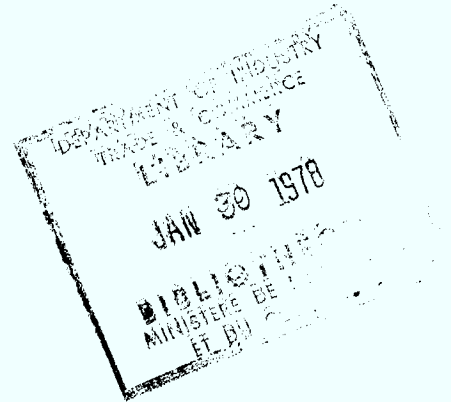


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**WORLD
MARKET
OPPORTUNITIES
GRAINS**



WORLD MARKET OPPORTUNITIES GRAINS

Canada

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INTRODUCTION

WORLD MARKET OPPORTUNITIES — GRAINS is one of a series of booklets produced for **ENTERPRISE CANADA 77** from material compiled by Trade Commissioners of the Department of Industry, Trade and Commerce stationed around the world.

Grouped under the Department's three bureaux — European; Pacific, Asia and Africa; and Western Hemisphere — this booklet provides information on market opportunities available to exporters and potential exporters of grains on a country-by-country basis.

Other booklets in this world market opportunities series include Agriculture and Food Products, Capital Projects, Chemicals, Defence, Electrical and Electronic Products, Fisheries, Machinery, Resource Industries and Con-

struction; Textiles and Consumer Products, and Transportation Industries.

Copies of these publications may be obtained free of charge from:

Printing and Distribution
Office of Information and Public Relations
Department of Industry, Trade and Commerce
240 Sparks Street
Ottawa, Ontario, Canada
K1A 0H5

Additional information on **ENTERPRISE CANADA 77** may be obtained from Regional Offices of the Department of Industry, Trade and Commerce, listed on Page 31.

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EUROPEAN BUREAU

Eastern European Division

BULGARIA

The Market

Although industry has made great strides since World War II, agriculture remains an important branch of the Bulgarian economy. Within Comecon, Bulgaria is somewhat of a specialist for agricultural products. The total volume of agricultural production over the current five-year plan is to rise by 20 per cent. Impressive protein production targets have not been met in recent years due to fodder supply problems. Bulgaria is normally self-sufficient in bread grains, but occasionally imports feed grains.

Import Policies

Bulgaria's foreign trade amounted to about \$9.6 billion in

1975. Of this total, 76 per cent was with Comecon countries and fully 55 per cent was with the Soviet Union. Foreign trade is managed by monopoly Foreign Trading Organizations. Because they purchase for the whole of Bulgaria, orders are large enough to make persistence worthwhile.

Generally, to conserve scarce foreign currency, Bulgaria does not import for consumption, but rather to increase future production. Thus feed grains are the most promising export in this sector, dependent on harvest results.

Export Opportunities

Fodder grains and feed additives.

CZECHOSLOVAKIA

The Market

While Czechoslovakia seeks self-sufficiency in the production of grains it is still necessary to import considerable amounts. The value of such grain imports in 1975 reached \$177 million. Of these \$20 million came from western countries comprising \$3 million of wheat, \$2.4 million of corn, \$13.7 million of meal and flour cereals, and \$3.1 million for other cereals and cereal preparations.

Import Policies

The foreign trade in Czechoslovakia is state-controlled

and all grains are imported by the Foreign Trade Corporation KOOSPOL, Leninova 178, 160 67 Prague 6.

Export Opportunities

Grains remain the most important component of Canadian exports to Czechoslovakia. Canadian durum wheat is imported regularly in the amount of some 20 thousand tons. Each year Czechoslovakia seeks to import about 300 thousand tons of corn for feed purposes and also regularly imports all types of oil and mustard seeds.

HUNGARY

The Market

Although impressive progress has been made in industry, agriculture and forestry (linked together in official statistics) continue to employ approximately 23 per cent of the work force and provide 16.4 per cent of the Net Material Product (the Eastern European equivalent for GNP).

The most important grain crops are the following:

	Area (1,000 hectares)	Harvest (1,000 metric tons)	Aver. Yields (m.t. per hectare)
Wheat	1,325	5,138	3.88
Rye	93	156	1.67
Rice	28	55	1.95
Barley	228	746	3.27
Oats	39	86	2.24
Maize	1,341	5,189	3.87

In times of normal harvest, Hungary is a net exporter of grain and there is little potential for Canadian producers.

Although efforts have been made to interest Hungary in Canadian oil seeds, these have been unsuccessful to date because of Hungary's large domestic sunflower and oil flax production.

Import Policies

To conserve scarce foreign exchange, Hungary tries to be self-sufficient in agricultural products, including grains.

Export Opportunities

Feed grains, on a spot basis.

POLAND

The Market

Poland is not, and probably never will be, self-sufficient in grains. Thus a heavy foreign exchange burden for imports is a continuing drag on economic development. In bad crop years when yields of the four main crops fall

below about 20 million metric tons, this burden assumes awesome proportions. In 1976, a bad year, Poland imported some seven million tons at a cost of approximately \$1 billion.

Poland — (cont'd.)

Import Policies

Conducive.

Export Opportunities

Canada is a traditional supplier, via the Canadian Wheat

Board and through international traders. In April of 1977, a new Grains Agreement was signed between Poland and Canada under which Poland is committed to purchase 2.8 million tons over three years.

ROMANIA

The Market

Canada has been a major exporter of wheat to Romania in 1975 and 1976. But Romania is a large wheat producer and has been an exporter for many years. Potential for Canada depends on local crop conditions.

Import Policies

Nil.

Export Opportunities

Agroexport and the Canadian Wheat Board are in regular contact with each other. A visit by Agroexport to Canada took place in June 1977.

UNION OF SOVIET SOCIALIST REPUBLICS

The Market

The Soviets purchased 4.7 million tons of grain from Canada in 1975 and 2.2 million tons early in 1976. However, following the record Soviet crop of 226 million tons in 1976 no further purchases have been made from Canada, and the outlook is not promising as another large Soviet crop is expected in 1977. The usual sale of flour for supply to Cuba is however expected to be continued. Market potential varies greatly from year to year and depends on the success of the Soviet crop.

handled by the Canadian Wheat Board in direct contact with V/O Exportkhleb. Canada is a preferred supplier of grain to the U.S.S.R. and will receive early consideration if there is a requirement.

Export Opportunities

Apart from grains there is a continuing market for various types of seeds. Canadian firms interested in making offerings should send details to the Moscow post. The post will then contact the appropriate Foreign Trade Organization for an evaluation of requirements.

Import Policies

Negotiations with the Soviets regarding grain sales are

YUGOSLAVIA

The Market

Yugoslavia was a traditional wheat customer of Canada but government planning and priorities have increased domestic production to the point of self-sufficiency. While in 1963 wheat accounted for 96 per cent of Canadian exports to Yugoslavia, by 1976 there was no wheat exported to this market. Domestic production of approximately 6 million metric tons provides only "spot" sales when domestic supplies are inadequate. Trial quantities of rapeseed were recently imported and if results prove satisfactory, this may be a market of some promise.

determines the overall deficit or surplus in the food grain economy and obtains government authority to call tenders to meet any import requirements. Grain is subjected to the "RK" import regime whereby quotas are established by the government. Competitive tenders based upon price, quality, delivery, etc. are issued by a select number of import firms. The Directorate also maintains a reserve supply.

Import Policies

The Yugoslav Federal Directorate for Food Reserves

Export Opportunities

There are no continuing trade opportunities unless the rapeseed trials prove satisfactory. Spot sales of wheat could be of interest and feed grain opportunities are non-existent.

Western European Division I (EEC)

BELGIUM/LUXEMBOURG

The Market

In 1976, Belgium/Luxembourg imported almost one billion dollars worth of cereal grains. Major sources were other EEC countries (in particular France), the United States and Canada. Canadian exports to this market amounted to approximately \$28 million, with the most important crops being barley, red spring wheat, durum wheat, oats and rye in that order.

Import Policies

As a member of the EEC, Belgium follows the Common Agricultural Policy as it relates to imports of grains. Basically, this means that a levy is applied to non-EEC grains to bring their prices up to those prevailing in the EEC.

Belgium-Luxembourg — (cont'd.)

Export Opportunities

The volume of grain imported into the EEC is largely determined by the gap between demand and supply within the Community. Canada competes, primarily with the United States and Australia, to fill that gap and our success is directly related to price. Belgian importers are

well aware of world market conditions and will purchase Canadian grains when they are price competitive. In the case of wheat, a number of Belgian millers have expressed a preference for Canadian variety because of its high and consistent quality.

BRITAIN

The Market

Imports of grains, grain by-products and wheat flour into the United Kingdom during 1976 totalled 12 million metric tonnes, valued at £699.5 million. Principal imports were wheat and corn but imports of other grains and grain by-products were substantial.

Imports from EEC countries (including transshipments) were sizable comprising 41.6 per cent of the basic grains, 11.9 per cent of the grain by-products and 82.1 per cent of wheat flour imports. Wheat imports from France at 1,277,290 metric tonnes were marginally higher than the 1,248,826 metric tonnes imported from Canada but were

of feed wheat as opposed to hard milling. France was also the major individual supplier of barley (179,974 metric tonnes). The U.S. predominated as an exporter of corn to the United Kingdom supplying 1,547,248 metric tonnes together with transshipments from The Netherlands of 1,175,665 metric tonnes. Canada was by far the major individual supplier of grain by-products with total shipments of 202,927 metric tonnes.

The following shows total imports of grains and grain by-products during 1976 and compares Canada's share of the market to that of the EEC.

