience a more difficult time in the near future as the overall hog population has increased in the fall of 1992 and that prices are expected to drop accordingly.

### **Domestic Consumption**

In 1991, the per capita consumption was estimated at 40 kg in the EC.

	kg/person
Germany	56.0
France	37.0
Italy	31.7
Spain	49.4
Portugal	27.4
Netherlands	44.0
Belgium/Luxembourg	47.8
United Kingdom	23.9
Ireland	38.0
Denmark	65.2
Greece	20.6

Even though the consumption is forecast to increase by 3% in 1993 to 13.9 million tonnes, production at 14.7 million tonnes will still leave self sufficiency at around 105%.

### **The EC Pricing Regime**

The pork market in the EC is based on three distinctive prices.

#### Base Price

The base price is fixed annually by the EC Council of Agriculture (Ministers of Agriculture from the 12 member states) and takes into consideration the sluicagate price and the deductions that are applicable during the first semester of the marketing year.

#### Intervention (Buying-in) Price

The intervention price is directly correlated to the base price (between 78 and 92% of the base price for slaughtered product). This is the price that the intervention agencies buy the product at. This price is established by the Pork Management Committee of the Commission.

#### Sluicagate Price

The sluicagate price is calculated each trimester and corresponds to a non-EC member country pork sale prices. Its calculation takes into account cereal prices on the world market as well as production and transportation costs. The sluicagate



price is also used in the calculation of the import levy.

### The 1993 Price Proposals

As mentioned above, the basic regulations for pork provide for the establishment of a basic price. Its level is intended to signal at which level prices the market will be in equilibrium and to reflect the level of the sluicgate price plus the levy. Its only purpose is to provide a trigger for possible private storage measures. The measures may be initiated when the average market price in the EC falls below 103% of the basic price. For the period of July 1990 to June 1993, the basic price for carcasses of standard quality stood at 1897 ECU per tonne.

Over the years, the basic price has been allowed to drift from its intended level and as a result has become operationally irrelevant. For this reason, the EC feels that it is appropriate to propose a significant reduction in the price to bring it back to its original purpose and to take into account the effect on levies and on the sluicgate price of the reduction in cereal prices. This cut does not involve any reduction in market prices beyond what can be expected to arise from the reduction in feeding costs arising from the reform of the Common Agricultural Policy, but it may serve as a warning to producers against an excessive expansion of production. It is proposed by the European Commission to fix the basic price for the 1993/94 marketing year at 1450 ECU/tonne.

### Stocking Aids to Producers

This amount is set by either an adjudication or by a price fixed in advance (presently used). In principle, the aid amount may not surpass an amount equal to intervention warehousing costs. It takes into account, however, certain warehousing costs and meat quality depreciation.

### The Common Agriculture Policy (CAP)

In the CAP, there are no changes in market rules for animal products in the areas of pork, poultry and eggs. The reduction in cereal prices, however will have a positive impact on the economics of production by reducing the price of animal feed and this will be taken into account in the trade mechanisms.

### Trade

The intra Community trade involves some 3 million tonnes per year and exports to non member countries amounted to 677 000 tonnes in 1991. Imports, primarily from Cental and Eastern Europe, were at 115 000 tonnes in 1991. This level of imports is modest but is expected to increase in the coming years as a result of the various international agreements concluded by the EC, such as the Economic European Area and the association agreements with Poland, Hungary and the Czech and Slovak Republics.

Imports are subject to a variable levy which is function of the difference between



the world market price and the EC market price of the feedstuffs necessary for the production of 1 kg of EC pork.

### **Market Opportunities for Canadian Products**

EC is consistently at approximately 105% self-sufficient in pork. The overall consumption is moving from beef to pork and poultry and European Commission officials feel that the EC production will adjust to maintain the self-sufficiency ratio. Currently, the EC internal support measures (variable import levies and slucegate price) make Canadian pork products uncompetitive, notwithstanding the fact that Canada has only very few pork plants approved. Eastern European suppliers will also continue to have a competitive advantage in the EC with the association agreements that have been negotiated.

If Canada is not able to find a highly specialized market niche it is difficult to foresee many viable market opportunities in the long run. Under GATT, external tariffs would decrease over time, but the current CAP reform will also reduce costs of production in the EC in the same proportion.

#### **For Further Information Contact:**

##### **Mission of Canada to the Communities**

**2, Avenue de Tervuren**

**1040 Brussels, Belgium**

**Tel: (011-32-2) 735-9125**

**Fax: (011-32-2) 735-3383**

**Contact: Mr. Gary Moore**

**First Secretary (Agriculture)**



## FRANCE

France is a member of the European Community. The country saw a net increase in pork production in 1992 with a 4.1% rise as well as higher prices to farmers which increased by 1.3% over 1991. This overall increase in farmgate prices hides the significant decrease in prices since July 1992 when increasing pork supplies and devaluations of currencies in key export markets started the current crisis which industry experts expect to be long and deep.

### Local Production

	1990	1991	1992	% 92/91
Total Herd ('000 head)	12 275	12 013	12 063	+0.4
of which sows	1 180	1 173	1 193	+1.7
Slaughter ('000 head)	21 304	21 611	22 370	+3.5
Average Weight at				
Slaughter (kg)	87.8	88.8	88.6	-0.2
Slaughter ('000 tonnes)	1 871	1 918	1 951	+3.3
Gross Domestic Production ('000 tonnes)	1 817	1 860	1 936	+4.1
Domestic Disappearance ('000 tonnes)	2 101	2 111	2 138	+1.3
Farm Gate Price (FF/kg)	10.9	10.9	11.1	+1.8

France's level of self-sufficiency was around 90% in 1992. The meat slaughter and processing sector is extremely well developed with some 2 200 establishments with gross earnings of more than 3 million FF (\$750,000). Total sales are estimated at 155 billion FF (\$35 billion) and the workforce is of over 100 000. There has been some concentration in the recent years. The ten largest companies hold 16% of the market.

Regional concentration is significant in the French pork industry with the Western part of the country continuing to expand production to the detriment of the other areas. Brittany, in the northwest, has alone about 55% of the total herd and continues to expand at a rate of 3 to 4% per year. At the same time, a structural concentration has also become evident. It is estimated that the farms of more than 1 000 head (1.8% of total farms) currently represent about 35% of the total herd, and the farms of more than 400 head (7% of total farms) represent 76% of the total herd. In contrast, the farms of less than 20 head (80% of total farms) represent only 2.4% of the total herd.

The continuing crisis in the French pork industry has led the producers to realize that they must endeavour to meet the industry's needs and the consumers' demands. Breeders are making a significant effort on the genetic side and several



regional groupings were recently created to focus on genetic improvement. Since November 1991, organizations such as GENES PLUS, GENELIA, GEN'OUEST, ADN et SOGEN have been created to focus and coordinate the improvement of the French genetic stock.

The modernization of public swine selection stations and the explosion in the use of artificial insemination by farmers have had a profound effect on French swine selection. In recent years the number of doses of semen sent to French hog farmers has doubled every year to reach an estimated 1 million in 1992. The number of sows inseminated artificially jumped from 92 000 in 1988 to 510 000 in 1991. Technical advances making artificial insemination as or even more reliable than natural breeding as well as access to artificial insemination for market swine production and not only for pure-bred production has eased the transition. With the market for slaughter animals being weak, many producers see the pure-bred production as a potentially lucrative alternative.

In keeping with the increasing demand in France for quality meat products and perceived gentler farm practices, more and more French producers are adopting free range livestock management. Animals raised in this manner command a premium at wholesale and retail and are identified by labels guaranteeing the production process. The strict management regime is controlled by the Ministry of Agriculture in cooperation with INAO (Institut national des appellations contrôlées) and hog producers are carefully screened and trained before being certified as eligible for that kind of production. Generally the requirements for the label are that animals are raised in the open from the fourth week and the time to slaughter is expended to 189 days. The space provided is a minimum of 100 square metres per animal. Pork produced to the label specifications commands roughly 30% premium at retail with the initial higher production costs being more than offset. It is estimated that in 1992, the number of animals raised in free range conditions rose to 80 000, a 25% increase over 1991.

### **Government Policies**

In addition to the measures announced at the Community level as part of the overall reform of the Common Agricultural Policy (CAP), the French government has implemented an "accompanying plan" designed to help farmers adapt to the new environment brought about by changes to the CAP and the potential impact of the multilateral GATT negotiations. These measures include encouraging the development of extensive agriculture and moving away from intensive production; encouraging the modernization of the agriculture sector through investment/farm restructuring; encouraging young farmers and assisting those sectors particularly disadvantaged by the policy changes. The government's initiatives have included tax holidays and reductions to encourage diversification and extensification, grants to encourage modernization and the arrival of young farmers and direct subsidies to certain producers.



### Domestic Consumption

The promotion of pork products tends to be focused on finished products and high-value items with ham in the forefront. The promotion is usually undertaken by the larger processors and usually focused on the point of sale and on printed ads.

Some mass media advertising occurs but is limited to only a few branded products like hams and sausages. Government assistance is available to some extent for the promotion of pork and pork products through French government agencies such as SOPEXA and the CFCE (Centre français du Commerce extérieur). In addition, cooperative promotion is undertaken by industry groupings such as OFIVAL (Office national interprofessionnel des viandes de l'élevage et de l'aviculture).

At retail level, the overall price of pork meat and processed products increased by 3% in 1992 which had the effect of decreasing pork's competitiveness in relation to other meat products. Prices for fresh pork increased more quickly (+3.6%) than those of processed products. Also ham prices increased faster (+3.2%) than those of deli products (+2.6%). Purchases at retail of pork products increased by 1% over 1991, while purchases of fresh meat continued to decline (-2.5%) and ham decreased by 1%.

