

Final Trip Report

Mission to China and South Korea

Dates: November 1-15, 2016

Purpose of travel:

Honourable Oneil Carlier, Minister of Agriculture and Forestry (AF), led a mission to China and South Korea from November 1-15, 2016 to further promote AF's trade, investment and advocacy interests for the agriculture and forestry sectors. The mission enhanced the Government of Alberta's broader government-relations priorities in Asia, including strengthening government relations with Alberta's sister province of Heilongjiang, China.

Overview:

China and South Korea are key overseas economic partners for Alberta, and priority markets for the agriculture and forestry sectors. In 2015, China and South Korea represented the province's second and fifth largest agri-food export markets respectively, with top exports including canola seed, beef, raw hides and skins, pork and canola oil. Similarly, China and South Korea represent the province's second and fourth largest forestry export markets respectively.

This mission, made in conjunction with Agriculture and Agri-Food (AAFC) Minister MacAulay's mission to China, allowed AF to advocate Alberta as a reliable supplier of high quality agriculture and forestry products to China and South Korea, and as an investment destination of choice. Minister Carlier met with key industry and government stakeholders in both China and South Korea. The signing of two separate Memorandums of Cooperation (MOC) in Heilongjiang province also highlighted the celebration of the 35th anniversary of the Alberta-Heilongjiang sister province relationship on behalf of the Government of Alberta.

This mission was successful in meeting its objectives as outlined below.

Mission Objectives:

- Profile and advocate Alberta as a preferred supplier of agriculture and agri-food products, and as an investment destination of choice, in the China and South Korea markets.
- Promote market diversification within Alberta's forestry sector by showcasing the province as a preferred global supplier of natural resources and products within the China and South Korea markets.
- Provide high-level Government of Alberta support to commemorate the 35th anniversary of the Alberta-Heilongjiang sister province relationship.

Results:

Beijing:

- Three bi-lateral meetings were held in Beijing in conjunction with the AAFC mission. Meetings included: Minister Zhi at General Supervision, Inspection and Quarantine of the People's Republic of China (AQSIQ) and focused on regulatory cooperation

and market access issues related to beef, canola and livestock genetics as well as other agri-food products of importance to Alberta's agriculture sector; Minister Han of China's Ministry of Agriculture, providing an opportunity to affirm Alberta's commitment to cooperate with China in agriculture activities; and Vice-Administrator, Ms. Zeng Liying, of State Administration of Grain, welcoming foreign investment in grain handling and storage, to ensure consistent supply of Alberta grains and oilseed to China.

- An industry signing ceremony was held as part of the AAFC program and three Memorandums of Understanding (MOU) were signed by two Alberta-based organizations and their Chinese counterparts in the areas of beef genetics and beef breeding and production technologies as well as hemp seed supply to China and an investment in hemp products processing in Alberta. These MOUs provide a platform for continued efforts to increase trade and promote economic development and diversification. They demonstrate the commitment to advance the relationships and collaboration between Alberta and Chinese companies.
- AAFC Minister MacAulay and the Provincial Ministers met with Chairman Zhao of China National Cereals, Oils and Foodstuffs Corporation (COFCO). Chairman Zhao was very open with his strategy for business development and Minister Carlier welcomed COFCO to explore further business opportunities in Alberta.
- Minister Carlier's delegation participated in an AAFC organized Beijing Export Café initiative meant to generate new leads and sales opportunities for Canadian companies. The delegation interacted with Alberta industry participants and gained market intelligence on products in high demand within the Chinese market and who the active players are in the market.
- During a networking event attended by representatives and their Chinese partners from eight Alberta-based organizations with interests in the Chinese market, Minister Carlier's delegation promoted Alberta as a dynamic and diverse economy, with an export-oriented agriculture sector and was an excellent opportunity to hear from the Alberta and Chinese stakeholders about some of the challenges they face doing business in China. Two key items of note were that we need to continue to help Alberta companies build capacity in the Chinese market and that Alberta should be bolder in its efforts to develop new market opportunities in China.

Shanghai:

- The Delegation met with Alberta food companies and their Chinese partners attending the Food and Hospitality China (FHC) Show and engaged with representatives from these companies to discuss market opportunities and challenges for their products in China as well as to hear suggestions on how Alberta can grow our share of the market in China. A total of ten Alberta companies participated in the show exhibiting under the Canadian Pavilion.
- Multiple engagements with Canada Beef International (CBI) allowed Minister's delegation to demonstrate their support for the Canadian beef industry's development efforts in China. Minister Carlier spoke at the Canada Beef Brand Launch Reception voicing his support for a new product line launching in China and the significant role Alberta plays in Canada's cattle industry.
- Minister Carlier's delegation attended a reception hosted by Canada Pork International (CPI) that celebrated the opening of CPI's new China office in Shanghai. Minister and delegation were able to meet with key stakeholders

supplying and exporting pork products sourced from Alberta to China and help highlight and celebrate the successes achieved by the Canadian pork industry in the China market and to understand future market potential.