Commodity	Total Imports		Imports From EEC		Imports From Canada	
	MT	£'000	MT	£'000	MT	£'000
Wheat	3,804,725	328,126	2,319,588	188,611	1,248,826	120,243
Barley	646,389	48,867	400,205	29,518	—	—
Corn	3,764,288	272,688	1,830,488	134,552	58,553	4,328
Rye	25,037	1,780	20,658	1,463	3,779	269
Oats	53,485	4,197	21,443	1,558	—	—
Grains n.e.s.	336,322	25,798	268,418	19,114	—	—
Total	11,687,398	681,456	4,860,800	374,816	1,311,158	124,840
Grain By-Products	314,122	17,679	37,413	2,192	202,927	11,094
Wheat Flour	3,384	324	2,777	275	198	29

Note: MT = Metric Tonnes

Import Policies

Variable levy arrangements are applicable to imports of grains and grain by-products but are not necessarily always implemented. New milling processes enabling the usage of softer wheats have to some extent reduced requirements of imported hard milling wheat and feed grain supplies from Canada, and EEC sources are substantial and reduce imported requirements. The substantial milling capacity in the U.K. and very much reduced

usage of flour by the housewife have adversely affected Canada's share of the flour market.

Export Opportunities

There will be a continuing and sizable market for Red Spring Wheat for milling purposes. Malting barley will remain in demand for the distilling industry and there is an excellent demand for pelleted screenings.

DENMARK

The Market

Canadian grain exports to Denmark are limited and incidental.

FRANCE

The Market

France in 1976 was a net exporter of rye by 60,000 metric tonnes, of barley by 2.9 million metric tonnes, oats by 110,000 metric tonnes and of corn by over one million metric tonnes. For all cereals, net exports from France total 11.2 million metric tonnes. Little if any possibilities exist in this area, except for wheats.

Import Policies

These are governed by the EEC's Common Agriculture Policy (CAP) and its highly restrictive regulations, which make the EEC and France a virtually closed market for third countries for all but essential requirements of deficit items.

France — (cont'd.)

Export Opportunities

Limited possibilities do exist in the medium-term for durum and short-term for soft wheat.

Canada's share of French durum imports increased from 23 per cent during 1975/76 to 54 per cent during the first eight months of the 1976/77 crop year. As quality requirements on durum products were recently upgraded, the French semolina industry should continue to require good quality durum wheats.

Canada accounted for 17 per cent of French imports of soft wheat during the first eight months of the 1976/77 crop year versus 7 per cent in 1975/76. Canadian shipments to France should have the opportunity of increasing in view of expected stronger French requirements for high protein wheat due to the damage to the domestic crop caused by rainy conditions prior to the 1977 harvest. Despite strict EEC regulations covering entry of grains from third countries, importers will continue to pay high levies to secure essential supplies.

GERMANY, FEDERAL REPUBLIC OF

The Market

Grain trading is carried out by a limited number of large international trading firms. The largest single purchaser of Canadian wheat is the German Federal Reserve Agency, BALM, which is currently buying for the Federal Reserve. Millers generally buy some Canadian wheat for mixing with their wheats of lower protein content. Last year was exceptional as minimal purchases were made.

of last year's drought, are expected to decline sharply although barley will likely remain our best selling grain to Germany.

Export Opportunities

The European Community's Common Agricultural Policy prevents significant sales of durum wheat to Germany as millers use European wheat to a great extent in pasta products.

Import Policies

Sales of oats and barley, currently at high levels because

IRELAND

The Market

The Irish agricultural industry concentrates on dairy and meat production rather than grains. Barley (feeding and malting), soft wheat and oats are the grains most usually grown.

Maize is a major import, amounting to 200,000 metric tonnes per annum, at present largely supplied by the U.S. and France.

Top quality oats in quite limited quantities are required by racehorse breeders, and Irish importers have continually hoped for supply from Canada without much success.

Export Opportunities

Wheat is the principal grain import for consumer products. The total requirement for hard wheat is approximately 50,000 metric tonnes per annum, of which Canada usually supplies 50 to 60 per cent, the balance coming from the U.S. Annual demand for soft wheat is about 130,000 metric tonnes per annum, most of which is supplied by France.

There is limited vegetable oil production in Ireland. One company is engaged in crushing but in 1976 turned from rapeseed to copra for price reasons. When rapeseed was being used, it was obtained on a competitive basis from Poland, France and Canada.

ITALY

The Market

Annual Italian grain requirements in recent years average as follows: bread wheat 7.5 million metric tonnes, durum 3.3 million, corn 9.7 million, barley 1.8 million, oats 0.5 million.

Given the limited availability of suitable land, rising population, and increasing demand for feedgrains in the livestock sector, the Italian level of overall grains self-sufficiency is in steady decline. Import requirements for the 1976/77 crop year are estimated as follows: bread wheat 1,900,000 tonnes, durum wheat 300,000 tonnes, corn 4,600,000 tonnes, barley 1,100,000 tonnes and oats 125,00 tonnes. Heavy rains interfered with both fall and spring plantings this season, and overall imports for the 1977/78 crop year are expected to run even higher i.e., bread wheat 2,300,000 tonnes, durum wheat 650,000 tonnes, corn 4,400,000 tonnes, barley 1,100,000 tonnes and oats 105,000 tonnes,

Import Policies

The EEC Common Agricultural Policy (CAP), with its high support prices and related system of high levies on imports from third countries, ensures that most of Italy's agrofood needs are supplied from within the Community itself. On the other hand, the EEC as a whole is in a deficit position in grains production, and climatic conditions make it difficult to obtain the technical characteristics required by certain end users. Italy, for example, has need of large tonnages of North and South American durums and hard bread wheats for blending purposes, and millers and pasta manufacturers are willing to pay levies which may reach up to 100 per cent of the CIF price of the grain itself.

Export Opportunities

Canada ranks as a major supplier of grains to Italy, with calendar year 1976 purchases amounting to a total of \$195.7 million, of which barley totalled \$86.3 million

Italy — Export Opportunities (cont'd.)

and durum wheat \$50.9 million. Indeed, Canada is Italy's most important supplier of both barley and durum wheat, and over the years Italy has consistently been one of our main customers for these two grains.

The quality of Canadian grain has been widely recognized in Italy for many years, and the activities of local representatives of Wheat Board agents are supplemented by frequent visits by CWB personnel to promote product

characteristics and standards. Given the specialized nature of the demand (for blending, to reinforce local wheats), Canadian sales are relatively independent of the quantity of the local harvest from year to year, but are somewhat dependent upon the protein quality. It is anticipated that Canada will continue to enjoy its traditional position in the Italian market as long as Canadian quality remains high and Canadian prices do not rise greatly above U.S. prices.

NETHERLANDS

The Market

The Netherlands is a large importer of grains for both human and animal consumption. Net grain imports for 1976 totalled more than \$60 million. Additionally net imports of oilseeds and other plant products for processing were in excess of \$500 million, of which more than half were soybeans.

The market, however, is extremely price competitive and Canada has not been a major supplier. Wheat imports have been dominated by a large importer/buying agent with close ties with the United States. During the past year, however, companies importing feed have been encouraged to expand their operations to include wheat and have made initial inroads into the Dutch market that should be expanded in future.

Import Policies

While some Canadian oats and barley (some of which is processed for human consumption) finds its way into The Netherlands, the EEC levy system discourages large sales here. The same is true for Canadian malting barley,

although large breweries purchase Canadian malt for their overseas operations.

Export Opportunities

The Dutch feed industry is highly sophisticated and only products which are price competitive have possibilities of finding a market. In this light, there is some scope for increased sales of grain screenings. Rapeseed meal and screenings do not fall under the EEC levy system and thus can be marketed here when price competitive. Recently the Dutch feed industries have been importing increasing amounts of tapioca which is competitive as a result of tariff concessions to third world countries.

The only rapeseed crusher in The Netherlands is well acquainted with the Canadian market as Canada supplied most of this company's requirements some years ago. At present the price of Canadian rapeseed makes it uninteresting compared with other sources. The companies will, however, purchase Canadian rapeseed when its price is advantageous to them.

Western European Division II (Non-EEC)

AUSTRIA

The Market

Unless there is a poor harvest, there is little opportunity to export grains to Austria. The only imports in 1976 were 38,000 metric tonnes of barley (75 per cent from East Europe) and 15,000 metric tonnes of feed oats (Canada 5,195 metric tonnes, balance EFTA).

In the past Canada was a major supplier of durum wheat, but higher domestic production has closed this market.

Import Policies

The domestic price for grains is held below international

levels, and imports appear on the local market at this price thanks to a system of subsidies from the Ministry of Agriculture. Understandably, the Ministry avoids imports when possible, as the subsidies are a drain on its budget. However, spot sales to cover shortages occur from time to time, and the Embassy keeps in close touch with the agricultural authorities.

Export Opportunities

Opportunities occasionally exist in durum wheat, feed oats, barley and corn.

FINLAND

The Market

Under normal weather conditions Finland is self-sufficient in grains, with some surplus over the past years. Finland imports only white soft wheat for use by the biscuit

industry. The annual demand is 6,000 tons per year. Over the past years this amount has been imported from the U.S.

GREECE

The Market

Since 1959 Greece has been self-sufficient in grains, with the exception of corn. Average annual wheat production in recent years has been about 2.1 million tons against domestic requirements of 1.7 million tons. Surplus wheat stocks are partly used as feed, supplementing corn requirements, and partly for exports in the form of wheat flour and pasta products. Barley production of 900,000 tons covers domestic needs, while corn production of about 600,000 tons is supplemented by imports of about 800,000 tons annually. However, this picture changes whenever crop failures occur as is the case with the 1977 grain crop. With regard to oilseeds, Greece imports about 40,000 tons of soyabean and/or soyabean oil and about 10,000 tons of flaxseed and/or flaxseed oil annually. No rapeseed is used to any extent in Greece.

According to Bank of Greece import statistics, imports of grains and oilseeds reached a total of \$140 million in 1976. Some of the leading commodities involved are: corn (\$103.2 million), cottonseed (\$16.9 million), oilseeds (\$16.8 million).