### Imports

French pork imports remained relatively stable in 1992. Virtually all of imported pork products come from other EC partners, particularly Denmark, Netherlands, Belgium and Germany. There is currently a trend toward high quality pork products, particularly uncooked ham from Spain and Italy.

Imports ('000 tonnes)	1990	1991	1992	% 92/91
Fresh pork	222	226	219	-3.1
Frozen pork	86	82	88	+7.3
Processed products	91	96	99	+3.1
Fats	41	40	44	+10.0

### Exports

Although France is a net importer, French exports increased in 1992 by 18% or 46 000 tonnes, of which about 37 000 tonnes were meat cuts.

Exports ('000 tonnes)	1990	1991	1992	% 92/91
Fresh pork	79	102	137	+34.3
Frozen pork	53	65	70	+7.7
Processed products	55	62	64	+3.2
Fats	23	23	22	-4.3



## Market Opportunities for Canadian Products

Except for offals, there is virtually no possibility for Canadian products in the French market although strategic alliances for some very high quality and unique products could be contemplated.

### Access

EC import requirements apply

### Transportation and Distribution

France has a highly developed transportation and distribution network.

### For Further Information Contact:

Commercial Division  
 Canadian Embassy  
 35, avenue Montaigne  
 75008 Paris  
 Tel: (011-33-1) 44.43.32.00  
 Fax: (011-33-1) 44.43.34.98  
 Contact: Mr. Conrad Paquette  
 Counsellor (Commercial)

Country	Difference in pork production (%)
Ireland	+ 13.2
Denmark	+ 4.3
France	+ 3.7
United Kingdom	- 0.2
Portugal	- 0.3
Netherlands	- 0.3
Germany	- 0.3
Belgium	- 0.2
Greece	- 0.2
Spain	- 0.2
Italy	- 0.2
Japan	- 0.2
USA	- 0.2



## GERMANY

The Federal Republic of Germany has a population of approximately 80 million. It is a member of the European Community and, as such, is not only its largest pork producer, but also its major meat market. Of about 109 million hogs in the EC in 1992, about one-quarter are kept in the Federal Republic. Particularly, the consumption of pork (55.7 kg per capita per year) is comparatively high (beef: 18.8 kg). However, consumption and production of pork have decreased in the past few years.

### Local Production

Before unification, the hog population was relatively stable with a slight downward trend. Whereas this remains true for the 11 länder (states) of the former West Germany, there has been a drastic cutback of herds in the area of the former East Germany. The combined result for the two regions was a cutback from 33.8 million in August 1989 to 26.9 million head in August 1992.

### Pork Production in 1992

Stock ('000 head, total herd)	26,847
including sows	9,951
Prices of pigs for slaughter (DM/kg warm)	3.14
Degree of self-sufficiency (%)	87.2
Gross domestic production ('000 tonnes)	3,900

As a result of German reunification, statistical comparison with previous years is of no value. State-controlled agriculture in the former East Germany has been subject to extreme structural changes since reunification. Socialist production cooperatives are being dissolved or privatized. Production in the new German federal states has dropped by approximately 60% in the past three years.

Generally, German producers are under enormous competitive pressure in respect of neighbouring countries. While the stocks of hogs is decreasing in Germany and the capacity of slaughterhouses is no longer fully utilized, stocks and capacities are still rising in neighbouring countries.

Difference in pork production (%)		(1991/1992)	
Ireland	+ 13.2	Spain	- 3.2
Denmark	+ 12.4	Luxembourg	- 4.2
France	+ 4.3	Italy	- 5.9
United Kingdom	+ 3.7	Greece	- 6.3
Portugal	- 0.2	Belgium	- 7.7
Netherlands	- 0.3	Germany	- 17.4



In contrast to Denmark, the Netherlands and Belgium, the agricultural supply side is extremely fragmented. Apart from a few large cooperatives and private companies (SÜDFLEISCH, NORDFLEISCH, WESTFLEISCH, MOKSEL, BARFUSS, GAUSEPOHL, TÖNNIES), there is a large number of small suppliers. The great variety of standards, brands and premium on offer is confusing for consumers. A common market and marketing policy does not exist. This unclear structure also hampers effective improvement of the health conditions.

The average stock size is small by international standards, amounting to only 77 animals. In the main production areas in the northwest of Germany, the average is 192 animals. The major producing areas are Lower Saxony (7.1 million head, with a concentration in the Weser-Ems region), North Rhine-Westphalia (5.9), Bavaria (3.8) and Baden-Württemberg (2.2).

There are about 400 slaughterhouses, 250 meat processing companies and about 20,000 artisan enterprises in Germany. However, slaughterhouses and processing companies differ considerably in size. There is in the EC a general trend towards large-scale companies since they have a more favourable cost structure and are thus in a better position to compete in this very difficult market. In the processing sector, 30 of the 250 processors account for 53% of the sales.

#### **Government Policies**

The German Government exerts no direct influence on pig production. The only action taken in the past years was the attempt under a federal breeding programme to promote uniform genetic material. At present, the numerous producers' associations endeavour, though in different ways, to correct major quality defects (particularly in regard to PSE). The pork market is much freer than the beef market, not only in Germany but also within the EC.

However, German pork producers are confronted with new problems as a result of high environmental protection requirements which will increase considerably in the medium term. Particularly in the large fattening areas, the pollution of drinking water caused by the nitrate content of pig sties has considerably increased. For this reason, hog production is possible only up to stipulated upper limits. This results in space shortage and increased rental fees. A further tightening of statutory environmental regulations is to be expected.

#### **Domestic Consumption**

On a per capita basis, Germany has historically been one of the major pork consuming countries in the world.

1989	1990	1991	1992
58.8 kg	60.1 kg	56.0 kg	55.7 kg



Pork consumption has been declining in the past years and the reasons are:

- quality defects
- scandals in the production sector (use of hormones, fattening aids and abuse of medicaments)
- environmental protection aspects (pollution caused by nitrates)
- ethic aspects (large-scale livestock farming, protection of animals, slaughtering)
- change in lifestyles (single households, increase in eating-out frequency, increased number of working women)
- nutrition related reservations (fat, cholesterol)
- new food products

For the above reasons, pork has the negative image of a cheap mass commodity. The sales organization of the German agricultural sector (CMA) and various other organizations and enterprises have not succeeded so far in improving this image through marketing measures.

However, increasing market shares can be observed in respect of branded meat programmes under which a very high quality resulting from special breeding, fattening conditions and feeding is produced and marketed accordingly. However, not many German consumers are prepared to pay the relatively higher prices for these products. The current market share for high quality pork is between 5% and 15%.

### Exports

German exports increased in 1992, although this was prompted by humanitarian aid deliveries to the CIS.

Total pork exports, including fats ('000 tonnes)

1990	673
1991	679
1992	822

Exports of processed pork (tonnes)

	1990	Canned			Sausages	
		1991	1992	1990	1991	1992
EC	23,504	21,693	21,703	24,793	26,331	29,951
East Europe	1,933	5,349	4,502	1,042	3,000	2,506
Other Countries	1,283	1,818	1,363	1,358	1,535	1,776

### Imports

Germany is the largest pork importing country in the world, but is almost



exclusively supplied by other EC member states, e.g. Netherlands, Belgium and Denmark.

1990	679 000 tonnes (of which 648 000 from EC)
1991	822 000 tonnes (of which 802 000 from EC)
1992	957 000 tonnes (of which 925 000 from EC)
1993	993 000 tonnes (estimated)

In 1992, Germany imported from Canada 112 tonnes of offals, worth \$107,000.

#### Major Shows

- ANUGA The largest world food fair it is held every second year in Cologne. October 93.

#### Access

EC import requirements apply.

#### Market Opportunities for Canadian Products

Given the current EC import regime, the excess supply and the current low pork prices, there are virtually no opportunities for Canadian pork products, except for offals.

#### Transportation and Distribution

Germany has a highly developed transportation and distribution network.

#### Government and Industry Contacts

- Federal Ministry of Food, Agriculture and Forestry  
Rochustrasse 1  
5300 Bonn 1  
Tel: (011-49-228) 5291

- Federal Association of Wholesale Slaughterhouses  
Schedestrassen 11  
5300 Bonn 1  
Tel: (011-49-228) 213083

- Federal Association of German Meat Products  
Schedestrassen 11  
5300 Bonn 1  
Tel: (011-49-228) 358007

#### For Further Information Contact:

Canadian Embassy  
Friedrich-Wilhelm Strasse 18  
D-5300 Bonn 1  
Tel: (011-49-228) 23 10 61  
Fax: (011-49-228) 23 61 70  
Contact: Mr. Wayne Robinson,  
Counsellor (Commercial)



## IRELAND

Ireland is a member of the European Community (EC) and does not offer, under the current EC regime, real export potential for Canadian pork products.

### Local Production

Increased EC production continues to put pressure on prices. In early 1993, hog prices in Ireland hit their lowest level in 12 years, approximately \$1.75 per kg. In 1992, the national herd grew by 7%, when compared to the previous year, to 1.19 million head (August 92) and total slaughterings exceeded 3 million for the first time. Export slaughterings actually rose by 11% to 2.65 million head. Average carcass weights at 66.5 kg were up by 1.5 kg on 1991, further boosting the production. Lean meat percentage increased to 54.5%.

Considerable company rationalization has taken place within the industry; especially amongst export plants. Some of the key companies have however invested in new and more efficient plants, i.e. the industry is now less fragmented. It is anticipated that 1993 will be a difficult year with EC production continuing to rise. Irish output will expand further in 1993, reflecting growth in the breeding herd and also high levels of live imports.

