



Government
of Canada

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du Canada

Agriculture and Agri-Food Market Access Report

2010–2011

Re-opening – Maintaining – Expanding Markets



Canada

Agriculture and Agri-Food Market Access Report
2010–2011. Re-opening – Maintaining – Expanding Markets

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2010-2011. Réouverture, maintien et croissance des marchés*

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Ministers' Message

The Canadian agriculture and agri-food sector is a key driver of Canada's economy, and in the wake of the global economic downturn, it continues to be a strong force for economic recovery.

With almost half of Canada's total agricultural production exported, much of the potential for growth of the sector lies in our ability to expand our markets abroad.

That is why market access is a priority. We want to be sure our farmers and food processors can continue to deliver their high quality products to consumers around the world.

In 2010 and the beginning of 2011, the Government of Canada worked hard to reopen, maintain and expand markets for Canadian agricultural products. We continued to stand up for our export-oriented sectors by making sure that our trading partners respect science-based approaches to trade as part and parcel of their international obligations. The results of these efforts would not have been possible without close industry engagement with Agriculture and Agri-Food Canada, the Canadian Food Inspection Agency, Foreign Affairs and International Trade Canada as well as with the provinces and territories. We know that we can rely on the continued sustained effort of these partners in tackling the sector's market access challenges in order to help it achieve growth and profitability.

We are pleased to present the 2010–2011 Agriculture and Agri-Food Market Access Report, which demonstrates the commitment of the Government of Canada to improving profitability and opportunities for the Canadian sector.



The Honourable Gerry Ritz
The Honourable Gerry Ritz, P.C., M.P.,
Minister of Agriculture and Agri-Food
Minister for the Canadian Wheat Board



The Honourable Ed Fast
The Honourable Ed Fast, P.C., M.P.,
Minister of International Trade
Minister for the Asia-Pacific Gateway

The Federal Market Access Team

The Government of Canada's approach to increasing market access for agriculture and agri-food exports captures the collective efforts of the Federal Market Access Team members: Agriculture and Agri-Food Canada (AAFC), the Canadian Food Inspection Agency (CFIA) and Foreign Affairs and International Trade Canada (DFAIT). This team supports a collaborative approach, working closely with industry stakeholders, provinces and territories to advance Canadian interests abroad. In response to recommendations from industry, the Federal Market Access Team is committed to effective engagement with market access stakeholders and partners in order to maximize efforts to increase market access opportunities in foreign markets.

Focusing the Market Access Agenda

Ten priority markets were the focus of the market access agenda for 2010-2011. The 10 markets were selected based on consultation with provinces, territories, and industry stakeholders as well as an analysis of economic values and market potential of various markets of interest.

Each of the 10 priority markets offers feasible, achievable and sustainable market access outcomes — the benefits of which are expected to be shared across sectors and regions (recognizing that each sector and region has its own unique priorities and challenges). The 10 priority markets are divided into two categories, as follows:

- **Established markets** are mature markets with existing and successful networks of government and non-government contacts and mechanisms for dealing with market access issues. These markets are also defined by strong commercial ties with Canada.
 - o **Six established markets were identified: European Union (EU), Japan, Mexico, South Korea, Taiwan and the United States (US).**
- **Emerging markets** have high economic potential (gross domestic product (GDP) growth greater than 5%), but **commonly** present higher commercial risks for industry.
 - o **Four emerging markets were identified: China, India, Indonesia, Russia**

The Federal Market Access Team continues to work to regain, open and expand access in all relevant markets around the globe; however, the 10 priority markets were identified in order to focus efforts and more effectively allocate resources.

Expanding Market Access in the Priority Markets

From January 2010 to March 2011, the Market Access Team reached significant milestones and made progress in its efforts to increase market access in the 10 priority markets. Market access accomplishments and next steps are outlined below.

China

Background

With a population of over 1.3 billion and a GDP adjusted for purchasing power parity (GDP [PPP]) of US\$ 9.872 trillion, China is an important export market for the Canadian agriculture and agri-food industry. The agriculture sector represents 9.6% of China's GDP.