1976 Canadian exports of grains and related products to Greece totalled \$486,789 as follows: hard spring wheat (\$150,444), wheat flour, n.e.s. (\$9,230), cereals, milled, n.e.s. (\$305,105), cereal grain products, n.e.s. (\$10,152), wheat gluten (\$11,858).

Import Policies

Imports of grains are under the direct control of the Greek Ministry of Commerce, with purchases made whenever required through international tenders. The policy of the Greek authorities is to cover domestic requirements, with prices annually adjusted to meet additional costs and in general these are not higher than prevailing EEC prices. Additionally, farmers with small acreages and those that live in mountainous areas, receive additional grants over and above fixed prices. Furthermore, the authorities, in an effort to stabilize and expand the domestic livestock industry, sell grains (which incidentally are pooled by KYDEP agricultural co-operative organization) to livestock breeders at reduced prices.

Export Opportunities

Due to the poor 1977 grain crop (1.7 million tons wheat and 740,000 tons barley) Greece is expected to import about one million tons of corn and 200,000 tons of barley to cover current 1977/78 requirements. No wheat imports are envisaged although this is not definite yet. A surplus of 200,000 tons of wheat carried over from the 1976 crop is available and possibly wheat allocations as feed may have to be cut down. Only spot sales of flaxseed may occur as paint manufacturers now prefer to import linseed oil. Small quantities of flour, wheat gluten and cake mixes will continue to be imported from Canada.

ICELAND

The Market

With the newly established regular shipping connection

between Canada and Iceland, sales potential for grain and flour has been enhanced.

NORWAY

The Market

The import of bread grains, flour and animal feeds including grains is under the jurisdiction of the Norwegian Grain Corporation, a Crown Corporation with the sole right of meeting the country's requirements. The Corporation and CWB have entered into an agreement whereby Canada supplies Norway with between 60,000 and 120,000 tons of wheat annually. The Corporation is also responsible for the import of rapeseed and expellents

for use in animal feeds. However, malting barley and brewer's malt are imported directly by the brewers.

Import Policies

See "The Market".

Export Opportunities

Rapeseed, malting barley and brewer's malt.

PORTUGAL

The Market

Portugal's average import requirements for wheat have been between 200,000 and 300,000 metric tonnes. As the bulk of grains is supplied by the U.S. under PL-480 and CCC credits, the market for Canadian grains is small. No wheat or grains from Canada moved into Portugal in the last two years. Imports have been low-grade wheat from Europe and the United States. U.S. credits financed imports of \$62 million worth of U.S. soybean, corn, sorghum and wheat in 1976. Additional U.S. credits have been authorized for 1977.

As for seeds and oilseeds, the main sources are the U.S., Brazil, former African colonies and other African countries. Sunflower and safflower come mainly from U.S. and

France and flaxseed from Benelux. As long as the bulk of grains, seeds and oilseeds continue to be supplied under U.S. credit terms, prospects for Canadian sales are limited unless Canada is prepared to offer reasonable credit terms.

Import Policies

The government organization importing grains into Portugal is the Institute of Cereals. The government organization which administers domestic oilseeds and oleaginous products is the Olive Oil and Oilseeds Institute. None of the government's present policies are deemed to have any significant bearing on supply and imports of grains into Portugal. However, as a member of EFTA, Portugal has a trade agreement with the EEC. Since the revolution, trade agreements have also been signed with Yugoslavia, Bulgaria, Romania, Hungary, Poland and

Portugal — Import Policies (cont'd.)

the U.S.S.R. There are government policies to bring about an increase in wheat production but so far the political and economic problems in the country have delayed the implementation of such projects. Expansion in grain storage facilities would seem to indicate the intention of the authorities to increase reserve stocks of wheat and other grains.

Export Opportunities

In view of the economic crisis Portugal is passing through, the only way for Canada to secure wheat sales is by offering credits. As regards feed grains (barley, oats, corn, sorghum, etc.) prospects are not bright in view of sorghum being generally more competitive in price than barley. Furthermore, there is the government's desire to minimize expenditures on foreign grains. Opportunities exist for sunflower seed.

SPAIN

The Market

Spain continues to be a large importer of feed grains, cereals, oilseeds and oilseed products (more than \$2,500 million annually). These consist principally of soybean seed and meal, sunflower seed, corn and sorghum. The country normally is self-sufficient in such grains as wheat and barley but in 1977 may require limited quantities of imports to supplement domestic crops.

Import Policies

Canada has a program of co-operation with the Spanish government and industry for the introduction and acceptance of rapeseed, as an alternative source of oil and protein feed. This is progressing well and it is hoped that within the near future Spain will become a regular pro-

ducer of rapeseed and a market for Canadian seed for sowing and milling. The question of "farm reform" appeared once again during the June elections but just what style this will take remains to be seen. The Ministry of Agriculture will be completely reorganized and new or revised policies must be expected.

Export Opportunities

Main new prospect for Canadian grains is in rapeseed. In addition, there are limited sales possibilities for grass and clover seeds, bird seed, mustard seed, forage seeds and possibly for spot shipments of wheat, barley and of sunflower and rapeseed for crushing. The sale of flaxseed should remain at last year's level of \$2.2 million.

SWEDEN

The Market

Sweden, being a net exporter of both bread and feed grains, offers limited export opportunities for Canadian

grains. Only 10,000 to 15,000 tons of hard and durum wheat are imported annually for mixing purposes, primarily from Canada and/or the U.S.

SWITZERLAND

The Market

Switzerland imported \$240 million worth of cereals and \$45 million of milling products last year. Of this 41 per cent of the cereals and 91 per cent of the milling products were supplied by the EEC. Canada supplied \$36 million or 15 per cent of the cereals and \$22 thousand worth of milling products. Wheat accounted for 46 per cent, barley 34 per cent and oats 18 per cent of Canada's cereal exports. Swiss imports of oilseeds averaged \$82 million over the past three years with variations largely dependent on the availability of the much preferred olive, peanut and sunflower oils.

Import Policies

A surcharge is applied on feed grains as part of the government's policy to encourage domestic production. These surcharges are as follows:

Tariff no.	Commodity	Surcharge per 100 kilos
1001.12	Feed Wheat	\$6.10
1002.12	Feed Rye	\$4.80
1003.01	Feed Barley	\$5.20
1004.01	Feed Oats	\$4.80
1005.01	Corn	\$6.10

Export Opportunities

The 1976 grain crop exceeded expectations and was above average. This will lessen the demand for imported grains (particularly wheat as 1976 returns were well above average). However, as Canadian wheat is considered premium, Canada's sales should be less affected. The demand for oilseeds, notably rapeseed, depends on the price differential between the preferred oils and rapeseed oil. As Switzerland has limited crushing capacity, there is no established market for meal.

PACIFIC, ASIA and AFRICA BUREAU

Pacific Division

JAPAN

The Market

Japan is a major market for grains and oilseeds and in 1975 total imports were valued at \$623 million. Canada supplies 25-30 per cent of Japan's wheat imports and 85 per cent of the rapeseed requirement. Domestic production of wheat and oilseeds has continued to decline in recent years despite government subsidies, while on the other hand Japanese dietary habits are slowly switching from rice to bread and other western products. Japan is almost totally dependent on imports for feed grains, and the overall market for grains and oilseeds is expected to continue its upward growth.

Import Policies

All wheat and barley imports are subject to strict control

and may only be purchased by the Japanese Food Agency. For this reason the Canadian Wheat Board maintains an office in Tokyo to ensure Canada's continual access to this market.

Export Opportunities

Canada is well established in this market as a supplier of grains and oilseeds. Opportunities exist for the following products: soybeans, rapeseed, flaxseed, mustard seed, safflower seed and sunflower seed. All major commodity traders are active in the Japanese market, and potential exporters are encouraged to use existing channels to market these commodities.

NEW ZEALAND AND THE PACIFIC ISLANDS

The Market

A temperate climate and reliable rainfall enables New Zealand to be self-sufficient in the production of feed grains.

During the years 1973-75 it was necessary for the New Zealand Wheat Board to import milling wheat from Australia to meet the domestic shortfall. Because of an increase in the guaranteed price to farmers, New Zealand achieved self-sufficiency in milling wheat in 1976, and the Wheat Board was in a position to export 14.6 thousand tonnes of which 14.2 thousand tonnes were shipped to Malaysia.

In those years when milling wheat was imported, the size of parcels, the availability of shipping across the Tasman Sea to smaller ports and the competitive price of sea freight made it difficult to match competition from Australia.

Import Policies

The New Zealand Wheat Board is responsible for the import of milling wheat to meet the domestic shortfall.

Export Opportunities

It is expected that, given average growing conditions, New Zealand will be self-sufficient in grain. Market opportunities for Canadian suppliers will arise only during those years when climatic conditions induce a below average level of production.

In the Pacific Island countries there is an adequate supply of high protein stock food based upon the use of copra meal. Rice is used extensively as an alternative to native root crops and there is little national demand for imported grains of the types produced in Canada.

Asia Division

BURMA

The Market

Burma is a socialist country. Imports are the exclusive domain of the various state enterprises which control all activity in their respective economic sectors. Procurement is effected on the basis of international tendering, and price is the overriding consideration in determining

sources of supply. Burma's ability to import is limited owing to a chronic shortage of foreign exchange.

There are limited opportunities for commercial sales in the grains sector.

CHINA, PEOPLE'S REPUBLIC OF

The Market

Thus far in 1977 China has purchased 5.25 million metric tonnes of wheat from Canada, 5.5 million metric tonnes from Australia and 900,000 metric tonnes from Argentina. Deliveries extend to the summer of 1978. Despite

the magnitude of these purchases they are small in relation to Chinese domestic grain production estimated at more than 270 million metric tonnes (including soybeans) in 1976. All wheat sales to China from Canada are handled by the Canadian Wheat Board.

China, People's Republic of — The Market (cont'd.)