- Minister participated as a guest presenter on one of five cooking stages at the E-commerce Savor Canada Media Event helped to profile Canadian and Alberta food products available in the Chinese market and where to buy them on-line in China. The event was very well received and attended by approximately 300 Canadian delegates and Chinese buyers as well as 40 Chinese media representatives.
- Minister Carlier's delegation supported trade and investment between Alberta and China in the forestry sector in three meetings with key industry stakeholders who are currently working in partnership with Alberta's lumber industry. Representatives from Canada Wood's China office, Tubao (Norbord distributor), and Coast Fraser (Weyerhaeuser representative) were all optimistic about the growth potential for Alberta wood products in China as the construction industry diversifies further into wood construction and engineered wood products.
- Minister's delegation and representatives from Canada Beef met with a large Shanghai based food importing and distribution company where discussion focused on trade opportunities for beef products supplied from Alberta suppliers as well as potential investment interests within the Alberta beef value chain. Canada Beef recently signed a MOU to supply \$20 million of Canadian beef into China.

Heilongjiang:

- As part of the Alberta-Heilongjiang Value-added Processing Symposium, in which technical specialists from Alberta and five Alberta based organizations participated, Minister spoke at a meeting with organizers of the event highlighting the strong and mutually beneficial partnership between the two provinces that has been created over the past 35 years. Roughly 400 Chinese participants from the food and crop processing and meat and dairy sectors including investors, entrepreneurs, scientists and researchers attended the symposium. Minister also delivered a speech at the closing ceremonies of the symposium which was followed up by tours of the China-Canada Biofibers Joint Research Centre, the National Coarse Cereals-Engineering Research Centre and the Daqing Branch of Heilongjiang Academy of Sciences (HAS) all of whom AF has been working with in the past on various projects.
- In a meeting with the Vice-Governor of Heilongjiang, Mr. Weifeng Lv, Minister expressed support for the longstanding Alberta-Heilongjiang sister province relationship, as well as advocated on behalf of Alberta's agriculture and forestry sectors. The significance of the Alberta-Heilongjiang relationship, as well as the wide-ranging forms of cooperation that have taken place over the past 35 years, were emphasized. Discussion also focused on challenges related to agriculture, and opportunities for further collaboration between Alberta and Heilongjiang to address these.
- Minister Carlier's delegation attended a signing ceremony and dinner reception to commemorate the 35th anniversary of the Alberta-Heilongjiang sister province relationship. Two separate MOCs were signed at the ceremony between AF and the HAS and the Heilongjiang Bayi Agricultural University, focusing on new food product development in functional ingredients and bio-products and cooperation on meat processing technologies. At the dinner reception, he highlighted the mutual

partnership between Alberta and Heilongjiang and the successes that have resulted over the past 35 years.

Seoul:

- His Excellency Eric Walsh, the Canadian Ambassador to South Korea met with the Minister's delegation. Ambassador Walsh provided a high level overview of the South Korean market and the Canadian/Alberta agriculture and forestry priorities. The desire to continue to maximize the benefits of the Canada-Korea Free Trade Agreement were also discussed.
- Minister provided the opening remarks at the Canada Food Expo where approximately 15 Canadian companies, including three from Alberta, participated in the Seoul portion of the event. During a visit to the Expo, he engaged with Alberta companies to understand their challenges and successes working in the South Korean market.
- Minister Carlier met with representatives from GyeongBok Provincial College as a follow up to the college's cattle-focused visit to Alberta in June 2016, and their interest in pursuing further student and academic exchanges with Olds College especially in the area of beef processing. GyeongBok College is interested in fostering an international mindset and understanding of Canada's livestock sector among future young leaders in the Korean livestock industry.
- Meetings with three large South Korean industry conglomerates were arranged to discuss potential opportunities for meat, grain and healthy food ingredient's sourcing from Alberta as well as investment in value-added food and food ingredient processing in the province. Minister Carlier spoke at the Canadian Beef dinner meeting with key-end users to showcase Alberta and Canada as a reliable supplier of high quality beef in the global marketplace. He highlighted our traceability system, best practices in agriculture food safety and the importance of the South Korean market for Alberta exporters. Some excellent ideas and suggestions were provided by the Korean participants on how to further expand Alberta's exports of meat products to South Korea.
- Minister Carlier helped to kick off a week-long Canadian Beef in-store promotional event at the Jamsil Lotte Mart retail store by working the grill and providing Alberta beef samples to shoppers. Our participation helped to profile Lotte Mart's efforts to increase sales of imported Canadian Beef products and helped forge a stronger relationship with this important South Korean retail giant. A meeting with key buyers from Lotte Mart followed and discussion centered on their feedback regarding the status of Canadian Beef in their stores and further promotional efforts and activities that will increase the sales of Canadian Beef through Lotte's extensive retail network in South Korea.
- Minister's delegation profiled the sustainable management and opportunities of Alberta's forestry industry to four members of the Korea Wood industry.. Market trends, market access and market development strategies that will help increase the profile and exports of Canadian and Alberta wood products in the South Korean market were all discussed during the meeting.