In 2010, exports to China of agri-food products exceeded \$2.7 billion, up from \$425 million in 2003. China was Canada's third largest export market for agri-food products. In 2010, Canada's top agri-food exports to China were canola oil, canola seed, canola meal, peas and barley.

The Government of Canada continues to work to resolve market access issues in China, including restrictions on: canola seed due to blackleg; supplemental H1N1 certification for pork; adoption of international standards for ractopamine residue; import restrictions on Canadian dairy products due to new Chinese import requirements; cherries for which China has completed a risk assessment; blueberries for which a risk assessment is required; and, avian influenza restrictions on poultry from British Columbia and Manitoba.

Market Access Accomplishments

- **Canola:** Canada negotiated transitional measures for the 2009 crop year which allowed blackleg positive shipments to enter non-rapeseed production areas. An extension of these measures was secured for the 2010 crop, allowing these exports to continue. Canada continues to work with China to achieve a long-term solution.
- **Beef, beef products and tallow:** Canada and China signed a Cooperative Arrangement, witnessed by Prime Minister Stephen Harper and President Hu Jintao, granting access for imports to China of Canadian de-boned beef derived from animals under 30 months of age and tallow for industrial use, and establishing a staged approach for full resumption of trade in other bovine products. Technical negotiations and implementation of the arrangement are ongoing.
- **Peas:** China removed its maximum limit for selenium residues in imported food effective February 14, 2011. In 2010, China was Canada's third largest market for pulses with \$172 million in exports. Pulse Canada estimates that recent agreements achieved, including but not limited to this one, between Canada and China could increase the value for pulse exports to China to \$500 million.
- **Pork and swine:** The H1N1-related ban, inhibiting trade since May 2009, was lifted and temporary supplemental certification for pork and live swine were negotiated so trade could resume.

European Union

Background

Comprised of 27 member States with a total population of nearly 500 million and a GDP (PPP) of just under US\$ 15 trillion in 2010, the EU is the world's largest single market, foreign investor and trader. Traditional markets in Western Europe and the Nordic states are complemented by potential emerging markets in Central and Eastern Europe. Agriculture represents 1.8% of the GDP. Transatlantic investment has also reinforced traditional trade relations as Canadian firms increasingly sell through their affiliates in the EU market.

In 2010, Canada's agri-food exports to the EU were valued at \$2.2 billion. The EU was Canada's fourth largest export market. Top exports were soybeans, non-durum wheat, durum wheat, flaxseed and lentils.

While Canada has had significant success in resolving a number of key market access issues with the EU, efforts continue to be focused on resolving a number of outstanding issues, including: treatment of products of biotechnology; the ban on the feed additive ractopamine affecting pork exports; acceptance of decontamination methods approved in Canada for meat; and, recognition of the equivalency of inspection systems for meat.

Market Access Accomplishments

- **Plant biotechnology:** Working closely with industry, the Government of Canada proposed several changes to the October 2009 sampling and testing protocol for flaxseed exported to the EU, which ensures that traces of EU-unapproved GM flaxseed are not present in shipments from Canada. These changes were accepted by the EU in March 2010.
- **Wheat:** In June 2010, a Ministerial decision was issued in Greece repealing additional inspection and testing requirements for genetically modified organisms in wheat. These requirements had impeded trade for six years. Shipments to this market, worth approximately \$70 million in 2004, have since resumed.
- **Beef:** In November 2010, the Government of Canada and the European Commission (EC) reached an arrangement that provided Canadian beef exporters access to the 20,000 metric ton (MT) EU-US most-favoured nation (MFN) duty-free tariff rate quota (TRQ) for hormone-free beef. In March 2011, the Government of Canada and the EC signed a memorandum of understanding that will provide an additional 3,200 MT duty-free TRQ to be added to the existing quota by August 2012, and which will set the path towards the resolution of the Canada-EC WTO dispute on beef hormones. It is estimated that the duty-free access for beef could be worth more than \$10 million a year for Canada. As of March 2011, Canadian beef exporters have shipped over \$1.5 million of hormone-free beef to the EU under the MFN TRQ.
- **Comprehensive Economic Trade Agreement (CETA) negotiations:** In December 2010, Trade Ministers from Canada and the EU reaffirmed the ambitious agenda and timetable set for CETA negotiations, with the objective of concluding negotiations in 2012.
- **Pork:** Three Canadian establishments were approved to export pork to the EU under the Ractopamine Free Protocol for pork.
- **Animal genetics:** Agreement was achieved on the equivalence of inspection systems for bovine embryos in the context of the Canada-EU Veterinary Agreement.