In terms of oil seeds, China prefers soybean oil and sunflower oil. China has signed contracts for 390,000 metric tonnes of soybeans for delivery in 1977 with a value of almost \$100 million. Although the majority of the beans will likely come from Brazil, China's traditional source of supply, some could be supplied by the United States. China also exports soybeans (mainly to Japan with a total

of 200-250,000 tonnes in 1976) but for 1977 the country will be a net importer.

Because of domestic preferences and the well established soybean market, Canadian oilseed producers face a difficult task in selling in the Chinese market.

HONG KONG

The Market

Canada continues to supply a significant amount of wheat to Hong Kong. Although the superior quality of Canadian wheat is well recognized locally, price remains a key factor. All wheat imports are handled by agents and the three flour mills have to arrange their own shipping. If Canadian wheat shippers/exporters can arrange shipments for the flour mills in this area, render better service, and obtain better freight rates through negotiations with shipping companies, there is a good chance of improving sales of Canadian wheat.

Other Grains: there is only a limited market for feed grains and Canada has not been able to compete with

corn, the main ingredient for animal feed, imported from Thailand.

Import Policies

There are no government import restrictions or duties on wheat or flour.

Export Opportunities

It is hoped that with competitive pricing, Canada should be able to approach the record wheat sales of two years ago when it succeeded in capturing most of the Hong Kong market. At present the main supplies come from the U.S., Australia, and occasionally from Singapore.

INDIA

The Market

India's food grains production in 1975-76 achieved a record level of 120.8 million tonnes. Consequently the food supply situation remained comfortable throughout the year and permitted the accumulation of a food grains buffer stock of 18 million tonnes. However, 1976/77 food grains output is estimated between 110-111 million tonnes which, with the buffer stock, should ensure an adequate local supply. Food grain production in India is predominantly determined by the adequacy of the annual monsoon rains; a monsoon "failure" substantially reduces output and forces allocation of scarce foreign exchange reserves for the import of the balance of the requirements.

With the high stocks on hand, the most obvious shortrun problem is an acute shortage of storage space. The Food Corporation of India has plans to construct an additional 3.2 million tonnes of storage capacity, partially aided by \$100 million of World Bank Funds.

Although domestic production of oilseeds last year was more than 10 million tonnes, India was still forced to purchase 300,000 tonnes of edible oils. The current mark for edible oils appears to be at about the same level.

Import Policies

India normally prohibits use of foreign exchange for items which are produced indigenously. The purchase of food grains and vegetable oils is therefore allowed only if domestic production falls short of demand. The import of grains has consequently been banned in the recent past although import regulations concerning edible oils have been liberalized.

Export Opportunities

Substantial potential exists for Canadian suppliers of rapeseed and rapeseed oil and soyabean seed and oil provided prices are competitive. In addition to the State Trading Corporation of India (STC), private trading companies have also been granted import licences for vegetable oils and oil seeds. Several Canadian companies have successfully won recent contracts in this area.

Although there is no current market for wheat, the requirement may arise during 1978 if food grains output falls below the government of India's expectations. Purchases of wheat and milo are normally handled by the India Supply Mission in Washington.

INDONESIA

The Market

Indonesia will be a net food importer for the foreseeable future. This fact, plus gradual acceptance of flour as a substitute for rice, will ensure a long-term market for large wheat sales.

Import Policies

All imports of grains are handled by the National Logistics Board (BULOG) on a government-to-government basis.

Export Opportunities

Current high volume sales will continue.

KOREA, REPUBLIC OF

The Market

The U.S. has, to date, supplied virtually all of Korea's grain import requirements which normally include wheat, corn and soybeans. Occasional purchases of rapeseed, sorghum, tapioca, flaxseed and rice are made from a variety of sources based mainly on price and supply considerations. This year, due to extremely cold temperatures which seriously damaged the winter barley crop, barley will again be imported for the first time in two years.

The U.S. P.L. 480 Program has been a major factor in the U.S. dominance of the Korean market for wheat (and other grains). In 1976, sales under its terms accounted for some 25 per cent of the total 1.7 million metric tonnes of wheat purchased by Korea. The remaining wheat requirements and virtually all other grain purchases are made with Korean foreign exchange and, at least theoretically, are open to international competition. However, U.S. suppliers have retained virtually 100 per cent of the market. Planned imports for 1977 are: wheat — 1.7 million metric tonnes; rice — 100,000 metric tonnes; soybeans — 145,000 metric tonnes; corn — 800,000 metric tonnes and barley — 495,000 metric tonnes.

Import Policies

Despite the purchase of grain through internationally "open tenders", the Korean government utilizes a variety of means to "designate" from where grain supplies will, in fact, be sourced. For example, wheat tenders specify that shipment should be made from "U.S. Ports only" which effectively exclude all non-U.S. suppliers. In other instances, tariffs are used in a discriminatory manner: e.g. there is no tariff on soybean, while that on rapeseed is

30 per cent. It is important for potential suppliers to note that all grain imports are closely regulated by the Korean government in order to control total foreign exchange expenditures and, consequently, the volume of imports and the sources of supply can vary from year to year according to government directive and international grain price movements.

Export Opportunities

The Korean government has indicated that it plans to diversify its sources of supply for wheat purchased on a commercial basis by late this year, thereby providing marketing opportunities for the Canadian Wheat Board. Wheat for feed may hold some prospects, but only if prices for utility grades are competitive (in a recent purchase of 20,000 metric tonnes of Australian General Purpose Wheat — #5 — the Koreans paid some U.S. \$102.50 per metric tonne). As long as barley production does not meet demand, Canada may be able to participate in the supply of barley for human consumption if price and quality are competitive (however, it should be noted that the Koreans are actively seeking to have any future barley requirements financed under the U.S. P.L. 480 Program, and, if they are successful, this would exclude all non-U.S. suppliers). Opportunities exist for spot sales of rapeseed, rapeseed meal, malting barley and flaxseed, however in the majority of these cases it is virtually a necessity to utilize the services of a local agent who can locate potential opportunities before it is too late to effectively participate in the bids: i.e., if and when bid documents are issued, it is usually done only several days before bids are due, leaving no time for a Canadian supplier, acting on his own, to participate.

MALAYSIA

The Market

The research programs of the Malaysian Agricultural Resource Development Institute emphasize rural development objectives which will cover rice, maize, groundnuts, soybeans, mung beans, tapioca, coconut, cocoa, oil palm and sugar cane. Agricultural product utilization research and water management research will be extended and agricultural mechanization activities will be promoted. In its research on food and non-food crops, particular attention will be given to the maximum development of end-use possibilities for agricultural

products as well as the reduction of losses during processing, handling, storage and transportation.

Import Policies

No restrictions.

Export Opportunities

There is an excellent market in Malaysia for Canadian wheat, white pea beans, yellow and green split peas, and soybeans.

PAKISTAN

The Market

The 1976-77 wheat crop harvested in May/June 1977 is expected to yield approximately 9 million tons. Deducting an allowance of 0.9 million for seed and waste, the availability for human consumption would amount to 8.1 million tons against a consumption forecast of 8.63 million tons in 1977-78. The deficit of 530,000 tons will have to be imported prior to December 1977. The government expects the World Food Program to finance the wheat deficit. The traditional wheat donor countries including Canada will also be approached separately for bilateral wheat aid shipments. The government at present has no plans for cash purchases of wheat due to severe balance of payment difficulties.

Import Policies

The target for the 1977-78 wheat crop is now being talked of in terms of 10.5 million tons. Arrangements are being made to import close to 80,000 tons of DAP fertilizer for wheat sowing which begins in November 1977. It is believed that greater availability of irrigation water, due to additional off-take from the Tarbela reservoir and the planned increases in the wheat acreage, will contribute to a sizeable increase in wheat production. Hence, Pakistan may achieve self-sufficiency in wheat in 1978.

Export Opportunities

The post expects formal approaches soon from the gov-

Pakistan — Export opportunities (cont'd.)

ernment of Pakistan for Canadian wheat aid shipment prior to December 1977. Dependence on imported wheat in 1978 is likely to disappear provided Pakistan is able to achieve the projected wheat production target of 10.5

million tons. Pakistan is already surplus in rice production, and earned an all-time high \$223 million from rice exports in 1976-77. Pakistan does not import any coarse grains due to satisfactory domestic production.

PHILIPPINES

The Market

The grains market in the Philippines traditionally runs to about 600,000 tons of hard spring wheat and about 200,000 tons of soft wheat annually. Canada is a traditional supplier of hard spring wheat, and in 1976 exported about 50 per cent of that country's requirements.

Import Policies

All of the importing of grains is done through a Philippine government entity, the National Grains Authority. Purchasing is done through competitive tender and is dependent on factors including price, financing, quality and delivery. Since purchasing is a prerogative of the govern-

ment, it is possible that factors involving Philippine trade policy can be exercised through the direction of wheat purchases.

Export Opportunities

Currently, Canadian wheat is not competitive in the Philippines due to a CCC credit provided by the United States which provides 7 per cent financing. Once this credit has been fully utilized, it is expected that Canadian hard wheat will again enter the Philippine market in late 1977. Other opportunities may exist for animal feeds and soft wheat, although in the past Canada has not been successful in this area of supply.

SINGAPORE

The Market

In Singapore the basic food commodity is rice, followed closely by wheat in the form of bread and noodles. Last year Singapore imported 162,901 tons of wheat primarily from Australia (110,727 tons), and U.S. (51,536 tons). There are three flour mills in Singapore — Prima, Khong Guan and Singapore Flour Mills. Total milling capacity per annum is 330,000 metric tonnes, however activity is depressed as mills are running at less than 50 per cent capacity. Last year, Singapore re-exported 15,373 tons of wheat, down from 26,736 in 1975, and 34,680 tons wheat flour, a 50 per cent decrease from 1975. Flour shipments decreased because of a decline in the Sri Lanka market, and Malaysian mills now have priority in Sabah and Sarawak. Singapore traditionally ships flour to Bangladesh, Brunei, Sabah, Sarawak, Thailand, the United Arab Emirates and Burma. Consequently, local wholesale wheat flour prices have declined. There is a limited market for 4,000 tons of imported premium flour, at present supplied by Australia and France.