### Domestic Consumption

The annual pork per capita consumption is approximately 36 kg. The domestic market is divided between fresh pork and cured bacon. A significant share of the market is held by pork butchers and small processors.

### Imports

Imports are of the order of 14 000 tonnes evenly divided between pork and bacon products. The major suppliers are Northern Ireland, Denmark, Netherlands and Great Britain. Marks and Spencer Ireland for example, source substantial quantities of ham and bacon products from Denmark and Great Britain. There is also some inter-company trading in terms of imports from Northern Ireland, including carcasses. Incidentally, there were over 500 000 live hogs imported for processing during 1992, most of which were sourced in Northern Ireland.

### Access

EC regime applies.



## Exports

Exports increased in most markets with the product mix continuing to shift from bacon to pork. Pork sales to Japan more than doubled over 1991 level.

Pork (tonnes)	1991	1992 (Estimate)
---------------	------	-----------------

U.K.	12 231	17 000
France	11 292	10 800
Germany	12 170	15 200
Other EC	7 703	9 400
Japan	2 325	5 700
Other	743	1 000

Bacon (tonnes)	1991	1992 (Estimate)
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U.K.	11 820	14 000
Other	266	650

## Trade Shows

Principal show is IFEX, the Irish Food Exporters Exhibition annually in May in Dublin. It draws European exhibitors of specialty products including pork items such as sausages, salamis, pate.. It remains primarily a small domestic fair.

## Major Importer

Horgans Delicatessen Supplies Ltd.  
Michelstown, County Cork  
Tel: (011-353-25) 24410  
Fax: (011-353-25) 24993

## For Further Information Contact:

Canadian Embassy  
Commercial Division  
65 St. Stephen's Green  
Dublin 2  
Tel: (011-353-1) 78 19 88  
Fax: (011-353-1) 78 12 85  
Contact: Mr. John Sullivan  
Commercial Officer



## ITALY

Italy is a member of the European Community (EC). Given highly supported and protected EC pork industry, there is no significant market for Canadian pork in Italy in the foreseeable future.

### Local Production

In 1991, 12 189 340 hogs were slaughtered (live weight: 1 672 512 tonnes and dead weight: 1 332 803 tonnes). Total pork output, excluding lard and suet, amounted to 994 000 tonnes. For the first 10 months of 1992, figures were up 0.6% over the 1991 figures for the same period. Major factors impacting significantly on the market include not only the EC monetary system and agricultural price supports, but also Italian input costs, which tend to be higher than EC average due to proportionally higher input costs of energy and feeds.

Production has risen slowly but steadily over recent years due to an increased consumption of lean pork, also in preference to beef, and steadily increasing exports of cured pork products. The self-sufficiency ratio continues to run around 60-65%. The domestic production is largely concentrated in the two northern Italian regions of Lombardia and Emilia Romagna, areas with strong traditions of ham and sausage production. Processing, storage and handling facilities range from some of the finest in the world (Parma area) to relatively sub-standard ones in other areas.

### Domestic Consumption

The total domestic consumption of pork, excluding lard and suet, in 1991 was estimated at 1 585 000 tonnes or 27.4 kg per capita. Only some 27% of the total supply is sold fresh or frozen i.e. 8% is distributed through the catering sector, 7% sold in supermarkets and 12% through butchers' shops. The remaining 73% is processed by the sausage and cured ham industries.

Consumer attitudes vary according to the specific product: traditional roast pork consumption is in slight decline, as it is considered overly fatty; consumption of lean pork chops is on the rise, as a cheaper equivalent to beef; traditional prosciutto crudo is considered a top-quality, luxury product, and its market has grown steadily with rising family incomes.

### Imports

Total imports of pork in 1991 amounted to 538 436 tonnes, of which 532 806 tonnes from EC countries; only 5 628 tonnes were imported from non-EC countries, almost exclusively from Eastern European countries, and consisted mainly of frozen boned cuts (3 155 tonnes) and chilled unboned hams (770 tonnes).



The major suppliers in 1991 were:

	tonnes	'000 ECU
Hungary	2 947	7 013
Poland	852	3 076
Romania	740	2 205
Czechoslovakia	678	1 312

There were no reported commercial imports from North America.

Italy will continue to obtain residual supplies from Eastern Europe, so long as these countries can guarantee adequate supplies and consistent health and quality guarantees. Foot and mouth disease recently introduced from Eastern Europe has given rise to serious concerns about some of these countries in the short and medium term.

Given significant mediation of the processing industry and the importance of quality considerations, most imports are contracted directly by processors or by wholesalers working closely with latter. This pattern will be slow to change.

#### Exports

Total pork exports of pork products in 1991 amounted to 10 976 tonnes, of which 9 776 went to other EC countries; only 1 165 tonnes were exported outside the EC, again largely to Eastern European countries. Exports consisted mainly of frozen bellies (325 tonnes), cured hams (200 tonnes) and frozen boned meat.

Italian exports of sausages and hams have grown steadily in recent years, but are threatened by Italy's occasional problems with foot and mouth disease.

#### Market Opportunities for Canadian Products

Given the current structure of the EC tariff/levy system, there are no reasonable possibilities for Canadian products on this market. Only on rare occasions when prices are momentarily quite high in the EC and very low in North America would there be any interest in importing from Canada. Due to the recent outbreak of foot and mouth disease in Italy, imports from certain Eastern European countries have been stopped, forcing importers to find alternative sources of supply. On the other hand, simultaneous restrictions placed on exports of Italian pork products to other EC countries will probably counter any speculative rise in prices.

#### Major Shows

- Euroalimenta, Verona, April 1994
- Expo Food, Milan, November 1993
- Cibus Fair, Parma, May 1994



## Access

As mentioned above, EC duties/levies render the Canadian product uncompetitive. EC regulations also require that pork meats originate from EC-approved slaughterhouses and meat cutting establishments.

EC threshold prices, and consequent levies, are based on high internal support prices; with the reform of the Common Agricultural Policy, these can be expected to decline. Ongoing EC opening to Eastern European countries, however, will greatly advantage these suppliers.

## Transportation

Canadian access to Italy is well served by both air and sea transport, though Italian seaport costs are significantly higher than those of other EC countries.

## Importers

Following are name and addresses of two major meat trade associations, most of whose members are major importers:

**ASSOCARNI**  
Corso d'Italia 92  
00198 Roma  
Contact: Avv. Leopoldo Cimaschi, Direttore  
Tel: (011-39-6) 854-1085  
Fax: (011-39-6) 844-2688

**UNICEB**  
Viale dei Campioni 13  
00144 Roma  
Contact: Dott. Renzo Fossato, Segr. Gen.  
Tel: (011-39-6) 592-1241  
Fax: (011-39-6) 592-1241

### Individual Meat Importers

Alcass - AZ Lav. Carni Surgelati S.P.A.  
Via Caselle 82  
25081 Bedizzole, BS  
Tel: 030-6870707  
Fax: 030-6870779

Balestrero S.R.L.  
Rappresentanze  
Piazza Rossetti 4/2A  
16129 Genova, GE  
Tel: 010-589901  
Fax: 010-593107

Beca S.P.A.  
Via Mori 6  
40054 Budrio, Bo  
Tel: 051-809411  
Fax: 010-803934

Borghetto S.P.A.  
C. Martiri della Liberta' 13  
25121 Brescia, Br  
Tel: 030-221341  
Fax: 030-24207430.

Equus Import S.R.L.  
Via Bossi, 2  
22100 Como, Co  
Tel: 031-269067  
Fax: 031-278664

Erre Carni S.R.L.  
Via Don R. Lotti, 88  
70031 Andria, BA  
Tel: 0883-555746  
Fax: 0883-555746

F. Lli Catalani S.P.A.  
Via Urbinese, 32  
50063 Figline Valdarno, FI  
Tel: 055-952393  
Fax: 055-952667

Galcarni S.R.L.  
Via Montesano 8  
70010 Capurso, BA  
Tel: 080-6954097  
Fax: 080-6959072

Gramellini S.P.A.  
Via Ravagnana, 397  
47100 Forli, FO  
Tel: 0543-88127  
Fax: 0543-720080

Ilca S.P.A.  
Prol. Viale De Blasio - Z.I.  
70026 Modugno, BA  
Tel: 080-371666  
Fax: 080-374147

IMBE - IMP/EXP Bestiame Carni  
Viale Europa, 8  
35019 Tombolo, Pd  
Tel: 049-5968144  
Fax: 049-5968167



Linea Meat S.P.A.  
 Via Appia km 192,800  
 81052 Pignataro Maggiore,  
 CE  
 Tel: 0823-654127  
 Fax: 0823-654092

Naba Carni S.P.A.  
 Via Prati 69  
 25086 Rezzato, BS  
 Tel: 030-2620426  
 Fax: 030-2120076

Socib S.R.L.  
 Via Lombardia, 30/13  
 33100 Udine, UD  
 Tel: 0432-402872  
 Fax: 0432-540349

Vicar Sud S.R.L.  
 Via Cancelleria, 58  
 00040 Ariccia, RM  
 Tel: 06-9342997  
 Fax: 06-9342883

Vicere Carni S.R.L.  
 Via del Commercio, 28  
 00154 Roma, RM  
 Tel: 06-5746990  
 Fax: 06-5783335

**For Further Information  
 Contact:**

**Canadian Embassy**  
 Via G.B. de Rossi 27  
 00161 Rome  
 Tel: (011-39-6) 445981  
 Fax: (011-39-6) 44598750  
 Contact: Mr. Michael  
 McDermott,  
 Commercial Officer



# NETHERLANDS

The Netherlands is the second largest pork producer in Europe after Germany. Over 60% of its pork production is exported, mainly to other EC members. No growth has been registered since record production in 1988. Animal waste legislation and other environmental controls are believed to have a permanent curbing effect on this highly intensive hog industry.