India

Background

India has the world's second largest population of 1.2 billion people and the largest livestock population. Agriculture accounted for 16.1% of the GDP in 2010, which was US\$ 4.0 trillion (PPP).

In 2010, Canada's agri-food and seafood exports to India were valued at \$427 million – making India Canada's 10th largest agri-food export market. Top exports included peas, lentils, mustard seed, chickpea and vegetable meal.

Pulse crop exports (peas, beans, lentils, chickpeas) accounted for 97% of agri-food exports (\$415 million). Although Canadian agri-food exports to India are mostly pulse crops, a number of other agri-food products are starting to gain interest from Indian importers including grains, oilseeds, animal genetics, fodder, fats and oils, processed food, beverages, and confectionery.

The Government of Canada continues to work with India to resolve market access issues such as: quarantine pest and fumigation certification for pulses; declaration of freedom from soil in pulse shipments;

tolerances for certain quarantine pests and weed seeds in cereal grains (wheat, malting barley, oats); quarantine weed seeds and India's zero tolerance for genetically modified (GM) canola seed; certification for live animals (cattle, swine, horses), pork, and dry pet food; a revised certificate for bovine semen; specific microbial requirements for seafood; and access, with treatment, for eastern spruce species.

Negotiations of the Canada – India Comprehensive Economic Partnership Agreement (CEPA), which began in November 2010, are expected to conclude in 2013. An agreement could boost Canada's GDP by at least \$6 billion, directly benefiting Canada's agricultural sector.

Market Access Accomplishments

- **Poultry genetics:** India agreed to a health certificate for day-old chicks in September 2010, opening up a new and growing market. India's imports of day-old chicks (chicken species) from the world have increased from approximately \$769,500 in 2007 to \$2.2 million in 2010.
- **Pulses:** In July 2010, Indian and Canadian technical officials agreed, in principle, to the text of a phytosanitary arrangement on the import of Canadian pulses to India. The pulse arrangement will provide a longer term solution for the certification of pulses, allowing continued fumigation at Indian ports, reducing uncertainty, significant delays and costs to Canadian farmers, and ensuring uninterrupted supply of pulses to India. The Government of Canada continues to work with India to finalize the arrangement. Canadian pulse crop exports to India were \$416 million in 2010 (5 year average from 2006-2010).
- **Horses:** In May 2011, India approved Canada's amended health certificate for the export of horses (for breeding) to India. This ensures Canadian exporters access to a market that was worth \$3.1 million in 2010.

Indonesia

Background

Indonesia's agriculture sector makes up 16.5% of the GDP. Indonesia had a population of 246 million and a GDP of US\$ 1.033 trillion (PPP) in 2010. Indonesia was Canada's twentieth largest overseas market for agriculture exports in 2010, with a value of approximately \$254 million. Asia is leading the global economic recovery and Indonesia is expected to register an average of 6.5% annual GDP growth through 2012, as forecast by the Organisation for Economic Co-operation and Development (OECD).

Although Canada primarily exports wheat to Indonesia, exports of prepared foods and seafood have experienced considerable growth over the past four years. In 2010, Canada's main exports to Indonesia were non-durum wheat, animal feed, table potatoes, crustaceans and soybeans.

The Government of Canada continues to work to resolve a number of market access issues with Indonesia, including: bans on bone-in beef products, and some offal and tallow, as well as live cattle; certification challenges for live sheep and goats as well as their embryos and semen; blackleg- and potato mop top virus-free requirements for seed potatoes; and, cold treatment or fumigation requirements for fresh cherries.

Market Access Accomplishments

- **Pork and swine:** Indonesia lifted all H1N1 restrictions on pork, pork products and live swine, opening access to a market valued at \$1.5 million annually.