Singapore is importing an average of 12,500 tons of wheat per month, primarily for local consumption. The amount of high protein (13 per cent plus) used is approximately 15 per cent supplied by the U.S. — Singapore buyers have not purchased Canadian wheat for two years as Canada No. 1 Red 14 per cent must compete with the U.S. DNS 13½ per cent. Australia FAQ is priced CIF about A\$95 per metric tonne as of July. Argentina has been selling some utility wheat to Singapore this year.

The feed milling industry is also suffering from declining markets and overcapacity. Production has declined 11 per cent to 252,966 tons in 1976, as a result of diminished export markets in Malaysia due to tariffs and quotas, and lower Singapore farm prices for pork, chicken and eggs. The basic ingredients imported are soybean meal from U.S., fishmeal from Peru and maize from Thailand and Brazil. The protein additives are usually New Zealand and Chinese leafmeal, and sometimes alfalfa. Experiments have been made with tapioca as an energy supplement. The Singapore policy of self-sufficiency in pork and poultry production will ensure that this market will grow with population increase.

In addition to its flour mills, Singapore is the regional location for Chinese grain traders running mills in Malaysia and Indonesia, plus the large International Grain Brokers, so it acts as a regional grain market. The recent Malaysian government action in slowing Australian imports including wheat present a good opportunity for Canadian suppliers.

Import Policies

No restriction. All buying handled by private trade.

Export Opportunities

High protein wheat (16 - 20,000 tons per annum)
Utility wheat
Alfalfa, depending on Chinese leafmeal price.

THAILAND

The Market

Thailand is the rice bowl of Asia. Production reached 15.4 million metric tonnes in the 1975-76 growing season. Between 60 and 90 thousand tons of wheat are imported annually by three flour mills. These mills, which work

well below capacity, are not expected to increase imports to a level above 100,000 tons in the foreseeable future. Australia and the U.S. are principal suppliers. Canada has not sold wheat to Thailand in recent years.

Africa and Middle East Division

ALGERIA

The Market

Algeria provides one of the world's largest markets for hard wheat. It also imports barley, and some 30,000 tons of colza per year for processing into table oil. Canada's sales of cereals to Algeria have amounted to some \$250 million in the past three years.

Algeria will continue to be a major importer in coming years. Purchasing of cereals other than colza is controlled by the Office algérien interprofessionnel des céréales (OAIC); colza is imported by ONACO.

CYPRUS

The Market

In 1976, Cyprus imported U.S.\$5.8 million of wheat and U.S.\$5.4 million of barley. Those quantities are likely to increase over the years, especially barley, with the development of an animal husbandry industry.

In 1976, Canada realized its first sale of wheat to Cyprus in 15 years with a shipment valued at nearly U.S.\$2 million. Wheat and barley sales, however, depend largely on the international market and price situation.

Import Policies

Grain purchases are made on a commercial basis through government tender.

Export Opportunities

The Cyprus Grain Commission issues tenders on a regular basis which are followed up by local representatives of grain suppliers.

EGYPT, JORDAN, LEBANON, LIBYA, SUDAN, SYRIA

The Market

These countries are major importers of wheat and wheat flour. Egypt's requirements exceed three million tons of wheat annually, and Canada recently concluded a contract for the supply of 500,000 metric tonnes during 1977. A four-year supply contract for 450,000 metric tonnes was also concluded with Lebanon. Promising markets are being developed in Syria and Libya. Spot sales of wheat are possible in Jordan although requirements are largely met by the U.S. under PL 480. The Sudan offers only limited potential for Canada.

Major shipments of wheat flour were also made to Egypt and Syria as World Food Program contributions. In addition, CIDA for the first time supplied food aid valued at \$10 million to Egypt in 1976. Wheat, powdered milk and refined rapeseed oil was involved. This has led to interest in semi- and fully-refined rapeseed oil with marketing efforts now under way. An initial sale has been made to Egypt.

Import Policies

In the six countries, the public sectors are responsible for wheat imports. Egypt and Lebanon have supply contracts for most of their requirements, but also call supplementary international tenders as required. The other countries purchase their requirements by international tender. Grains are considered essential commodities with priority budgetary and foreign exchange allocations. In Egypt and Libya, edible oils and oilseeds are also imported by the public sectors. Throughout the territory limited imports of wheat flour, fully refined rapeseed salad oils, animal feeds etc., are also made by the private sector.

Export Opportunities

These countries offer good opportunities for sales of wheat and wheat flour. Egypt and Libya are potential markets for semi-refined and fully-refined rapeseed oil. The six countries import quantities of animal feeds.

ISRAEL

The Market

All of Israel's barley needs are now met by Canada, and purchases for 1978/79 are forecast at 100,00 tons a year. This represents a sharp drop in comparison to preceding years and is explained by a partial shift to U.S. maize pending improvement of barley's price situation on the international market. All of Israel's imported wheat is supplied by the U.S. due to favourable financing conditions.

Import Policies

All purchases are made through direct negotiations with

suppliers by the Israeli government buying office in New York.

Export Opportunities

Israel imports 400,000 tons of soybeans annually from the U.S., its major source of oilseed. In recent years strong interest has been demonstrated for Canadian rapeseed, and research carried out on the subject last year may lead to substantial sales by the end of the decade.

KENYA

The Market

Kenya is self-sufficient in grains except for wheat. A good crop in 1976, large stocks of previously imported wheat, and the strong likelihood of a good crop in 1977 make imports unlikely in 1977 and 1978. However, The Wheat Board of Kenya, P.O. Box 72201, Nairobi, appreciates being informed of Canadian supply, prices and availability

Import Policies

Kenya is striving for self-sufficiency in wheat production

and has had some success in recent years in reducing wheat import requirements.

Export Opportunities

There are no export opportunities at present. CIDA has participated in the upgrading and expansion of the wheat growing industry and may consider further participation in the near future.

MALAWI

The Market

Malawi is a small, landlocked Central African country whose population of 4.8 million relies mainly on subsistence agriculture for its livelihood. Approximately 250,000 people participate in the cash economy and consequently purchasing power per capita is extremely low — \$150 per annum. Total imports by Malawi in 1975 (latest figures available) amounted to only \$295 million. South Africa, the United Kingdom and Rhodesia supplied over 60 per cent of the total.

As Malawi does not subsidize the consumption of flour the market is restricted to the small European and Asian populations. In past years Canada shipped small quantities of flour to Malawi, but with the establishment of a small flour mill in Blantyre last year this market has disappeared.

MOROCCO

The Market

Current annual wheat imports of one million tons are likely to rise to one and a half or two million tons during the next five year plan (1978-82).

There is an annual requirement to import some 160,000 tons of rapeseed oil which must be low erucic (limit in practice currently two per cent).

MOZAMBIQUE

The Market

The best that can be hoped for in the short to medium-term economic situation in Mozambique is for stagnation at the current low level of activity. The country faces severe balance of payments problems. There is almost no commercial or economic infrastructure left.

Import Policies

Imports are controlled by a licensing system which is restricted to essential requirements.

Export Opportunities

Under the circumstances, the market for exports of Canadian grains will in all likelihood be limited to those shipped under our food aid program or supplied to multilateral relief agencies. The shipment of 16,000 tons of wheat, which was donated to Mozambique last year, is an example of this kind of transaction.

NIGERIA, GHANA, SIERRA LEONE, TOGO, BENIN, PEOPLE'S REPUBLIC OF

The Market

Canadian wheat exports to the territory in question have been concentrated in Ghana. Smaller quantities of wheat also move into Nigeria depending upon prices and availabilities. A number of the mills in Nigeria have international company involvement, which precludes Canadian wheat. Local tastes are changing and a sizeable market for flour products is developing in Nigeria and the rest of the territory. Although Nigeria, and to a lesser extent Ghana, are endeavouring to increase local production of wheat, specialists consider that they will never be major suppliers due to climatic and soil conditions and, therefore, this market will be a continuing one. At the present time, only Nigeria offers good opportunities for feed

grains. With its desire to increase production of protein foods the Nigerian government realizes it must locate foreign supplies of feed grains in order to ensure efficient production.

Import Policies

Most of the countries in the territory are at the level where the government must do all possible to increase the quantity and quality of food available for the general population. Grain will continue to be in high demand, both for milling and animal feed. In Ghana, the government has committed itself relatively firmly to Canadian wheat for milling. One can expect further increases in imports of feed grain by Nigeria as its Operation Feed

Nigeria, Ghana, etc. — Import policies (cont'd.)

The Nation begins to have an effect on increasing the quantity and quality of meat available from local sources. Policies to increase production of grains are not likely to have a significant effect on market opportunities.

Export Opportunities

Opportunities for milling wheat exist in Nigeria depending on the market and availability situation. Nigeria also offers considerable potential, both in the short and medium-term for feed grains and premixes. Suppliers should definitely be interested in pursuing this market.

TANZANIA, UGANDA, ETHIOPIA, SOMALIA, MADAGASCAR, SEYCHELLES

The Market

Maize is the basic grain for most of the population in Tanzania, Uganda and parts of Ethiopia and Somalia. Rice is the staple food in Madagascar, and widely used in Somalia. Teff (unique to Ethiopia) is widely grown and consumed in Ethiopia.

Wheat is used in all the above-mentioned countries, but with the exception of the Seychelles, it is not the basic food grain. Wheat flour and bread is purchased mainly by the urban population which is less than 10 per cent of the total population. None of the countries is yet self-sufficient in wheat and only Tanzania and Ethiopia grow significant quantities. Barley is grown for beer brewing purposes. There is no market for imported feed grains.