## Local Production

The number of slaughtering totalled 18.8 million in 1991, with an average weight of 84 kg per hog. In 1991, the Netherlands had a self-sufficiency ratio of 279.6%. Hog farming is concentrated in the east and south of the country. With poultry farming, these areas have the world's densest livestock concentrations. There is a further rationalizing of slaughter plants to be expected. The trend is for a greater emphasis on meat quality and value-added processing. There is also a possible expansion of free-range hog farming.

## Government Policies

Environmental control has led to the stabilization of the production. The proposed EC legislation for animal welfare is expected to have cost-price increasing effects.

## Domestic Consumption

In 1991, the total consumption amounted to 645 900 tonnes, for a per capita consumption of 42.9 kg. The Dutch consumers' attitudes vary considerably from positive to negative. On the positive side, pork is considered inexpensive, easy to prepare, with a short cooking time and offers a good variety of products. On the negative side, some consumers consider that pork is too fat, thus not healthy, fear that it contains undesirable additives such as hormones and colouring and do not appreciate the ways in which pigs are raised.

The consumption fluctuates with prices. On a long term basis, pork consumption is not expected to increase. The demand for pork from free-range animals may increase, despite higher prices.

## Imports

In 1991, the Netherlands imported 15 100 live hogs, valued at \$41.5 million, and 76 000 tonnes of pork products, valued at \$110.7 million. 99.2% of these imports came from other EC member states, the remainder from non-EC countries.

## Exports

The Dutch industry exports the complete range of pork products.

In 1991, the total Dutch exports amounted to 913 426 tonnes on a bone-in basis.



(tonnes)	Total (bone-in)	Carcasses (bone-in)	Ham (bone-in)	Shoulders (bone-in)
TOTAL	913 426	250 984	218 640	76 410
European Community	899 314	250 815	218 241	71 875
Other Europe	3 651	124	332	403
Africa	4 904	23	31	2 454
North America	8	0	1	7
Latin America	1 234	21	1	36
Middle East	185	0	28	2
Far East	4 047	0	5	1 634

In 1992, the total Dutch exports amounted to 923 588 tonnes on a bone-in basis, valued at \$2.551 billion.

(tonnes)	Total (bone-in)	Carcasses (bone-in)	Ham (bone-in)	Shoulders (bone-in)
TOTAL	923 588	302 192	201 560	76 701
European Community	912 195	299 565	200 838	74 643
Other Europe	5 130	2 553	695	229
Africa	3 789	15	8	2 914
North America	43	19	0	0
Latin America	717	21	2	2
Middle East	150	19	10	4
Far East	1 564	0	7	418

The exports of live hogs are also very significant to the Dutch pork industry. In 1992, the country exported 5 359 770 live hogs, of which 6 189 breeding swine and 2 512 540 piglets, nearly all to EC countries. Europe, especially the EC, will continue to be the leading outlet for Dutch hogs and pork. Although the Dutch exporters are actively cultivating the Japanese market, even substantial increases in shipments to Japan are not believed to bring significant changes in traditional Dutch export patterns.

The Dutch Livestock and Commodity Board promotes meat consumption at home and in major markets. The Dutch pork industry uses EC export restitution schemes in their trade with non-EC countries. Over time, live hog exports are expected to gradually decline and be replaced by export sales of value-added products. Exports to Japan started in September 1992, although still on a limited scale.

#### Market Opportunities for Canadian Products

Exports of Canadian pork to the Netherlands cannot realistically be expected for



some time.

### Access

EC import requirements apply.

### Transportation and Distribution

Highly developed.

### Industry Contacts

- Commodity Board for Livestock and Meat  
Rijswijk
- Meat Promotion Bureau  
Rijswijk

### Recommendations to Canadian Exporters

Any Canadian exporter should familiarize himself thoroughly with the certification requirements of the importing countries. Although the EC is supposedly one single market, it would seem advisable to closely examine the certification requirements in each member states.

### List of Major Importers

P.B. Groenveld B.V.  
P.O. Box 3023  
2001 DA Haarlem  
Netherlands  
Tel: 23-350844  
Fax: 23-359520

J.A. Van Walsum B.V.  
P.O. Box 1181  
3000 VD Rotterdam  
Netherlands  
Tel: 10-4139400  
Fax: 10-4139405

Kuhne & Heitz N.V.  
P.O. Box 325  
3100 AH Schiedam  
Netherlands  
Tel: 3110-6421100  
Fax: 3110-6422112

Border Import & Export B.V.  
Westzeedijk 118  
3016 AH Rotterdam  
Netherlands  
Tel: 10-4361166

Weddel & Co. B.V.  
P.O. Box 1194  
3000 BD Rotterdam  
Netherlands  
Tel: 3110-4112866  
Fax: 3110-4126852

For Further Information  
Contact:

N.V.C. Lochem B.V.  
P.O. Box 205  
7240 Lochem  
Netherlands  
Tel: 5730-56551  
Fax: 5730-56961

J.M. Schouten & Zn. B.V.  
P.O. Box 208  
4700 Roosendaal  
Netherlands  
Tel: 1650-56707  
Fax: 1650-53870

Canadian Embassy  
Parkstraat 25  
P.O. Box 30820  
2500 GV The Hague  
Tel: (011-31-70) 361-4111  
Fax: (011-31-70) 365-6283  
Contact: Mr. Fritz W.  
Zechner.  
Commercial Officer

Producten Import/Export  
Heemraadssingel 82-84  
3021 DE Rotterdam  
Netherlands  
Tel: 10-4761811

Voks International  
De Volger 43  
1483 GA De Rijp  
Netherlands  
Tel: 2997-4434  
Fax: 2997-4280



# NORWAY

## Local Production

The current annual production is 85 000 tonnes. Studies done by the Norwegian Institute for Agricultural Research show that if current EC structure is kept, Norwegian pork production will not survive if joining the EC. Special arrangements, or a structural change is required. Today a Norwegian farmer has 18 pigs on average, but in order to be competitive with EC farmers, the average would have to increase to 200.

## Imports

All meat imports are in general prohibited. Only when domestic production is lower than the demand, are limited import licenses issued. The 1991 import/export statistics reflect very moderate cross-border trade. Only 24 tonnes of fresh pork in various cuts were imported, of this 23 tonnes from Sweden.

Norwegian pork import regulations are not expected to change if/when the EEA agreement (European Economic Area or EFTA + EC) is implemented. The date of implementation was January 1, 1993, but postponed until July 1, 1993. Actually, it does not seem as if all individual countries will be able to ratify this agreement in time for July 1, and new target is January 1, 1994.

Since Norway has not started negotiations with the EC, for membership, it is not possible to predict what a full membership will do to the import regulations of agricultural products in general, or meat in particular. Membership negotiations will start on April 5, 1993 and Norway is expected to join the other applicants (Sweden, Finland and Austria). These talks will most likely last well into 1994, maybe 1995. A Norwegian referendum will afterwards decide a future EC membership, but is not likely before 1995.

## Access

Norwegian duty rates and other taxes on pork imports

02.03	Meat of swine, fresh chilled or frozen	0.3%	
.1100	Fresh/chilled, whole or half		NOK 1.00/kg
.1200	Fresh/chilled, legs or parts, w/bone		NOK 1.00/kg
.1900	Fresh/chilled, other		NOK 1.00/kg
.2100	Frozen, whole or half		NOK 1.00/kg
.2200	Frozen, legs or parts, w/bone		NOK 1.00/kg
.2900	Other		NOK 1.00/kg
16.02	Other prepared or preserved pork meat		



Research Duty

Food Product Duty

.4100	Back legs or parts	12.5%	0.20%
.4200	Front legs or parts	12.5%	0.20%
.4910	Other NOK 1.40/kg	0.25%	0.20%
.4990	Other NOK 1.40/kg		0.20%

All imports are also subject to 22% VAT.

**Market Opportunities for Canadian Products**

There does not seem to be an immediate chance to export Canadian pork to Norway, but an EC membership could change this. It would depend on what special arrangements the Norwegians can negotiate and how this would affect countries outside the EC. It is more likely that a new GATT treaty could provide export opportunities for Canada.

**For Further Information Contact:**

Canadian Embassy  
 Oscars Gate 20  
 0244 Oslo  
 Tel: (011-47-2) 46-69-55  
 Fax: (011-47-2) 69-34-67  
 Contact: Mr. Torr-Eddie Fossback  
 Commercial Officer



## PORTUGAL

Portugal is a member of the European Community (EC).

The swine sector, as many other sectors of the Portuguese livestock industry, faces several production problems. Traditionally beneficiary of highly protective policies, pork production should decline as a result of the accession to the EC. The second phase of this accession (January 1, 1991 to December 31, 1995) will considerably affect the hog producers who have seen the door be gradually opened to imports from other EC countries and subsidies (traditionally paid to them by the Government) be eliminated. This coupled with high production costs due to a considerable increase in feed prices, caused by the severe drought in 1991-1992, led the Portuguese hog producers to the deepest crisis they had ever experienced.

### Local Production

	1991	1992	% 91/92
Total Herd (head)	2 663 000	N/A	-
Slaughter (head)	3 170 875	3 495 982	+10.2
Average weight at slaughter (kg)	67.7	68.8	+1.6
Slaughter (tonne)	214 743	240 536	+12.0

### Government Policies

In order to help the producers adapt to the new market environment brought about by the second phase of the EC accession, the Portuguese Government has recently announced a series of measures among which are:

- loans of up to ESC 70 000 per sow, more than three years old, at subsidized interest rates, repayable over a period of four years;
- other attractive credit facilities for the purchase of feed and fuel; and
- the granting of a EC co-financed storage subsidy of ESC 70/kg per carcass.