- **Beef:** Indonesia rescinded a plan for a temporary ban on Canadian boneless beef valued at \$3.2 million (a market with an overall value of \$306 million in 2009). In March 2011, Indonesia rescinded its plan for a temporary ban on Canadian rendered animal by-products in response to Canada's 18th case of bovine spongiform encephalopathy (BSE). Continued access to Indonesia for Canadian rendered animal by-products protects a market worth approximately \$13 million.
- **Wheat, potatoes and other horticulture products:** Indonesia recognized Canadian wheat and horticulture food safety systems. In 2010, the Indonesian market for Canadian wheat was \$193 million and \$16 million for Canadian horticulture exports.

Japan

Background

Japan, the world's third largest economy, with a population of over 126 million, remains one of Canada's most important economic and commercial partners. Agriculture accounts for 1.1% of the GDP. Japan's GDP declined by 5.3% between 2008 and 2009. Japan recovered slightly in 2010, when its GDP was evaluated at US\$ 4.338 trillion (PPP).

Japan is a net importer of agri-food product, relying on imports for 60% of its food intake. Japan's agri-food imports have been growing over the past five years.

Japan is Canada's largest overseas agri-food market with \$3.0 billion in exports in 2010. Canada is Japan's fourth largest import source after the US, China and Australia. Agri-food exports to Japan increased by 1.5% in 2010. Canada's top agri-food and seafood exports to Japan were canola seed, pork, wheat, various seafood, and soybeans.

The Government of Canada continues to work to open trade to beef derived from animals over 20 months of age, fresh greenhouse peppers from British Columbia, and organic products encountering equivalency issues.

Market Access Accomplishments

- **Feed and flax:** In January 2010, Japan lifted its 100% inspection order on feed and industrial grade flax from Canada, which is now estimated at \$5 to \$10 million annually.

Mexico

Background

Mexico has a population of almost 114 million and a GDP of US\$ 1.56 trillion (PPP) (GDP per capita of US\$ 13,800 (PPP) in 2010). In 2010, agriculture represented 3.5% of Mexico's GDP. Crop production continues to be the most important agricultural activity, accounting for over 50% of the value of agricultural output, while livestock production accounts for close to 45% of this output.

Mexico is the world's 13th largest importer of agri-food products, and Canada is among its most important suppliers. Canada-Mexico bilateral agriculture and agri-food trade has been increasing steadily since the North American Free Trade Agreement (NAFTA) entered into force in 1994. Canada's agri-food exports to Mexico in 2010 were valued at \$1.4 billion. Mexico was Canada's fifth largest export

market for agri-food products. Canada's top five exports to Mexico in 2010 were canola seed, non-durum wheat, fresh boneless beef, fresh pork, and frozen fries.

The Government of Canada continues to work to resolve market access issues with Mexico, including the BSE ban on beef derived from animals over 30 months; certification for shipments of small ruminants; and, a permanent solution to resolve Mexico's concerns about shipments of Canadian canary seed and avian influenza restrictions applied to poultry meat.

Market Access Accomplishments and Announcements

- **Poultry genetics:** On July 24, 2010, Mexico removed the import restrictions on Canadian hatching eggs, day-old chicks and turkey poulters that were established following the March 2004 outbreak of avian influenza. Canadian industry estimates that exports of these products from Canada could potentially reach \$2 million annually.
- **Canary seed:** In December 2010, the CFIA restarted issuing export certificates for shipments of canary seed, following an agreement with Mexico to continue applying interim measures to address its concerns regarding the presence of quarantine weed seeds in these shipments. Work continues towards a permanent solution to the issue.

Russia

Background

The Russian Federation (Russia) is one of the world's largest importers of food products, notably meat. Reinvigorating the agriculture sector, which represents 4.2% of the GDP, is currently among the Russian government's top strategic priorities. It has a population of almost 140 million and a GDP of US\$ 2.229 trillion (PPP).

