

Final Trip Report

Mission to Asia

Dates: October 17- November 1, 2008



AGRICULTURE AND RURAL DEVELOPMENT

Purpose of travel:

To meet and advance Alberta's interests with key government and industry contacts in Beijing, Daqing, Hong Kong, and Tokyo.

Overview:

Alberta's prosperity is dependant on our ability to operate in a global environment. Enhancing our relationships with our international trading partners is key to advancing our agriculture and agri-food interests. Alberta's continued presence in the Asia marketplace is essential as it confirms the priority we place on China, Hong Kong, and Japan.

Mission Objectives:

To enhance Alberta's profile and relationships with key industry and government contacts; to advance and advocate Alberta's interests in the areas of beef, pork, cattle, and swine genetics, malt barley, and canola; to advance Alberta's profile as a leader in food safety; to advocate for movement on market access issues, specifically in livestock and beef; and to introduce the Alberta Livestock and Meat Strategy (ALMS) and the Alberta Livestock and Meat Agency (ALMA) to key trading partners.

Results:

China

Meetings with Ambassador Rob Wright and key Canadian Embassy staff allowed me to share Alberta's market access and trade interests as they relate to China.

Individual meetings with government officials provided me with perspective on the heightened priority of food safety, given recent breaches of protocols in China. Participants indicated that Canada and Alberta are uniquely placed to promote the animal health and food safety systems as providing the assurance that Asian consumers seek. Our overview of ALMS and ALMA was well received and further enhanced our integrity as a reliable, consistent supplier of safe, high-quality food.

Critical meetings with Chinese government officials indicated that an "all or nothing" approach to beef market access would not be a successful negotiating strategy, given the current sensitivity of Asian consumers to food safety. Instead, Canada was encouraged to work towards an incremental approach to market access, in an effort to restore and re-invigorate trade in beef products in China.

I was honored to witness the formalization of a partnership agreement between the Alberta company Viewtrack and the Chinese company Shineway. The agreement will see Alberta technology enhance China's pork grading and traceability systems.

I was a keynote speaker at a Government of Alberta (GOA)-hosted reception attended by over 70 high-level officials from industry and government. This was an opportunity to further promote ALMS and encourage future product sourcing from, and investment in, Alberta.

Meetings with high-level officials in Harbin and Daqing advanced our Memorandums of Understanding (MOU). These MOU's provide opportunities for research and scientist exchanges between the Daqing Food Processing Centre and the Leduc Food Processing Center, in the pursuit of developing market specific products and processes.

Heilongjiang officials discussed future plans for the expansion of China's pork and beef industry. Given our reputation, Alberta is well positioned to further our pork and beef genetics in China.

Hong Kong

Briefings and discussions were held with the Canadian Consulate in Hong Kong. The Consulate shared that Canadian beef market access in Hong Kong is currently under-utilized. Given the lack of clarity on the national beef access approach, a commitment was made by the Consulate to enhance the priority of the beef market access file with Ottawa in the near term.

I was the keynote speaker at a GOA-hosted reception that provided the delegation an opportunity to advance our interests and priorities with over 90 Hong Kong importers, exporters, retailers, and investors.

Despite the ongoing financial global crisis, representatives from Hong Kong companies indicated a keen interest in pursuing major investments in North America. Given our reputation as a good place to do business, our pristine image, access to the Pacific Northwest and Asian markets, many are particularly interested in investing in Alberta.

Japan

I met with Ambassador Jonathan Fried and senior Canadian Embassy staff to share Alberta's interests, priorities, and concerns, including the limitations of the current national approach on full beef market access in Japan.

In individual meetings with Japanese companies in the livestock and crop sectors, representatives expressed their satisfaction with the quality of Alberta products they currently import. As such, opportunities exist for expansion of Alberta product presence in the Japanese marketplace. Supply, however, particularly in beef, was a major concern. Additionally, leading meat industry representatives shared that age verification will be critical to long-term success in Japan.

My keynote address at the GOA-hosted reception was an opportunity to promote ALMS and its impact on enhancing food safety protocols and addressing Japanese consumer food safety concerns. It also provided me with an opportunity to promote Alberta as a reliable source of agriculture and agri-food products and as a positive environment in which to invest.

One of the highest priority meetings afforded me the opportunity to meet and present ALMS and ALMA to high-level Japanese government and industry officials. Attendees included representatives from the Ministry of Agriculture, Food and Fisheries, the Japan Food Safety Commission, and the Meat Traders Association. Officials provided positive feedback on Alberta's approach, and reiterated that initiatives within the ALMS will help enhance beef market access and presence in the Japanese marketplace. They indicated that age verification will be critical.

I met with the Manager of a high-end Japanese retailer, Jusco, and toured one of their stores. Jusco was featuring an in-store “Canada Days” promotion with a number of Canadian products displayed, including beef. Jusco’s desire to expand their Canadian product line provides Alberta agri-food companies an opportunity to enhance their presence in Japan.

A number of key investment opportunities were discussed with Japanese companies that will be followed up by Agriculture Financial Services Corporation (AFSC) and Alberta Agriculture and Rural Development (ARD).

I will be meeting with Honourable Gerry Ritz, Minister of Agriculture and Agri-Food Canada in the short-term to discuss the results from my Asia mission. This will be an opportunity to encourage the federal government to re-engage our key trading partners as soon as possible in beef market access negotiations.

The mission achieved its intended objectives and provided an opportunity to build on the momentum that began with my mission to Asia in 2007. Mission meetings resulted in follow up actions items that will help advance Alberta’s agriculture and agri-food interests in Asia

Delegation:

George Groeneveld, Minister of ARD

Michael Norris, Executive Assistant to the Minister, ARD