### Domestic Consumption

Pork consumption has been on an upward trend over the past several years, partially stimulated by high beef and fish prices. In 1991, total pork consumption reached 270 000 tonnes. However, in 1992, according to industry estimates, consumption decreased by 1.8% to 265 000 tonnes, which may mean that the upward trend has stabilized. Estimated per capita consumption in 1991 and 1992 was 27.4 and 27 kg/year respectively. Portugal's level of self-sufficiency was estimated at 90% in 1992.



## Exports

Portuguese exports are negligible.

## Imports

### i) Total (tonnes)

	1991	1992
FRESH/CHILLED	3 547	15 020
FROZEN	22 055	26 182
TOTAL	25 602	41 202

### ii) Types of Products

#### FRESH/CHILLED

Carcasses or half-carcasses	1 694	10 885
Hams	360	1 241
Shoulders	846	1 568
Ribs	12	92
Bellies	190	650
Boneless	402	316
Others	43	268

#### FROZEN

Carcasses or half-carcasses	140	130
Hams	4 496	6 429
Shoulders	295	600
Front parts	942	1 068
Ribs	428	798
Bellies	4 645	4 556
Boneless	6 471	6 712
Others	4 637	5 890

#### MAJOR SUPPLYING COUNTRIES

Belgium-Luxembourg	9 026	8 154
Netherlands	5 977	9 217
Denmark	2 980	3 008
Spain	2 864	11 410
France	3 350	4 598
UK	352	2 581



## Access

EC import requirements apply.

## Market Opportunities for Canadian Products

Regrettably due to the restrictive EC import regime, opportunities in Portugal are extremely limited. Statistics do not report any imports from Canada.

## Transportation and Distribution

Pork moves by truck from other European countries, which takes only a day or two. This is an additional distinctive marketing advantage that European competitors have over Canadian exporters. All modes of transportation can be used to land product in Portugal. The country has a well developed distribution system.

## Trade Shows

Alimentacao '94 (To be held at Exponor in Porto, from April 6-10, 1994)

Agro '94 (To be held at Parque Exposicoes de Braga in Braga, from April 23 to May 1, 1994)

Alimentatia '95 (To be held at Feira Internacional de Lisboa in Lisbon, in May, 1995)

## For Further Information Contact:

Canadian Embassy

Av. de Liberdade, 144-4

1200 Lisbon

Tel: (011-351-1) 347-4892

Fax: (011-351-1) 342-5628

Contact: Ms. Chantal Tremblay

Counsellor (Commercial)



## SOUTH AFRICA

The per capita consumption of pork and pork products in South Africa is extremely low by world standards. This is mainly due to religious beliefs and the perception that pork is a "fat" meat. The South African Meat Board is however actively promoting pork products and is confident that consumption will rise. South Africa is both an importer and exporter of pork with a market preference and shortage of spare ribs.

Because of sanctions South Africa does not publish detailed statistics.

### Local Production

In 1992, there were 2 million hogs slaughtered. The trend slaughterings is upwards with a forecast of 2.3 million by the year 2000. The size of the herd is approximately 1 million head with projected rise to 1.3 million by the year 2000.

The following statistics based on the South African average may be of interest:

Average sow herd	340.43
Litters per sow per year	2.11
Live birth piglets per sow	21.9
Inter farrowing period	173.3
Piglets per litter born live	10.31
Piglets weaned per sow per year	19.77
Weaning age (days)	4.45

Production plants exist at all main centres and are easily serviced. Adequate storage and handling facilities exist at all major centres. There are no obstacles to Canadian companies servicing the market.

### Government Policies

Floor prices are maintained by the South African Meat Board and aimed at long term price stability and to absorb short term shifts in demand. The current floor price is approximately \$1.68/kg. The government provides guidance and research into animal welfare.

### Domestic Consumption

The actual consumption cannot be determined but the annual per capita consumption is evaluated at 3.6 kg on a population of 32.2 million.

There is consumer resistance to pork by a large part of the population due to religious reasons but with the urbanization of the population this is declining. Further resistance due to the belief that pork is fatty, disease prone meat only to be eaten in cold winter months is declining owing to Meat Board sponsored



advertising and promotional campaigns. Barriers are falling and the authorities see an upward trend in consumption.

### Imports

South Africa does not publish detailed trade statistics. The Meat Board advises that the country imports of pork and pork products including specialty sausages and ham have ranged between 1 000 tonnes and 1 600 tonnes over the past three years.

### Exports

South Africa does not publish detailed statistics. Total exports are reported to be 3 000 tonnes mainly legs and shoulders to Hong Kong. An export incentive of Approximately \$0.25/kg is paid on the first 1 000 tonnes exported.

### Market Opportunities for Canadian Pork Products

South African importers operate on the availability of import permits issued by the South African Department of Agriculture. These permits are issued when there is an import requirement. The main market for Canadian exporters would appear to be for spare ribs and back fat. South African importers are aware of Canada's ability to supply the market and it is not considered that there is a need to undertake expensive promotions at this time.

### Access

Duty	Pork carcasses	Head	Avg. Car	20%	Total
	Spare ribs		Weight	10%	tonnes

### Transportation and Distribution

There is a containerized service available from Atlantic Canada ports direct to South Africa. Good rail and road transportation available within the country.

Three preferred channels can be adopted to market imported pork:

- through agents to retail outlets
- direct to processors
- direct to large supermarkets

### List of Importers

Blue Ribbon Meat Corp.  
(PTY) Ltd.  
P.O. Box 1295  
Bedfordview 2008  
Fax: (011-27-11) 455-2150

Renown Fresh Meat Corp.  
P.O. Box 209  
Krugersdorp 1740  
Fax: (011-27-11) 660-7017

Intermeat (PTY) Ltd.  
P.O. Box 3736  
Randburg 2125  
Fax: (011-27-11) 886-5509



**For Further Information  
Contact:**

**Canadian Embassy  
P.O. Box 26006  
Arcadia, Pretoria 0007  
Tel: (011-27-12) 324-  
3970  
Fax: (011-27-12) 323-1564  
Contact: Mr. B.B. Fraser  
Economic Affairs Officer**

**Note:** At the time of the writing of this profile the Canadian trade and economic sanctions as well as financial sanctions with South Africa are still in place.



# SPAIN

## Local Production

Hog Census (December 31, 1991)

('000 Head)

Up to 20 kg	4 157
20 - 50 kg	4 292
Slaughter 50-80 kg	3 693
Slaughter 80-110 kg	2 218
Slaughter 110 kg and up	852
Boars	97
Bred pigs	1 234
Open not bred	703

Pigs for slaughter (December 31, 1991)

Total	1 122
50-79 kg	507
80-109 kg	437
110 kg and up	178

Pigs slaughtered (1991)

	Head	Ave. Carcass Weight, kg	Total tonnes
Piglets	898 811	6.3	5 661
Fattening hogs	23 097 105	76.8	1 773 304
Replaced	736 892	133.5	98 400
Breeders			
Total	24 732 808	75.9	1 877 365

Domestic production rose by 3% in 1991 and should further increase in 1992.

## Domestic Consumption

It is estimated that Spain is at least 90% self-sufficient. Consumption is increasing due to the economic recession and switch from beef and higher priced foods.

## Domestic Consumption

	1989/90	1990/91	1991/92
Total (tonnes)	267 000	265 000	270 000
Pork - kg per capita	31.3	30.9	31.3
Beef - kg per capita	13.7	15.5	18.3



## Imports

Pork imports, all types of cuts, mostly from the Netherlands, rose by 9% in 1991.

	1989	1990	1991
'000 tonnes	67	64	70
US\$ million	167	197	234

Imports concentrate on piglets for fattening supplied from within the EEC, mostly the Netherlands, Germany and UK.

## Exports

Exports of Spanish pork in 1991 amounted to 16 000 tonnes and mainly went to other EEC members.

## Access

EEC import requirements apply.

## For Further Information Contact:

Canadian Embassy  
Apartado 587  
28080 Madrid  
Tel: (011-34-1) 431-4300  
Fax: (011-34-1) 431-2367  
Contact: Mr. Micheal Crawcour  
Commercial Officer



## SWEDEN

In Sweden, with a population of 8.6 million, pork is the most popular type of meat consumed. The pork consumption is fairly stable representing 31.3 kg per capita per year, whereas that of beef shows a modest declining trend amounting to 18.3 kg in 1991/92. Most pork is consumed fresh and for which the self-sufficiency ratio is very high. There is though a dependence on foreign sources for processed/canned pork products and to some extent also smoked (mainly bacon) and salt cured pork. Consumer attitudes are very positive, especially now that lean pork is widely available domestically.

### Local Production

Production in tonnes (carcass weight)

- calendar year

1990	1991	1992 (preliminary)
290 795	267 872	276 212

- agricultural year - July to June

1989/90	1990/91	1991/92
300 207	279 452	265 978

Some years ago, consumers commenced to demand leaner pork. Breeding programs involving the crossbreeding of imported Canadian Hampshire, in some cases also Duroc, with Yorkshire and domestic Landrace were started. Producers are now able to offer tender lean pork regularly to the market. The two predominant lean pork brands are Swede Ham and Pigg Ham.

The Swedish self-sufficiency ratio is very high for fresh and frozen pork, with the exception of pork tenderloins for which the demand exceeds the domestic production. Sweden has in the past had fresh and frozen pork surplus problems. Whereas salt cured and/or smoked pork production is not adequately meeting the local demand and there is also a dependence on foreign sources for processed/canned meat.