There is strong demand for meat products in Russia, but Canadian meat exporters are faced with challenges created by numerous tariff and non-tariff barriers. While the Russian government strongly supports livestock imports, including cattle and swine, the lack of access to credit among importers constrains Canadian livestock exports to the market. 2009 was an atypical year in terms of exports of Canadian agri-food products to Russia (valued at only \$169 million) due to the global recession. The market recovered nicely in 2010 with total agri-food exports reaching \$278 million in value. Russia was Canada's 14th largest agri-food export market. Key exports include pork, soybeans, beef, dog and cat food, and live swine.

The Government of Canada continues to work to resolve market access issues with Russia, including: revision of veterinary certificates to comply with requirements of the new customs union with Kazakhstan and Belarus; approval of Canadian establishments for export of beef; and, removal of temporary import restrictions on Canadian pork establishments.

Market Access Accomplishments

- **UTM bone-in beef:** In 2010, it was confirmed that previously approved establishments could export bone-in beef from animals under thirty months and boneless beef from animals over thirty months (OTM). The Canada Beef Export Federation estimates this segment to be worth approximately \$20-22 million.

South Korea

Background

South Korea is home to 49 million people and had a GDP of US\$ 1.467 trillion (PPP) in 2010. Agriculture accounts for 3.0% of the GDP.

Canada and South Korea share strong political and economic relations and have a well-established trade and investment relationship. In 2010, South Korea was the seventh largest market for Canadian agri-food and seafood exports. Canada's total agri-food exports to South Korea totalled \$556.5 million.

Canada's top five agricultural exports to South Korea in 2010 were non-durum wheat, frozen pork, fresh pork, mink fur skins, and canola oil.

The Government of Canada continues to work to regularize trade of beef, due to BSE; Canadian tallow originating from the US; organic commodities in light of proposed changes to South Korea's organic regime; genetically modified foods, due to new proposed labelling standards; and, fresh and chilled blueberries, for which a pest risk assessment is required.

Market Access Accomplishments

- **Organic commodities:** In July 2010, Korea announced that it will be delaying the implementation of its amended more stringent regime until December 31, 2012. Korea has indicated that it will be reviewing its organic regime in light of the comments it received in a multi-country letter dated June 23, 2010 from Canada, the US, EU, Australia, New Zealand and Chile.
- **Live swine:** In March 2011, Korea reduced its tuberculosis (TB) testing period for live Canadian swine from 60-90 days to 30 days. In 2010, Canadian exports of live swine to Korea were worth \$2.3 million. The reduced testing period in Korea will result in lower expenses for Canadian producers.

Taiwan

Background

Taiwan has a population of over 23 million people. Its GDP in 2010 was US\$ 823.6 billion (PPP). The Taiwanese agriculture sector contributes nearly 2% to GDP. The country's agriculture production is characterized by high yields from multiple cropping, tillage, and extensive use of fertilizers and irrigation. As rapid economic growth continues in the future, consumption of meat, dairy products, alcohol, and fish are predicted to increase. Much of this growing demand is expected to be supplied by imports.

In 2010, Canada's agri-food product exports to Taiwan were, valued at \$211 million. Canada's top five agri-food and seafood exports to Taiwan were pork, beef hides, pork offal, canola oil and frozen fish.

The Government of Canada continues to work to resolve market access issues such as expanded beef access; ractopamine restrictions on beef, pork and poultry; export certificate approval for fetal bovine serum; testing for leucosis in bovine embryos, and inspections for fresh apples.

Market Access Accomplishments

- **Poultry meal and porcine blood meal:** In 2010, Taiwan agreed to an export certification for poultry meal and porcine blood meal. In 2009, Taiwan's world imports of meals derived from animal products totalled \$217 million.

United States

Background

The US is home to over 313 million people with a total GDP of US\$ 14.72 trillion (PPP) in 2010, of which agriculture accounts for 1.2%.

Canada and the US are each other's most important trading partner and enjoy the largest bilateral trading relationship in the world. Agri-food and seafood trade accounted for roughly \$35 billion of this total trade.

Canada exported almost \$17.5 billion in agri-food products to the US in 2010, accounting for more than half of all Canadian agri-food exports. Canada's top exports included: live cattle, fresh boneless beef, baking-related goods, canola oil, and frozen fries.