Import Policies

Recently much of the Tanzanian, Ethiopian and Somalian wheat and wheat flour requirements have been supplied under food aid terms, with Canada as one of the donors. Importation is usually handled by a single State Agency and the U.S., Western Europe, Australia and, occasionally, Argentina have supplied most of the wheat purchased on a commercial basis in recent years.

Export Opportunities

The following agencies purchase wheat on a regular basis: National Milling Corporation, P.O. Box 9502, Dar-es-Salaam, Tanzania. Agricultural Marketing Corporation, P.O. Box 3321, Addis Ababa, Ethiopia.

TURKEY

The Market

A succession of good harvests has resulted in Turkey having recently become an exporter of such grains as wheat, barley and rye. Canada's most recent major grain export to Turkey was the sale of barley during 1974,

when Turkey experienced a significant shortfall in its barley crop. The quality of Canadian wheat is generally well known and appreciated. Turkey does, however, prefer to purchase lower priced varieties should the need arise due to adverse crop conditions.

ZAMBIA

The Market

Economic conditions in Zambia remain depressed. Copper prices, while recovering from their historic lows of 1974, have not rebounded to levels sufficient to provide both the revenue for Zambia's development programs and the foreign exchange to pay for the imports necessary to keep the economy functioning. The outlook for a sustained increase in copper prices in the near to medium-term future is not good. Copper sales provide 95 per cent of total national foreign exchange earnings. Consequently, prospects for export sales to Zambia remain limited.

Import Policies

To cope with the shortfall in foreign exchange earnings, the government has instituted a stringent system of import licensing and control. Licences are issued on a priority basis with emphasis on providing essentials for the populace and a few key industries. For 1977, the total allocation of foreign exchange for all categories of imports is Kwacha 260 million (approximately \$350 mil-

lion). Another factor which inhibits access to this already restricted market is the payment situation. At present, the delay between payment for imports in local currency to a commercial bank and remittance of the equivalent foreign exchange by the Bank of Zambia ranges from seven to ten months, depending on the currency involved and the priority of the imported goods in the pipeline. There are not many Canadian exporters able to do business on those terms.

Export Opportunities

The last shipments of Canadian wheat to Zambia were delivered during 1975. The Canadian Wheat Board is currently owed approximately \$8.1 million with little prospect of collecting. The Australians are now supplying the market under a financing arrangement which calls for cash on delivery. The United States has also supplied some wheat and edible oil under their PL 480 program. Under these circumstances, the market for Canadian grains must be considered limited.

Iran, Iraq and Saudi Arabia Task Force

IRAN

The Market

Though Iran is increasing its efforts to be self-sufficient in cereals, total imports in the year ending March 20, 1976 still amounted to \$520,000,000, almost half of which consisted of wheat from the United States, with smaller amounts from Australia and Romania. Canada, though not yet successful in wheat sales to Iran, in the same year recorded barley sales of \$9,000,000. As the result of continuing efforts, Iranian authorities concerned with cereals and bread making are now visiting Canada, which will, hopefully, lead to sales.

Import Policies

Wheat for local distribution is imported by the government Foreign Transactions Company. Cereals for conversion by industry are imported direct by the users.

Export Opportunities

High protein cereal developments are of considerable interest to Iranian authorities.

IRAQ

The Market

Iraq in 1975 imported some \$223 million of cereals and preparations. Major imports of interest to Canada are wheat and barley, with a good potential for rapeseed and oils. Annual wheat consumption is near 1.5 million tons. Canada currently exports between 100,000 and 300,000 tons of wheat to Iraq.

are made by state organizations and usually through secret tenders. Grain import requirements vary significantly. Weather conditions and drought have adversely affected grain growing regions early in 1977.

Import Policies

Iraq is a socialist country, consequently nearly all imports

Export Opportunities

Iraq is investing huge sums on irrigation and drainage as well as on other agricultural development schemes with the long-term aim of becoming a substantial food exporter, particularly to neighbouring Gulf states.

SAUDI ARABIA

The Market

Most of the grain exports to Saudi Arabia are from Australia, Sudan, Syria, Jordan and Thailand. There are no official statistics but according to one of the major importers the total annual imports of grain for 1976 was about 150,000 metric tonnes.

Export Opportunities

Canadian exports of both wheat and flour are increasing slowly, but our share of this market shows a slight decline. Food grains previously stockpiled by the government are being replaced by a subsidy to the farmer and feed grains are reverting to traditional importers.

Import Policies

None apparent.

WESTERN HEMISPHERE BUREAU

United States Division

ATLANTA

The Market
Nil.

BUFFALO

The Market
The market for Canadian grains in the Upper New York State area is limited. Spot requirements are referred to appropriate officials in Ottawa for dissemination to the industry.

CHICAGO

The Market
Market limited. Only sectors that seem to offer any opportunity are malt and malting barleys.

Export Opportunities
None.

Import Policies
No restrictive policies.

CLEVELAND

The Market
No significant export prospects in this territory.

DALLAS

The Market
Import/export firms are strongly established in the Southwest area because of the proximity to U.S. grain producers and to the large port facilities along the Gulf of Mexico. They often need additional sources to fill their customers' needs.

Export Opportunities
Spot tonnages of grain are required to fill requirements in third countries through local firms which export from here. Canadian producers prepared to work through and with this type of organization probably could uncover large requirements from time to time.

LOS ANGELES

The Market
Assuming American 1977 crop yields are as good as projected, there are few opportunities for sales in this territory in the near future. Such sales that take place will be handled, as in the past, by the major international grain houses.

Import Policies
None.

Export Opportunities
Limited.

MINNEAPOLIS

The Market
As both the U.S. and Canada are major grain producers there is only a limited quantity of grain which moves south across the border. The total in 1976 amounted to \$44 million, with barley accounting for \$33 million (for malt manufacturers in the Upper Midwest and other parts of the U.S.).

Export Opportunities
Besides barley and some oats, the U.S. is a net importer of gluten and some of the large milling firms in Minneapolis (e.g. General Mills, Pillsbury and International Multifoods) will be requiring additional supplies in the future.

Import Policies
Imports are regulated in some fields owing to large domestic production.

SEATTLE

The Market

Wheat is the most substantial sector of the grains produced in the Pacific Northwest States, with the majority being soft white and a much smaller amount of hard red. Barley production is a distant second. In 1975, Washington, Oregon and Idaho harvested record wheat crops largely attributed to ideal weather conditions, with yields up despite a decrease in actual harvested acreage. 1976 production was up about four per cent but some considerable softening of prices occurred. The impact of the drought in the current year has not yet been assessed.

Wheat production in 1975 increased considerably over the weather-plagued seasons of 1972 to 1974: Washington — 140.5 (Millions of bushels); Oregon — 55.4, and Idaho 61.3, while average bushels/per acre yield amounted to 46.5, 46.0 and 45.0 respectively, compared to 39.0, 43.0 in 1974. Actual harvested acreage in 1975: Washington 3.0 (Million acres); Oregon — 1.2 and Idaho 1.3, compared to 1974: Washington — 3.1, Oregon — 1.3 and Idaho 1.4.

Grain exports originating in this region and the Midwest, through Washington and Oregon ports, increased to record levels in 1975. Major steps are being taken to further increase exports from these ports as the States of Washington and Oregon are at present negotiating for lower rail rates in multi-car shipments from the Midwest. In addition, a new three million bushel elevator is going into operation at the port of Tacoma and a second unloading leg recently has been installed at the port of Seattle's grain elevators.

Export Opportunities

This territory plans to export on average 85-90 per cent of its wheat to India and the Far East, as the soft white variety traditionally enjoys a strong demand in those countries. Other than some spot sales, no grain marketing opportunities exist in this area.

BERMUDA

The Market

Bermuda depends totally on imports for the basic needs of its 55,000 inhabitants and the 500,000 tourists who visit the island each year.

In 1975, Bermuda imports from all countries totalled \$163 million. Imports from Canada (the third largest supplier) totalled \$12 million. Canadian exports to Bermuda range from food (40 per cent of our exports to this island), apparel, textiles and footwear, electrical goods, machinery, paper products, furniture etc.

Although Bermuda is a small market, it is perfectly tailored for the many small and medium-size Canadian

manufacturers. Canada has established and maintains close contacts with the Bermudian importers, which assists Canadian suppliers who would like to try this market.

The lower priced Canadian dollar and the slowdown in the rate of inflation in Canada should contribute to increase the competitiveness of the Canadian products in Bermuda. Canadian growers are advised to take advantage of this more favorable economic environment to increase their share of the Bermudian market.

Central American and Caribbean Division

COSTA RICA

The Market

Latest Costa Rican figures show grain imports from all sources in 1974 totalled \$10,521,000.* Latest Statistics Canada figures show grain exports to Costa Rica in 1976 totalled \$281,000.

The grains market in Costa Rica is dominated by the United States.

Import Policies

There is only one flour mill operating in Costa Rica, Molinos de Costa Rica, S.A., Apartado 4491, San José, which had a government-granted monopoly for grain imports until this year. The company is now negotiating a ten-year extension of the monopoly. As there is no domestic wheat production, the country depends entirely on imports — 98 per cent from the United States, 2 per cent from Canada. Other grains and flours come from the United States, Central American Common Market and South American neighbours.

The Costa Rican government is encouraging cultivation of various grains to decrease dependence on imports, specifically sorghum, soybean and rice. (Rice production is being encouraged through extension of credit to producers by the Consejo Nacional de Produccion).

Relatively high prices are the main factor in preventing Canadian penetration of this market at the moment. Canada does, however, supply 40 per cent of Costa Rican demands for malt to the two breweries, Cervecería Costa Rica and Cervecería Tropical, S.A.

Efforts to improve cattle and hog production to serve the Central American market could lead to opportunities for Canadian feed grain producers.