### Domestic Consumption

	1989/90	1990/91	1991/92
Total (tonnes)	267 000	265 000	270 000
Pork - kg per capita	31.3	30.9	31.3
Beef - kg per capita	18.7	18.5	18.3



As illustrated above, pork is far more popular than beef. Prices of the former are also in general lower. The majority of the pork disappearance is comprised of fresh, to a lesser extent frozen, cuts such as pork chops, boneless butt roasts, leg roasts, spare ribs, hams and last, but not least, tenderloins, smoked ham, loin roasts and bacon, in ranking order, are the most common smoked pork products. Salt cured, also some sugar/salt cured, ham is the traditional ingredient on the Swedish Christmas table. Due to increasing demand, the proportion of lean ham available at Christmas and any other time of the year is now constantly growing.

Over the past years, public concerns have grown regarding the conditions under which pigs are raised, the composition of feed and if any medicines and/or antibiotics have been given to the animals. Growth stimulants are not permitted in Sweden. As a result of consumers' pressure, some local retail stores now offer fresh pork for which the name of the producer/farmer is provided and also, where applicable, a guarantee is issued that the meat derives from a hog that has been fed an entirely vegetarian diet and is free from antibiotics. The consumers' concerns seem to be limited to the fresh pork market as there are apparently no such discussions regarding processed and canned pork.

For domestic products there are consumer educating programs and product information appearing in the daily as well as the trade press. The National Federation of Swedish Farmers have a special and very professional educating and promotional organization, "Meat Information", which produces promotional and fact sheets, recipes, videos, demonstrations, etc. for various target groups such as nutritionists, schools, universities, wholesalers, retail store staff, consumers etc.

### Imports

	Tonnes	Value ('000 SEK)
<b>Fresh/Chilled/Frozen Cuts</b>		
1991	9 552	353 984
Denmark	5 967	247 286
Hungary	2 005	51 176
USA	824	36 809
Poland	313	10 917
Germany	56	3 284
1992 (January-September)	8 434	306 070
Denmark	4 170	208 792
Hungary	1 603	37 581
USA	734	30 918
Poland	408	15 208
Germany	52	3 167



Salted, in brine, dried or smoked

1991	1 627	57 925
Denmark	1 481	49 075
Hungary	24	621
1992 (January-September)	1 324	47 374
Denmark	1 181	39 276
Hungary	40	1 091
<b>Canned</b>		
1991	5 422	157 157
Denmark	2 127	67 362
Hungary	619	15 290
Poland	448	9 252
Germany	385	17 276
Netherlands	549	12 924
Czechoslovakia	597	14 913
1992 (January-September)	5 310	165 165
Denmark	2 782	92 483
Hungary	414	10 585
Poland	257	5 542
Germany	384	17 778
Netherlands	597	14 444
Czechoslovakia	393	10 500
<b>TOTAL 1991</b>	<b>16 601</b>	<b>569 063</b>
Denmark	9 575	363 723
Hungary	2 648	67 087
USA	824	36 809
Poland	761	20 169
Germany	441	20 560
Netherlands	549	12 924
Czechoslovakia	597	14 913
1992 (January-September)	16 068	518 578
Denmark	8 133	340 551
Hungary	2 057	49 257
USA	734	30 918
Poland	665	20 780
Germany	436	20 945
Netherlands	597	14 444
Czechoslovakia	393	10 500



According to Statistics Canada as well as to Statistics Sweden, there were no Canadian pork exports to Sweden in 1991, except 47 tonnes of frozen edible livers valued at \$14,000. Swedish import statistics for January-August 1992 show no import from Canada, whereas Canadian statistics indicate that 75 tonnes of frozen cuts, valued at \$385,000, had been exported to Sweden during that period. There are rarely any promotional activities for imported ordinary fresh or frozen pork. For branded products, such as canned ham and Tulip bacon, traditional methods are used i.e. advertising in local press (for restaurants/caterers trade papers) and participation at week-end bargain programs in retail chain stores.

### Exports

	Tonnes	Value ( '000 SEK)
<b>Fresh/Chilled/Frozen Cuts</b>		
1991	14 704	156 438
1992 (January-September)	9 918	104 582

### Salted, in brine, dried or smoked

1991	1 203	11 971
1992 (January-September)	368	4 080

### Canned

1991	291	3 028
1992 (January-September)	84	1 262

### TOTAL

1991	16 198	171 437
1992 (January-September)	10 370	109 924

### • Major export markets

#### Fresh/chilled pork

1991	749	11 081
Norway	54	593
Poland	303	4 721
Belgium-Luxembourg	353	4 763
Iran	19	449



1992 (January-September)	214	3 144
Norway	55	951
Belgium-Luxembourg	40	564
France	98	1 636
Frozen pork		
1991	13 556	140 606
Norway	926	7 026
Denmark	28	393
Poland	2 932	33 937
Netherlands	91	1 015
United Kingdom	103	1 586
Spain	426	5 110
Italy	76	1 530
Yugoslavia	184	1 575
Malta	121	1 586
Hungary	496	3 647
Japan	48	1 247
Singapore	500	4 479
USA	2 609	36 338
Mexico	4 233	35 116
Argentina	414	2 875
1992 (January-September)	9 677	101 024
Norway	1 149	8 531
Denmark	658	6 717
Germany	88	1 110
Poland	2 130	24 884
Netherlands	58	491
Belgium-Luxembourg	147	1 812
United Kingdom	42	554
Spain	990	13 205
Italy	147	3 220
Yugoslavia	167	1 360
Malta	219	3 342
Slovenia	289	1 720
Cyprus	94	967
Philippines	148	508
Hungary	790	5 459
Japan	109	2 624
Singapore	544	3 965
USA	1 088	12 304
Mexico	396	4 096



Argentina	64	390
Salted, in brine, dried or smoked		
1991	1 203	11 971
Norway	111	1 706
Poland	41	328
Hong Kong	442	3 673
Mexico	443	3 988
Singapore	89	1 437
1992 (January-September)		
Norway	32	356
Hong Kong	183	1 408
Singapore	87	1 352

### Market Opportunities for Canadian Pork Products

The only pork products that has been sold to Sweden, and only on a very ad hoc basis, are frozen tenderloins. there seems to be continued opportunities for sales to Sweden for this item, but only at times when traditional sources fail and prices are competitive.

### Access

Variable import levies (as of January 29, 1993) SEK per 100 kg

Fresh/chilled/frozen	500, 1250 or 910 depending on kind and/or cut
Salted, in brine, dried or smoked	500, 1250 or 910 depending on kind and/or cut
Canned	1220, 1625 or 2030 depending on meat content in %

For imports of fresh, frozen meat, whether processed or not, there are stringent veterinary regulations. The meat must derive from an officially approved establishment where good hygiene is maintained and staff is medically examined at least once a year and certificate to that effect must accompany every shipment. Moreover the meat must be free from salmonella and shigella and accompanied by a veterinary certificate to that effect.

Local food inspection authorities are very strict. Should more than one sample, taken by veterinary inspectors from a container at the port of entry, prove positive for salmonella/shigella, the whole shipment is most likely to be rejected. There have been few incidents of this kind in the past years involving horse meat and one involving a pork shipment in 1992, which eventually was rejected and subsequently re-exported.



Local meat importers have informed the Canadian Embassy that, as these incidents have increased the risk factor, insurance companies are now requiring higher premiums on Canadian meat shipments. Undoubtedly, this has a negative impact on local buyers' interest in sourcing meat (pork, horse meat or beef) from Canada.

### Transportation and Distribution

There are no direct air connections between Canada and Sweden, at least one transfer is required. There are good and frequent sea services between the two countries. Sweden has an excellent ground transportation network.

The standard importation channels:

- through a commission agent or agent/importer buying on his own account to --
- a wholesaler/distributor to ---
- ♦ supermarket/retail chain stores
- ♦ hotels, restaurants and caterers
- ♦ processors

The supermarket and retail chains rarely import directly.

### IMPORTERS

Lars Flodin Meat Trading  
AB  
Hallmatarv. 4-6  
S-121 62 Johanneshov  
Tel: 46-8-600 14 40  
Fax: 46-8-659 36 15  
Attn: Mr. Lars Flodin,  
President

AWP - Importen AB  
Landskronav. 9  
S-252 32 Helsingborg  
Tel: 46-42-14 93 60  
Fax: 46-42-12 20 79  
Attn: Mr. Sune Nymberg,  
Cheif Buyer - Meat

AB O. Annerstedt  
Box 5213  
S-121 18 Johanneshov  
Tel: 46-8-600 72 00  
Fax: 46-8-649 01 55  
Attn: Mr. Anders Ronander,  
President

F.W. Holst International AB  
Box 19126  
.S-400 12 Gothenburg  
Tel: 46-31-20 00 10  
Fax: 46-31---20 21 95  
Attn: Bo Hansson

For Further Information  
Contact:

Canadian Embassy  
P.O. Box 16129  
S-103 23 Stockholm  
Tel: (011-46-8) 613-9900  
Fax: (011-46-8) 42-24-91  
Contact: Mrs. Ulla Hansson,  
Commercial Officer



## UNITED KINGDOM

The United Kingdom is a member of the European Community (EC). There is little prospect under the present EC market access structure (except pork offal) in the UK.

### Local Production

In 1991, total production amounted to 953 000 tonnes, of which 779 000 were pork and 174 000 bacon. Pork production is increasing modestly, while bacon is showing a declining trend.

### Domestic Consumption

Per capita consumption was 14.7 kg in 1991. Pork and bacon are traditional meat products in the UK, which has a self-sufficiency rate of 32% for bacon and ham and of 90% for pork. Consumption trends, while static for pork, are down for bacon.