The Government of Canada continues to work to resolve market access issues with the US, including: the establishment of best practices for managing contamination risks associated with shipments of canola meal; and, BSE restrictions still being applied to small ruminants for breeding purposes and their transit to third country markets. The Government of Canada also continues to work to minimize the impact of the following new US litigation, regulations and legislation:

- Litigation concerning the BSE Second Rule and exports of beef derived from cattle over 30 months of age;
- Country of Origin-Labeling (COOL) requirements that continue to negatively impact the volumes and prices of exporters of Canadian-born cattle and hogs;
- The anticipated BSE Comprehensive Rule which is anticipated to bring all BSE-related measures into a single place in the Code of Federal Regulations;
- The US Food Safety Modernization Act is intended to tighten oversight of domestic and imported food; and,
- The US Renewable Fuels Standard program (RFS2) that has negatively impacted Canada's ability to export canola seed and canola oil to the US market for biodiesel production.

Market Access Accomplishments

- **Renewable Fuel Standard Program (RFS2):** A canola pathway for producing biodiesel was approved by the Environmental Protection Agency (EPA) in September 2010, a key step toward allowing Canadian canola seed and canola oil to be competitive as a fuel stock under RFS2. Also, Canada's aggregate compliance petition on land use was submitted to the EPA for approval on January 31, 2011, approval of which is the remaining step to fully resolve this issue.
- **Food safety:** A US Food and Drug Administration (FDA) – CFIA – Health Canada working group on food safety was established to ensure regulatory reform in both countries is closely coordinated in order to maximize enhancements to the safety of our respective food supplies while not impacting trade unnecessarily.

- **Canola meal:** Six of seven Canadian plants placed on the FDA's Import Alert list in 2009 due to the detection of pathogens of concern were removed, which brought an end to the test and hold procedures applied at the US border. In 2011, work continued to remove the remaining plant that is still subject to these measures and to establish best management practices to help address FDA's concerns.
- **High Level Working Group (HLWG):** The HLWG was created as a result of an August 2010 meeting between US Secretary of Agriculture Vilsack and Minister Ritz with the objective of facilitating trade. The Group's work has focused on four areas: US-Canada organics equivalence; advancing international acceptance of biotechnology; continued collaboration on food safety; and resolution of border and technical process issues identified by industry stakeholders.
- **Foreign Animal Diseases (FAD):** Messaging, targeting a US audience, has been developed in consultation with industry and the provinces. The messaging addresses the need to proactively modernize existing US regulations to ensure that the full range of measures, that could be taken upon detection of FADs, are available in order to avoid unnecessary trade disruptions and to ensure consistency with international standards.

Broader Market Access Activities

Market Access Highlights Around the Globe

Brazil

- In February 2011, Canada's proposed protocol for Canadian flax seed exported in containers to Brazil came into effect. The total value of this market is \$6.8 million.

Colombia

- Colombia lifted its BSE bans on beef in January and live cattle in April 2010. This represents a re-opening of markets estimated at \$6 million for Canadian beef and \$1 million for cattle breeding stock and genetics.

Costa Rica

- In August 2010, Canada was formally notified that its pork slaughter and processing system had been approved. With all Canadian federally-inspected pork plants now able to export to Costa Rica, Canada can increase its share of Costa Rica's market for imported pork. In 2010, Costa Rica's imports reached \$12.4 million, of which \$4.6 million (37%) was from Canada.
- In February 2011, export certificates for all beef and beef products were agreed upon, allowing trade to recommence.

Egypt

- In February 2010, Egyptian markets expanded access to UTM bone-in beef as an additional step to gaining access into the high-value beef market. In 2010, Egypt imported \$882 million beef and veal meat from the world, growing from \$398 million in 2005. In 2010, Canada exported \$2.6 million worth of beef and veal products to Egypt.

Hong Kong

- In January 2011, Hong Kong authorities reduced the inspection rate on all marine shipments of Canadian beef and beef originating from other countries with controlled BSE risk status from 100% to 25%.

Jamaica

- In February 2011, Jamaica approved the import of semen and embryos of cattle, sheep and goats from Canada. Total value of this market is \$6.8 million.