*Comercio Exterior: Costa Rica 1975
publisher: Dirección General de Estadística y Censos,
Ministerio de Economía, Industria y Comercio

CUBA

The Market

Although Cuba is predominantly an agricultural country, it produces almost no grains and only 50 per cent of its rice requirements. For the past few years, the U.S.S.R. has purchased significant quantities of wheat and flour from Canada, for delivery to Cuba. Canada now supplies virtually 100 per cent of Cuba's flour and milling wheat requirements. Cuba has also become an important market for Canadian barley.

Import Policies

All imports of grains are handled by the state trading

agency, Alimport. Imports of essential foods, including grains, retain their priority.

Export Opportunities

Good potential exists for sales of rapeseed, rapeseed meal and animal feeds in general, although significant educational work is still required to develop this field.

Imports of wheat and flour from Canada are expected to continue for some time.

EL SALVADOR

The Market

The import market for wheat in El Salvador is 60,000 to 80,000 tons per year for hard and amber durum wheat. Canada, however, has made no substantial sales since the late 1960's.

A Canadian Wheat Board team recently visited El Salvador and there are indications that there are possibilities of re-entering this market.

Spot sales of oilseeds and mustard seeds are possible where Canadian prices are competitive.

Import Policies

The government imposes no restrictions on imports of grains not produced locally.

Export Opportunities

The two large mills and several small buyers have expressed an interest in purchasing Canadian wheat.

GUATEMALA

The Market

Guatemala is normally self-sufficient in basic grains, beans, rice and corn.

The import of soft wheat (and flour) into Guatemala is controlled to protect local producers but imports are allowed in quantities sufficient to compensate for local supply shortfalls. There is an import market for higher grade hard wheats, amber durum, malt and barley and oilseeds. The competition for this market is primarily from the U.S. which has particularly dominated what is essentially a small-order market.

Canada has not made substantial sales of wheat to Guatemala since the late 1960's, however a recent sales trip by the Canadian Wheat Board team has reopened interest among local millers in receiving Canadian quotations.

Import Policies

Government policy continues to encourage high cost (approximately \$224/ton) local production of soft wheat for regional use in rural areas, with some supply to urban millers and bakers.

The government remains active through a national agency which purchases and markets all basic grains.

Export Opportunities

Molinos Modernos (the largest purchaser of hard wheat) have indicated their interest in purchasing Canadian wheat.

The CWB has made efforts to promote amber durum wheat; the market for this and other higher-grade hard wheats is 60-80 thousand tons per annum.

The opening of a new brewery in Guatemala should further improve the prospects for sales of Canadian malt and barley, which are also showing signs of recovery in a market largely dominated by France in recent years.

Lower Canadian prices for oilseed may provide an opportunity for sales to local food producers, an area where sales have been made in the past.

HONDURAS

The Market

Honduras is self-sufficient in most varieties of basic food grains such as corn, beans and rice. There is a limited market of 35,000 tons for hard and amber durum wheats which are not produced locally. The U.S. has been supplying the county's two major mills out of Gulf ports. Canada has been making some sales of wheat flour.

Spot sales of mustard seed for the processed food industry are possible if Canadian prices are competitive. Cottonseed oil is produced locally and there are plans to set up a palm oil mill. This limits the market for Canadian oilseeds.

Import Policies

Hard wheat and amber durum are not subject to import

Honduras — Import policies (cont'd.)

restrictions, to the extent that there is insufficient local soft wheat production to meet total consumption needs.

Export Opportunities

Provided Canadian wheat prices are competitive with the

U.S., Canada could make some sales to the local mills.

There are spot opportunities for mustard seed and other grains from time to time.

JAMAICA

The Market

Jamaica's requirements for wheat must be met through imports which amounted to 68,677 metric tonnes in 1975/76. Estimated imports for 1976/77 are 70,488 metric tonnes. In March 1976, the Canadian Wheat Board and Jamaica Nutrition Holdings Limited signed a long-term agreement for the shipment of 25,000 - 40,000 metric tonnes annually in 1976, 1977 and 1978 under three-year credit terms financed by the CWB under a government guarantee. Purchases in 1977 are expected to come close to the 40,000 metric tonnes figure which will comprise more than 50 per cent of the total requirement.

Imports of flour during 1975/76 were 83,145 metric tonnes and are estimated to be about the same for 1976/77. Of this only 4,400 metric tonnes are estimated to arrive from Canada, the chief suppliers being Germany and the United States.

All of Jamaica's barley requirements at one time came from Canada, but in 1975 and 1976 the U.K. became the chief supplier shipping 110,000 pounds in 1976, probably due to more attractive prices. During 1976 the following grains were imported for animal feed: 353 million pounds of maize from the U.S.; 4.7 million pounds of oats — 60 per cent from Denmark, 35 per cent from the U.S. and five per cent from the Republic of China; and 16.6 million pounds of buckwheat, millet, canary seed, grain sorghum and other cereals all from the U.S.

Import Policies

Due to a steadily deteriorating balance of payments situation, the government has instituted severe import restrictions and lowered the import target for 1977 to JA\$600 million (approximately U.S.\$755)* which is JA\$240 million below the 1976 level. Of this JA\$600

million, priority is being given to basic food items (under which flour falls), as well as to raw materials, under which category wheat falls. The government is at the same time making an effort to identify and foster the use of locally grown foodstuffs to lessen the dependence on imports.

Since its formation in 1974, Jamaica Nutrition Holdings Limited, a Crown Corporation, has been the sole importer of wheat and other grains as well as baking flour. A recent announcement by government states that counter flour, as of June 1977, will also be imported solely by JNH.

Export Opportunities

Jamaica Nutrition Holdings sent an official to the fifth course of the Canadian International Grains Institute and has applied for a position on the ninth course due to start in September. This course is looked upon as an effective way of familiarizing Jamaicans with the industry and exposing them to Canadian expertise and products. Opportunities exist for Canada to improve its share of Jamaica's market if its prices are competitive with those of the other sources mentioned above. Quotations can be sent to: Mr. Dexter Rose, Managing Director, Jamaica Nutrition Holdings Ltd., P.O. Box 1021, Kingston, Jamaica.

There continues to exist a relatively small market for wheat flour in the Bahamas and Belize, although the latter is now milling its own flour using U.S. wheat.

*There is a two-tier exchange system in effect. The basic rate is J\$.9091 = U.S.\$1.00, while the special rate is J\$1.25 = U.S.\$1.00.

NICARAGUA

The Market

Latest Nicaraguan figures show grain imports from all sources in 1974 totalled \$7,334,000. Latest Statistics Canada figures show Canadian grain exports to Nicaragua in 1976 totalled \$253,220.

Canada's major export to Nicaragua in this sector is malt, 70 - 80 per cent of which is supplied to the Nicaraguan market. There are three breweries in Nicaragua: Cervecería El Aguila, S.A., Compañía Cervecera de Nicaragua and Compañía Cervecera Nacional.

The United States dominates the wheat and flour market (Nicaragua has no wheat crops of its own). There is only one mill operating in Nicaragua, Germina, S.A., Apartado 482, Managua, with its own port and inland facilities.

The major obstacles to Canadian penetration of the market are non-competitive prices and high cost of transportation. Aggressive marketing efforts are necessary to increase awareness of Canadian capabilities.

(1) Banco Central de Nicaragua, Dirección General de Estadísticas y Censos

PANAMA

The Market

Latest Panamanian figures show grain imports from all sources in 1974 totalled \$12,015,000*. Latest Statistics

Canada figures show that Canadian grain exports to Panama in 1976 totalled \$43,295.

Panama — The market (cont'd.)

The grain market in Panama is dominated by the United States.

While Panama relies on imports for all of its wheat, this market is virtually closed due to United States activities. U.S. imports accounted for 100 per cent of wheat sales in 1975-76, some 65,000 metric tonnes. In the same year, however, Canadian sales of 6,700 metric tonnes of flour left the U.S. only one per cent of the market. U.S. mills in Panama have the advantage of lower transportation costs, their own port and inland facilities.

The only mills in operation in Panama are:

Harinas Panama	and	General Mills
Apartado 949		Apartado 349
Panama 4		Panama 4

both of which are American owned.

Corn and sorghum for animal feeds are grown in Panama and, when supply runs low, imported from the U.S.

Listed below are Panama's two breweries. They provide prospects for malt sales.

Cerveceria Nacional S.A.
Carretera Transistica
Telephone: 64-7400

and

Cerveceria Panamá
Parque Industrial. San Cristobal
Telephone: 60-0111

Import Policies

There are no restrictions or quotas on grain importation to Panama, but in all instances approval is necessary from the Instituto de Fomento Economico — usually a matter of routine.

Export Opportunities

There has been some general interest expressed in Canadian oilseed, but no specific requests to date.

*according to BANCO CENTRAL de Panama, Direccion de Estadistica y Censos

PUERTO RICO

(San Juan, Dominican Republic, Haiti, British and U.S. Virgin Islands)

The Market

Commercial sales of Canadian wheat to Haiti totalled \$11.5 million in 1976 and almost \$3.5 million for the first four months of 1977.

Recently an order for wheat was placed by a mill in the

Dominican Republic, marking the first time in several years that Canada has penetrated that market. There is optimism that this business will steadily increase, but sales to the country's major mill, owned by the government, are hampered by disadvantages in shipping arrangements.

TRINIDAD AND TOBAGO

The Market

Although imports of flour are expected to continue into the Leeward and Windward Islands and Barbados, with the coming on stream of the flour mill in St. Vincent this year and the flour mill in Barbados next year, there will be a marked decrease in the imports of flour and an increase in the imports of wheat. As Canadian wheat prices are currently more competitive than U.S. prices it would seem opportune for a major sales effort to be mounted. The flour mill in Trinidad started buying Canadian wheat last year, and it is anticipated that 95 per cent of the total wheat imports into Trinidad during 1977 will be from Canada. Feed mills in the territory are kept advised of current weekly price quotations of Canadian wheat.