### Imports

In 1991, imports were as follow:

	Tonnes	Value (£)
Pork	70 753	108 720 000
Bacon and ham	253 782	509 349 000

In 1991, there were negligible imports of pork products from Canada, apart from pork offal which amounted to 283 tonnes valued at \$203,000. There were also 15 tonnes of frozen swine cuts valued at \$75,000. The main imported product is bacon from Denmark, which held a 50% market share of imports in 1991.

Market share - bacon: Denmark 30%, Netherlands 23%, Great Britain 32%, Northern Ireland 8%, other 7%.

### Exports

In 1991, total UK pork exports amounted to 73 000 tonnes, including 46 269 tonnes of sow carcasses.

Main export markets were:

	Tonnes
France	7 606
Germany	5 084
Netherlands	3 683
Italy	3 800



Export trend is up as the 1990 figure was only 50 000 tonnes.

### **Market Opportunities for Canadian Pork**

Owing to high tariffs and non tariff barriers under the EC Common Agriculture Policy regime, opportunities in the UK are very limited at the present time, except for offal.

### **Access**

EC import requirements apply.

### **Transportation and Distribution**

The country has a highly developed network.

### **For Further Information Contact:**

**Canadian High Commission  
Macdonald House**

**One Grosvenor Square  
London W1X 0BA**

**Tel: (011-44-71) 258-6600**

**Fax: (011-44-71) 258-6384**

**Contact:**

**Mr. Gordon Parsons,**

**Counsellor (Agriculture & Fisheries)**

**Ms. Janet Farmer,**

**Commercial Officer (Agriculture/Fisheries)**

Copies of the Publication Are Available from Info Export Centre:

Tel: 1-800-267-8376

Fax: (613) 996-9709

Other Global Market Opportunity Reports available:

Lobster

Non-Traditional Seafood Species (For Summer '93 Publication)

Fish and Seafood General (For Summer '93 Publication)

Primary Agricultural Products (For Summer '93 Publication)

Value-Added Agricultural Products (For Summer '93 Publication)

Salmon (For Fall '93 Publication)

Beef (For Fall '93 Publication)

Aquaculture (For Fall '93 Publication)



Export trend is up as the 1991... only to... economies.

Market Opportunities for Canadian Pork  
 The United Kingdom is a member of the European Community and to reduce a significant barrier...  
 Owing to high tariffs and non-tariff barriers under the EC Common Agricultural Policy regime, opportunities in the UK are very limited at the present time, except for offal.

**Local Production**

Access to EC import requirements apply...  
 In 1991, total UK pig production amounted to 233 000 tonnes, of which 779 000 were...  
 In 1991, total UK pig production amounted to 233 000 tonnes, of which 779 000 were...  
 EC import requirements apply...  
 is based on... which, when...  
 and finished a...  
 The country has a highly developed network...

**Domestic Consumption**

Per capita consumption was 14.7 kg in 1991...  
 For further information contact...  
 and the...  
 end of 90% for pork. Consumption...  
 Contact: Mr. Gordon Parsons, Commercial Officer (Agriculture & Fisheries), Mr. Janet Farmer, Commercial Officer (Agriculture & Fisheries), London W1X 0BA, Tel: (011-44-71) 228-6900, Fax: (011-44-71) 228-6284.

**Imports**

In 1991, imports were as follows:

Product	Value (£ million)	Quantity (tonnes)
Pork	252.0	252.0
Bacon and ham	287.0	287.0

In 1991, there were negligible imports of pork products from most...  
 pork offal which...  
 tonnes of frozen...  
 1991 in terms of value... market share of imports in 1991.

Market share - Denmark 32%, Netherlands 23%, Great Britain 32%,  
 Northern Ireland 5%, other 7%.

**Exports**

In 1991, total UK pork exports amounted to 78 000 tonnes, including 48 269 tonnes of raw carcasses.

**Main export markets value**

Country	Value (£ million)
France	1 500
Germany	1 400
Netherlands	550
Italy	500



## REFERENCES/ACKNOWLEDGEMENTS

### References:

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- Canada Pork International Strategic Business Plan, April, 1993
- Canadian Hog Sector Competitiveness Review - International Markets, SCI Sparks Companies Inc. and Deloitte and Touche Canadian Pork Exports, Statistics May 1993
- Information Package on the Canadian Pork Industry, LL Bradich and Associates, 1991
- International Trade Business Plan, Agri-Food Sector, EAITC, 1993-94
- PBEC-Agricultural Barriers to Trade U.S. Review, Agriculture Canada
- United States Hog and Pork Sector Competitiveness Report, Draft Report, SCI Sparks Companies Inc.
- World Livestock Situation, U.S.D.A., March, 1992
- World Pork Outlook. U.S.D.A. and C.P.I.

### Acknowledgements:

- Canada Pork International
- Agriculture Canada
- Industry, Science and Technology Canada

### Copies of the Publication Are Available from Info Export Centre:

Tel: 1-800-267-8376  
Fax: (613) 996-9709

### Other Global Market Opportunity Reports available:

- Lobster
- Non-Traditional Seafood Species (For Summer '93 Publication)
- Fish and Seafood General (For Summer '93 Publication)
- Primary Agricultural Products (For Summer '93 Publication)
- Value-Added Agricultural Products (For Summer '93 Publication)
- Salmon (For Fall '93 Publication)
- Beef (For Fall '93 Publication)
- Aquaculture (For Fall '93 Publication)



**FOR FURTHER INFORMATION, PLEASE WRITE TO:**

**DAVID CLENDENNING  
TRADE COMMISSIONER  
SECTORAL LIAISON SECRETARIAT (TOS)  
INTERNATIONAL BUSINESS DEVELOPMENT BRANCH  
EXTERNAL AFFAIRS AND INTERNATIONAL TRADE CANADA  
125 Sussex Drive  
Ottawa, Canada K1A 0G2  
Tel: (613) 995-1712  
Fax: (613) 943-1103**

**OR**

**JACQUES POMERLEAU  
EXECUTIVE DIRECTOR,  
CANADA PORK INTERNATIONAL (CPI),  
75 Albert Street, Suite 1101  
Ottawa, Ontario, K1P 5E7  
Tel: (613) 236-9886  
Fax: (613) 236-6658**



# Appendix A - WHERE THE WORLD SHOPS

## Selected Major Trade Fairs for Pork Products

### ALIMENTARIA INTERNATIONAL FOOD FAIR

Barcelona, Spain

March 1994

Frequency: Biannual

Products: Food products and beverages

Contact: EAITC - Hélène Guillot Tel: 613-996-6359

### ANTAD

Guadalajara, Jalisco

Feb. 1994

Frequency: Annual

Products: Food Products and Beverages

Contact: EAITC - Paul Schutte Tel: 613-996-5358

### CANADIAN FOOD SOLO SHOW

Osaka, Japan

March, 1994

Frequency: Annual

Products: Food products and beverages

Contact: EAITC - Greg Bates Tel: 613-995-8614

### CANADA EXPO

Mexico City,

March, 1994

Frequency: Biannual

Products: Multi-sectoral. Large food component.

Contact: EAITC - Paul Schutte Tel: 613-996-5358

### FOODEX

Tokyo, Japan

March, 1994

Frequency: Annual

Products: All food items incl. beverages, meat, poultry, dairy, seafood, canned goods, etc.

Visitor Profile: 90,000 food industry executives and buyers expected to attend

Organizer: Japan Management Assoc. Fax: 03-343-48076

Contact: EAITC - Greg Bates Tel: 613-995-8619

### INTERNATIONAL FOOD AND DRINK EXHIBITION,

Lndon, U.K.

April, 1995

Frequency: Biannual

Products: Food and Drinks

Contact: EAITC - Gayle McCallum (613) 996-1530



**FOOD MARKETING INSTITUTE (FMI)**

Chicago

May, 1994

Frequency: Annual

Products: Equipment and food products

Visitor Profile: (1991) 35,000 Top management from food companies in Canada, Mexico and overseas

Organizers: Food Marketing Institute Fax: 202-429-4519

Contact: EAITC - David Shaw Tel: 613-944-9474

**HOFEX '93**

Hong Kong

May, 1995

Frequency: Biannual

Products: Food and Food Processing

Visitor Profile: food trader from all over the world.

Contact: EAITC - Dan Mrkich Tel: 613-995-6962

**NATIONAL RESTAURANT ASSOC. SHOW**

Chicago, U.S.A.

May, 1994

Frequency: Annual

Products: Hotel, Restaurant, Supermarket and Institutional Equipment and Services

Contact: EAITC - David Shaw Tel: 613-944-9474

**WORLD PORK EXPO**

June 10-12, 1994

Indianapolis, Indiana

Products: Pork, Processed Pork and Technologies

Visitor Profile: 70,000 to 80,000 people

Contact: Lisa Swenson 612-333-4641

**2ND INTERNATIONAL FOOD EXHIBITION**

Caracas, Venezuela

July, 1994

Frequency: Annual

Products: Food and Processed Food and Beverages

Contact: EAITC - Jon Dundon Tel: 613-996-6921

**EXPO ALIMENTOS**

Monterrey, Nuevo Leon

Aug. 3-6, 1993

Frequency:

Products: Multi Sectoral, Large Food Component

Contact: EAITC - Paul Schutte (613) 996-5358

**FOOD EXPO '94**

Hong Kong

August, 1994

Frequency: Annual

Products: Consumer Food products

Organizers: Hong Kong Trade Development Council

Contact: EAITC - Dan Markich Tel: 613-995-6962



**POLAGRA**

Poznan, Poland  
October, 1993

Frequency: Annual

Products: Food and Food Processing

Contact: EAITC - Michael Vujnovich Tel: 613-996-7107

**ANUGA**

Cologne, Germany  
October, 1993

Frequency: Biennial (alternates with SIAL)

Products: Food and food provisions of all types.