Malaysia

- In February 2010, Malaysia approved access for live swine from Canada; opening up a new market which has been growing at a rate of two to three per cent annually. Canadian exports of live swine to Malaysia totalled \$167,000 in 2010.

Morocco

- In August 2010, Morocco approved the certificate for Canadian bovine embryos. This information has been shared with Canadian industry representatives, who have expressed their interest in this market. As an objective of Morocco's Plan Vert (which is the country's strategy to bring better opportunities to small and large-scale farmers by transforming its agri-food sector into a stable source of growth, competitiveness and broad-based economic development in rural areas), Morocco is looking to improve and develop its dairy sector and is interested in embryo transfer technology.

Panama

- In June 2010, Panama re-opened its market to imports of live Canadian cattle and expanded market access for bovine genetics. In 2010, Panama's import market of cattle and bovine genetics was worth \$2.21 million.

Pakistan

- Pakistan approved Canadian day-old chicks and hatching eggs certificates in September 2010, opening up a new market for Canadian exporters. In 2010, world exports of hatching eggs to Pakistan were \$1.8 million.

Philippines

- In July 2010, the Philippines opened its \$20 million rendered animal by-products market to Canada.
- In March 2011, Canada secured accreditation of its meat inspection and export certification systems for export of meat and meat products to the Philippines. In 2010, Canadian exports of meat and edible offal to the Philippines amounted to \$81.6 million.

Singapore

- In October and December 2010, Singapore approved three additional Canadian beef plants eligible to export to the market. Canada exported approximately \$106,000 worth of beef products to Singapore. Singapore imported \$143 million from the world.

Thailand

- In January 2010, Thailand lifted all H1N1 restrictions on pork, pork products and live swine; however, Thailand continues to ban Canadian pork imports due to Canada's use of ractopamine. The total value of pork and pork products imports from the world to Thailand was \$6.7 million in 2010.

Vietnam

- In July 2010, Vietnam expanded Canadian market access to OTM beef, estimated to potentially double the value of exports to \$11 million.

- In August 2010, Vietnam accepted the CFIA's proposed health certificate for fish and seafood products maintaining a market worth \$14.7 million in 2010 and agreed to maintain market access for fresh cherries pending the outcome of a pest risk assessment.
- In December 2010, Canada secured Vietnamese approval of establishments for food hygiene and safety control systems for meat, seafood and egg products, thereby protecting market access worth approximately \$32.5 million in 2010.
- In December 2010, Canada secured market access for pork bone.
- In March 2011, Vietnam partially lifted its suspension on offal imports. The market is worth approximately \$5 million to Canada.

Conclusion

Over the course of the time period between January 2010 and March 2011, the Government of Canada achieved many accomplishments to the benefit of Canadian exporting farmers and food processors. By collaborating and coordinating market access efforts and activities, AAFC, CFIA, DFAIT, provinces, territories and industry succeeded in re-opening, maintaining and expanding markets for many Canadian agricultural and agri-food products.

Globally, market access was improved for exporters in the following sectors: animal genetics (bovine, porcine and poultry); beef; canary seed; canola seed, meal and oil; flax; horses (for breeding); horticulture (including potatoes); organic commodities; peas; plant biotechnology; pork and swine; poultry meal and porcine blood meal; rendered animal by-products; and, wheat.

In order to demonstrate that Canada's food system continues to produce and export safe and high-quality products, the Federal Market Access Team undertook many successful efforts and activities. Collectively, it advanced the interests of the Canadian agriculture and agri-food sector as a key element of Canada's bilateral relations; defended science-based approaches to trade on the international stage; inspected products and establishments; negotiated certificates, long-term and transitional measures, and agreements; and, at times, even worked with other foreign governments on common market access issues in third markets.

Despite the significant milestones and progress made, resolving market access issues remains a lengthy, iterative and resource-intensive process requiring sustained technical, political and diplomatic efforts. As such, the Government of Canada remains committed to re-opening, maintaining and expanding markets on behalf of Canada's agriculture and agri-food sector by tackling unresolved and forthcoming market access issues, and proactively working to avoid future trade disruptions in 2011 and beyond.