Import Policies

In these areas more and more products are being placed under licence by individual governments. In spite of this, import licences for grains are generally granted. Moreover, some governments have set up marketing organizations which are the sole importers for certain agricultural products.

Export Opportunities

Canadian firms continue to supply the area with flour and, since 1976, wheat to Trinidad. However, where feed mills have been established in Barbados, Guyana and Trinidad, efforts should be made to penetrate these markets to supply corn, barley, middlings, etc. To date, U.S. prices have generally been lower than Canadian, mainly due to lower shipping costs from U.S. ports.

Latin American Division

ARGENTINA

The Market

This country is an important and entirely self-sufficient producer of most grains and oilseeds. With government support, production is expected to increase substantially.

Production estimates for 1976/77 crop and averages over the past five years in thousand metric tons are: wheat 11,000/6,890; corn 8,500/7,800; sorghum 7,000/4,620; millet 350/210; oats 530/470; barley 760/620; rye

Argentina — The market (cont'd.)

320/430; sunflowerseed 900/900; soybean 1,270/410; flaxseed 670/340; peanuts 560/340.

Import Policies

The government has occasionally imported grain for domestic consumption when there has been an over-

commitment to export and it did not want to lose a foreign market.

Export Opportunities

Nil.

BRAZIL

The Market

Brazil is Canada's largest market for wheat in Latin America and although it has placed a high priority on reaching self-sufficiency in wheat production, adverse climatic conditions and continued emphasis on other crops, such as soybeans and corn have delayed the attainment of this goal. Accordingly, it is forecast that Canadian shipments of wheat to Brazil will continue for the next several years: Brazil is largely self-sufficient in other grains although it does import barley malt. Canadian prices for malt, however, are high compared to subsidized European imports.

Import Policies

There are no restrictions on the importation of wheat although all negotiations for such imports are handled by the Brazilian government's Wheat Board, based in Rio

de Janeiro. It includes representatives from DITRI (the Wheat Division of Bank of Brazil), the Central Bank of Brazil, the Brazilian Ministries of Planning, Finance, Industry, Trade and Commerce, External Affairs and SUNAMAM (the National Merchant Marine Superintendency). Wheat imports into Brazil are made only on a government-to-government level and are subject to a careful market analysis.

Export Opportunities

Except for wheat, there is limited export potential for other Canadian grains. Some limited opportunities may exist for specialized seeds used to improve pastureland. Canadian companies may be able to plug into government programs to develop drought resistant varieties of pasture grasses and other seeds for use in drought-ridden areas.

CHILE

The Market

Feed grain import requirements are falling. The U.S. PL 480 has played an important part in past wheat imports which have normally come from the United States (Hard Winter #2). Australia, which has supplied large quantities of wheat in the past, has been cut out of the market by trade unions in that country. In addition to the United States, wheat purchases were recently made in Argentina, South Africa and Canada.

Import Policies

The government Commercial Agricultural Organization has returned grain purchasing functions to the private sector. The only authority which this organization will retain is to make purchases and sales of commodities as and when specified for market stabilization.

Export Opportunities

Wheat.

COLOMBIA

The Market

Colombia's total annual consumption of wheat is currently 350,000 metric tonnes. 39,900 hectares have been planted for 1977 but because of drought conditions the anticipated production of 55,000 metric tonnes is doubtful.

Although the Colombian government has actively been supporting wheat substitutes such as corn, high prices and shortages may increase wheat consumption. In 1976, 287,219 metric tonnes of #2 Hard Red Winter valued at \$45 million, came from the United States. To date in 1977, 160,500 metric tonnes have been contracted; 80,500 from Argentina, 80,000 from the United States. Also, 10,000 metric tonnes of flour are being imported from Argentina this year.

Colombia's total industrial needs of barley are approximately 165,000 metric tonnes per annum. In 1976 the country produced 74,000 metric tonnes. Original production estimates were for 100,000 metric tonnes but yellow rust has affected the main producing area, Nariño. The costs of production have risen 34 per cent in the last five years and prices have risen only 25 per cent. A 15 per

cent price rise in March was aimed at increasing local production. In 1976, Colombia imported \$12,801,000 of barley destined primarily for the breweries.

In 1976 Colombia produced 40,000 metric tonnes of oats for feed and 2,000 metric tonnes for grain. However, the 17,000 metric tonnes for human consumption was entirely imported. This is processed by Quaker S.A. and sourced from Argentina and United States.

Import Policies

IDEMA — Instituto de Mercadeo Agropecuario — to date has been the only importer of wheat which in turn has been sold to the millers. Rumors are that before the end of 1977 there may be permitted direct imports by millers.

The major importers of barley are the two large breweries. The duty is 25 per cent and the prime suppliers are the United States, France and Canada.

Export Opportunities

Wheat, flour, barley (size will vary), oats.

ECUADOR

The Market

Ecuador grows approximately 55,000 metric tonnes of wheat per year, and for 1977 it is estimated that it will be importing 250,000 metric tonnes. To date the prime supplier has been the United States.

Malting barley is also imported in limited quantities, depending on local harvests.

The United States has been the major supplier of oats, primarily for sowing. The last available statistics indicate more than \$2.0 million of oats were imported in 1975.

Import Policies

Wheat is purchased by the Ministry of Industry, Commerce and Integration which is well aware of Canadian capability. Grains being imported for sowing purposes are free of duty — except barley for sowing which is a prohibited import.

Export Opportunities

Opportunities exist for:
Wheat, barley, oats.

MEXICO

The Market

Under the Mexican Agriculture Plan for 1977, a certain degree of self-sufficiency is expected in production of grains including wheat, corn, sorghum, etc. Furthermore, government incentives to agriculture, such as higher guaranteed support prices, should increase production of basic crops.

Under the present program, 7,904,000 hectares will be planted in corn with an estimated production of 8,800,000 metric tonnes. Approximately 1,108,000 hectares will be allocated to sorghum with an expected yield of 2,707,000 metric tonnes, sufficient to cover Mexican demand for forage feeds. Wheat production should yield 2,482,680 metric tonnes which, with present wheat reserves of 650,000 metric tonnes, will amply cover local demand.

Import Policies

Government guaranteed support prices have been increased on the following: soybeans from 4,000 pesos per metric tonne to 5,500 pesos, up 37.5 per cent; barley from 2,320 pesos to 2,920 pesos per metric tonne, up 20 per cent.

Export Opportunities

Despite optimistic projections under the new Mexican Agriculture Plan, a realistic forecast is that Mexico will probably have to import from 300,000 to 600,000 metric tonnes of wheat due to adverse winter conditions, decreased planting acreages and existing uncertainty in land tenure.

PARAGUAY

The Market

Population 2.5 million. Main Imports: Wheat and Flour from Argentina, 1976. Value, \$8.8 million.

Import Policies

Import duty free. Usually arranged by government-to-government agreement.

Export Opportunities

Nil.

PERU

The Market

Since the beginning of this decade, Peru has been an important market for Canadian wheat. EPCHAP, the state entity responsible for wheat imports, has estimated Peru's wheat import requirements for 1978 at 800,000 metric tonnes. Other major suppliers have been Argentina and the United States.

Peruvian breweries will continue to provide a significant market for Canadian malt although Chile and Europe offer stiff competition.

Import Policies

The importation of a wide range of products is prohibited

— primarily luxury goods and anything now being manufactured in Peru which can meet domestic requirements in quantity and quality. In addition, a prior licensing requirement for all imports in the private sector has been established and importers are assigned foreign exchange quotas.

Export Opportunities

Malt purchases are made directly and not by tender. Prospective exporters should be established with a reputable local agent.

URUGUAY

The Market

Production of most grains and oilseeds allows self-sufficiency and exportable surplus. 1975/76 crop production figures were, in thousand metric tonnes: wheat 456; rice 216; malting barley 74; flax 62; sunflowerseed 77; corn 210; sugar beet 833.

Import Policies

Nil.

Export Opportunities

Nil.

VENEZUELA

The Market

Wheat (imports amounted to \$147 million of which Canada supplied \$9 million), oats (\$1.5 million) and malt (\$31 million), as well as some barley, are the grains Canada can export to Venezuela.

Import Policies

To comply with Ancom and Lafta commitments, Venezuela has increased duty rates on oats and barley to 20 per

cent ad valorem from sources outside the region. The Venezuelan government monopoly on wheat imports has been removed and direct sales to millers are now possible.

Export Opportunities

Opportunities, especially in wheat and malt exist but they depend on price levels which must be in proportion to U.S. (wheat) or European (malt) quotations.

COUNTRY RESPONSIBILITIES OF INTERNATIONAL BUREAUX

EUROPEAN BUREAU

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Hungary

Poland
Romania

Union of Soviet Socialist Republics
Yugoslavia

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France
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Ireland

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PACIFIC, ASIA AND AFRICA BUREAU

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Gabon
Ghana
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Turkey
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Zaire
Zambia

Iran, Iraq and Saudi Arabia Task Force

Iran

Iraq

Saudi Arabia

WESTERN HEMISPHERE BUREAU

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Central American and Caribbean Division

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Dominican Republic

El Salvador
French West Indies
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Haiti
Honduras
Jamaica
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Nicaragua
Panama
Puerto Rico
Trinidad and Tobago
U.S. Virgin Islands

Latin American Division

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Uruguay
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SASKATCHEWAN	Director Room 980 2002 Victoria Avenue Regina, Saskatchewan S4P 0R7	Tel: (306) 569-5020 Telex: 071-2745
ALBERTA NORTHWEST TERRITORIES	Director 500 Macdonald Place 9939 Jasper Avenue Edmonton, Alberta T5J 2W8	Tel: (403) 425-6330 Telex: 037-2762
BRITISH COLUMBIA YUKON	Director P.O. Box 49178, Suite 2743 Bentall Centre, Tower III 595 Burrard Street Vancouver, British Columbia V7X 1K8	Tel: (604) 666-1434 Telex: 04-51191

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