Exhibitors: (1989) National 1565 Foreign 3422

Organizers: KolnMessa und Ausstellungen Fax: 0221-821-2574

Contact: EAITC - Lorraine Reardon Tel: 613-996-2147

**SIAL**

Paris, France

October, 1994

Frequency: Biennial (alternates with ANNUGA)

Products: Food products including dairy, game, met, poultry, confectionery, fruit, vegetables, seafood, etc.

Contact: EAITC - Pascal Andre Tel: 613-996-5555

**NATIONAL PREPARED FROZEN FOOD FESTIVAL**

U.S.A., East Rutherford

October, 1993

Frequency: Annual

Products: Food products only - refrigerated and frozen

Visitor Profile: 4,100 qualified buyers from the Tri-state area foodservice trade

Contact: EAITC - David Shaw Tel: 613-944-9474

**NATIONAL FOOD BROKERS' ASSOCIATION SHOW**

Chicago

December, 1993

Frequency: Annual

Products: Semi-processed and Processed Food and Beverage

Visitors Profile: 15,000 attendees incl. NFBA members from across North America

Contact: EAITC - David Shaw Tel: 613-944-9483

APPENDIX B

FEDERAL GOVERNMENT CONTACTS TO  
FOOD AND AGRICULTURE INDUSTRY

INTERNATIONAL AFFAIRS AND INTERNATIONAL TRADE CANADA

125 Sussex Drive  
Ottawa, Ontario  
K1A 0G2

EUROPE

Central and Eastern Europe  
Trade Development Division (RET)  
Mr. Melvyn L. MacDonald,  
Director  
Tel: (613) 996-6835

Western Europe Trade,  
Investment and Technology  
Division (RWT),  
Mr. Robert Dery,  
Director  
Tel: (613) 996-9402

LATIN AMERICA AND  
CARIBBEAN

Latin America and Caribbean  
Trade Division (LCT),  
Fax: (613) 943-8806  
Mr. Denis Thibault,  
Director  
Tel: (613) 996-4198

UNITED STATES

United States Trade  
Investment and Development  
Division (UTI),  
Ms Cynthia Harmon,  
Director  
Tel: (613) 996-5912

United States Trade and Tourism  
Development Division (UTO),  
Mr. Paul Desbiens,  
Director  
Tel: (613) 996-9477

AFRICA AND MIDDLE EAST

Africa and Middle East Trade  
Development Division (IGTE),  
Tel: 990-7431

PACIFIC

Asia Pacific South Trade  
Development Division (PST),  
Tel: (613) 996-0810

EAST ASIA TRADE DEVELOPMENT  
DIVISION (PAC)

Mr. Michel Fessault,  
Director  
Tel: (613) 996-6985

JAPAN TRADE DEVELOPMENT  
DIVISION (PNJ)

Mr Peter Campbell,  
Director  
Tel: (613) 996-6985



**FOOD MARKETING INSTITUTE (FMI)**

Chicago  
May, 1994  
Frequency: Annual  
Products: Equipment and food products  
Visitor Profile: (1991) 35,000 Top management, food buyers, food processors, food distributors, food retailers, food service organizations  
Organizers: Food Marketing Institute  
Contact: EAITC - David Shaw Tel: 613-986-2107

**HOFEX '93**

Hong Kong  
May, 1993  
Frequency: Annual  
Products: Food and Food Processing  
Visitor Profile: food trader from all over the world  
Contact: EAITC - Dan Markich Tel: 613-986-2107

**NATIONAL RESTAURANT ASSOC. SHOW**

Chicago, U.S.A.  
May, 1994  
Frequency: Annual  
Products: Food and Food Processing  
Visitor Profile: food trader from all over the world  
Contact: EAITC - David Shaw Tel: 613-986-2107

**WORLD PORK EXPO**

June 10-12, 1994  
Indianapolis, Indiana  
Products: Pork, Processed Pork and Technology  
Visitor Profile: 70,000 to 80,000 people  
Contact: Lisa Swenson Tel: 613-986-2107

**2ND INTERNATIONAL FOOD EXHIBITION**

Caracas, Venezuela  
July, 1994  
Frequency: Annual  
Products: Food and Processed Food and Beverages  
Contact: EAITC - David Shaw Tel: 613-986-2107

**EXPO ALIMENTOS**

Monterrey, Nuevo Leon  
Aug. 3-6, 1993  
Frequency: Annual  
Products: Multi Sectoral, Large Food Component  
Contact: EAITC - Paul Schutte (513) 996-5358

**FOOD EXPO '94**

Hong Kong  
August, 1994  
Frequency: Annual  
Products: Consumer Food products  
Organizers: Hong Kong Trade Development Council  
Contact: EAITC - Dan Markich Tel: 613-986-2107

**POJAGRA**

Poznan, Poland  
October, 1993  
Frequency: Annual  
Products: Food and Food Processing  
Contact: EAITC - Michael Vujnovich Tel: 613-986-2107

**ANUGA**

Cologne, Germany  
October, 1993  
Frequency: Biennial (alternates with SIAL)

Products: Food and food provisions of all types  
Exhibitors: (1993) National 1986 Foreign 3423  
Organizers: Kolmesse und Ausstellungen  
Contact: EAITC - Louise Reardon Tel: 613-986-2107

**SIAL**

Paris, France  
October, 1994  
Frequency: Biennial (alternates with ANUGA)

Products: Food products including dairy, game, meat, poultry, confectionery, fruit, vegetables, seafood, etc.  
Contact: EAITC - Pascal Andre Tel: 613-986-2107

**NATIONAL PREPARED FROZEN FOOD FESTIVAL**

U.S.A., East Rutherford  
October, 1993  
Frequency: Annual  
Products: Food products only - refrigerated and frozen  
Visitor Profile: A 100 qualified buyers from the 14-state area  
Contact: EAITC - David Shaw Tel: 613-986-2107

**NATIONAL FOOD BROKERS' ASSOCIATION SHOW**

Chicago  
December, 1993  
Frequency: Annual  
Products: Semi-processed and Processed Food and Beverages  
Visitor Profile: 18,000 attendees incl. NFBA members from across North America  
Contact: EAITC - David Shaw Tel: 613-986-2107



## APPENDIX B

# LIST OF FEDERAL GOVERNMENT CONTACTS TO ASSIST THE PORK INDUSTRY

### EXTERNAL AFFAIRS AND INTERNATIONAL TRADE CANADA

125 Sussex Drive  
Ottawa, Ontario  
K1A 0G2

#### INTERNATIONAL BUSINESS DEVELOPMENT

Sectoral Liaison Secretariat (TOS),  
Trade Planning & Operations,  
International Business  
Development Branch,  
Mr. Christian Lapointe,  
Deputy Director,  
Tel: (613) 995-1773  
Fax: (613) 943-1103  
-sectoral trade development issues  
and liaison with other  
government departments

#### TRADE & ECONOMIC POLICY

Agriculture & Resource Trade  
(EAA),  
Trade Access,  
Trade & Economic Policy Branch,  
Mr. Earl. Weybrecht,  
Director  
Mr. Geoff Adams,  
Deputy Director  
Tel: (613) 992-3586  
Fax: (613) 944-0756  
- trade agreements and trade  
access issues

#### GEOGRAPHIC DIVISIONS

##### AFRICA AND MIDDLE EAST

Africa and Middle East Trade  
Development Division (GBTE),  
Fax: (613) 990-7431  
Mr Daniel Marchand,  
Director  
Tel: (613) 6591

##### ASIA AND PACIFIC

Asia Pacific South Trade  
Development Division (PST),  
Fax: (631) 996-4309  
Mrs Louise Fortin,  
Director  
Tel: (613) 996-0910

East Asia Trade Development  
Division(PNC),  
Mr. Michel Perrault,  
Director  
Tel: (613) 995-7575

Japan Trade Development  
Division (PNJ),  
Mr Peter Campbell,  
Director  
Tel: (613) 995-8985

#### EUROPE

Central and Eastern Europe  
Trade Development Division (RBT)  
Mr. Melvyn L. MacDonald,  
Director  
Tel: (613) 996-6835

Western Europe Trade,  
Investment and Technology  
Division (RWT),  
Mr. Robert Dery,  
Director  
Tel: (613) 995-9402

#### LATIN AMERICA AND CARIBBEAN

Latin America and Caribbean  
Trade Division (LCT),  
Fax: (613) 943-8806  
Mr. Denis Thibault,  
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## INTERNATIONAL TRADE CENTRES

External Affairs and International Trade Canada and Industry, Science and Technology Canada established International Trade Centres (ITCs) across Canada to assist first-time and experienced exporters by providing export publications, recruiting participants for trade fairs and missions, providing a wide range of services to companies seeking export counselling, technology transfer or joint ventures with foreign investors. For further information exporters are encouraged to contact the ITC nearest you. Export counselling is also available through External Affairs and International Trade Canada's Info Export Office in Ottawa which can be reached toll free at 1-800-267-8376; local callers; 944-6435.

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## **AGRICULTURE INDUSTRY MARKETING STRATEGY (AIMS) INITIATIVE**

The Agri-Food Industry Market Strategies (AIMS) Initiative is a process by which Canadian agri-food associations seeking assistance for export development can access federal government funding. In conjunction with a working group of representatives from the funding departments, industry associations develop long term strategic market plans consistent with current requirements.

Based on the recommendation of the sector working group the AIMS Steering Committee reviews the business plan and approves funding through appropriate federal government departments. The committee is composed of officials from Agriculture Canada, Industry, Science and Technology, External Affairs and International Trade Canada, and Western Economic Diversification.

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