Delegation:

Hon. Oneil Carlier, Minister, Agriculture and Forestry
Anthony Clark, Chief of Staff to Minister Carlier

Beverly Yee, Deputy Minister, Agriculture and Forestry
Albert Eringfeld, Manager-East Asia, Agriculture and Forestry

International Travel Final Expenses:

Expenditures by Participants	Amount
Travel (includes airfare, airport service fees, ground transportation costs, including taxis, car rentals, parking, trains, buses as well as mileage to/from airport or taxis to/from airport in Alberta, including any cancellation fees)	\$13,978.52
Accommodation (room charges and related taxes, including any cancellation fees)	\$14,013.75
Meals (includes restaurant bills and tips, meals on hotel bills, per diem meal claims, share of group meals or working sessions)	\$1,541.51
Incidental and Miscellaneous (includes cell phone rental charges, incremental costs for all electronic devices such as roaming charges for cell phones, iPads and costs associated with communications such as the costs incurred for media call-backs, conference/registration fees, including cancellation fees, fax and internet charges, passport and visa fees, medical and inoculation fees, laundry and dry cleaning, baggage handling, out-of-country per diems, and other sundry expenditures)	\$4,010.45
Sub-Total	\$33,544.23
General Mission Expenditures	
Receptions and Hosting (receptions, luncheons, dinners and events that are hosted by the Government of Alberta that are specific to the mission and include meeting related costs for room rental, room rental for hosted events, food, beverages, catering staff, service charges, entertainment, flowers)	\$1,137.92
Incidental and Miscellaneous (includes translation of documents fees, publications, shipping charges, gifts purchases specifically for mission, Canadian Embassy/High Commission/Consulate charges for services provided to the GOA)	\$2,962.87
Sub-Total	\$4,100.79
Total Costs	\$37,645.02

Final Itinerary:

Date	Activity
November 2	Arrive Beijing, China Briefing with the Alberta Beijing Office and Ron Hoffman, Alberta Senior Representative Asia Pacific Basin
November 3	Meetings <ul style="list-style-type: none"> - ACSIQ (Minister only) - China Ministry of Agriculture (Minister only) Seminar: Exporting to China and the Trade Commissioner Service (COS, DM, Albert) Speak at Signing Ceremony of Memorandums of Understanding between Alberta based organizations and their Chinese partners Retail Food Store Tours (COS, DM, Albert) AAFC Minister "Meet and Greet" with other mission participants
November 4	Meetings <ul style="list-style-type: none"> - China State Administration of Grain (Minister only) - COFCO Corporation (COS, DM, Albert) - COFCO Corporation Chairman (Minister only) - West Coast Reduction Export Café Cooking Demonstration Networking event with Alberta agri-food industry stakeholders and Chinese partners
November 5	Rest Day
November 6	Travel to Shanghai, China Meetings <ul style="list-style-type: none"> - Alberta food companies and Chinese partners attending Food and Hospitality China (FHC) show
November 7	Attend FHC Canada Beef Gala Lunch Canada Pork International China Office Shanghai Reception
November 8	Meeting <ul style="list-style-type: none"> - Shanghai Import Food Association Export Café E-commerce Savor Canada Media Event Market Access and Development Seminar Speak at Canada Beef Brand Launch Reception Dinner
November 9	Meetings <ul style="list-style-type: none"> - Canada Wood - Coast Fraser-Weyerhaeuser - Tubao - Bright Haibo Invested Million (Fareast) Ltd. Speak and participate in Canadian Beef Cooking School (DM only) Deputy Minister returns to Alberta
November 10	Travel to Heilongjiang, China Speak at Heilongjiang Department of Science and Technology Meeting & Dinner
November 11	Speak at Alberta-Heilongjiang Value-added Processing Symposium Tour of China-Canada Biofibers Joint Research Centre Tour of National Coarse Cereals-Engineering Research Centre

	<p>Tour of Daqing China-Canada Food Research and Development Centre Meeting</p> <ul style="list-style-type: none"> - Vice-Governor of Heilongjiang and other Government leaders <p>Signing Ceremony of 2 Memorandums of Cooperation Speech at 35th Anniversary Dinner</p>
November 12	Travel to Seoul, South Korea
November 13	Briefing with the Alberta Korea Office
November 14	<p>Meetings</p> <ul style="list-style-type: none"> - Ambassador Eric Walsh and Canadian Embassy - GyengBok Provincial College - Hanwha Corporation/Trading - SPC Group <p>Speak at Canada Food Expo Market Introduction Seminar Speak at Canadian Beef Dinner Meeting with key end-users</p>
November 15	<p>Meetings</p> <ul style="list-style-type: none"> - Korea Wood Industry Members - Chunho Food - Lotte Mart <p>Participate in Canadian Beef In-market Promotion Event Meeting with Lotte Mart Attend Canada Food Expo Tabletop Showcase</p>
	Return to Alberta