

**Purpose of travel:**

Kazakhstan has government-funded strategies and programs aimed at developing its beef sector, leading to opportunities for Alberta's beef genetics industry. However, the country has suggested the implementation of import protocols which place substantial risks and costs onto the supplier of cattle, which will significantly increase costs. This mission, led by Minister Olson included Alberta Agriculture and Rural Development (ARD) veterinarians and specialists in the areas of livestock feeding regimes and Canada-Kazakhstan trade relations, as well as representatives of Alberta's agriculture industry, coordinated government and industry efforts to showcase Alberta's livestock industry expertise and facilitate trade in beef cattle and genetics, while addressing the Kazakhstan Government's recent recommendations, and their potential effect on trade and the future of Kazakhstan's livestock industry.

**Overview:**

This initiative was planned in coordination with Agriculture and Agri-Food Canada's (AAFC) Market Access Secretariat (MAS). Three days of the five day mission were devoted to building Alberta's relationships with Kazakhstan and some of its provinces. The other two days saw Alberta working alongside a Canadian delegation led by the Honourable Gerry Ritz, Minister, AAFC. The mission focused primarily on building relationships with Kazakhstan and the provinces of Kostanai and Aqmola, and advancing trade in beef cattle genetics by showcasing a broad Canadian package, including educational and consultation services and agricultural machinery. This holistic approach included a delegation comprised of exporters, veterinarians, breed association representatives, and private commercial interests. The Alberta delegation was joined and supported by Canadian Embassy officials from Astana throughout the mission.

Parallel meetings took place to discuss the proposals by Kazakhstan's Ministry of Agriculture (MOA) and Kaz Agro Holdings for new import protocols on live cattle. These meetings included provincial, federal, private exporter, and association representation.

## **Program:**

A full day of meetings was held in Kostanai Province, a beef producing region one hour from Astana. Minister Olson was greeted by the Governor and Minister of Agriculture of Kostanai Province, and by senior regional and business leaders. Government to government and industry to industry relationships were built and several discussions took place which led to early expectations of trade.

Upon return to Astana, Minister Olson met with Kazakhstan Minister of Agriculture Mamytbekov, Vice-Minister Isseyeva, and Chairman of the Committee of Veterinary Control and Supervision Taitubayev to discuss the importance of keeping trade in livestock flowing, for the benefit of both countries. Alberta vets Drs. Morley and Chalack were present and contributed to the discussion by promoting Albertan and Canadian animal welfare and inspection guidelines.

The following two days saw cooperation between the respective Alberta and Canada Ministries of Agriculture, including the inaugural Canada-Kazakhstan MOU Joint Working Group meeting, which was expected to be a short meeting with a few formalities, but which became a full-day event involving technical specialists and private industry from both countries. Ministers Olson and Ritz met with the leadership of KazAgro Holdings to discuss the changes they are making to their financing of live cattle imports, which may create barriers to trade.

Minister Olson was able to spend a full day at the Astana Economic Forum supporting Minister Ritz and connecting with agricultural representatives from several jurisdictions including Russia. At the same time, staff conducted several buyer meetings, leading to sales and visits to Alberta. Information transfer and cooperative research were also discussed, including in-depth discussions on Alberta's involvement in the new Almaty Farm School. ARD staff and the industry associations met again with Vice-Minister Isseyeva on the issue of livestock movement.

Post AAFC programming, the Alberta delegation travelled to Aqmola Province to renew relationships developed during a previous ARD mission to the region. The province is strong in crops and dairy production.

Collectively, the MOA and KazAgro organizations in Kazakhstan hold considerable influence on the direction and development of the beef sector in Kazakhstan. Alberta's exposure to leaders in these organizations will position Alberta and Canadian industry interests well. The MOA developed and supported the Alberta program in cooperation with the Canadian Embassy in Astana, Kazakhstan. Alberta's delegation was always received at senior levels in the capital and regional areas, with introductions to city mayors, provincial deputy governors and senior agricultural staff, and industry leaders.

In addition to introductions to important national and sub-national government networks, the Alberta delegation met with a number of industry leaders in Astana, Aqmola, and Kostanai, including cattle operation owners, potential buyers, livestock industry associations, distribution partners, and the educational community. A number of farms and food processing institutions were visited to evaluate the similarities and differences of farming and food processing procedures.

## Key Learning and Results:

- Accompanying Alberta industry representatives were very pleased with the results of the mission; every delegate had confirmed sales or solid leads. Estimated contracts are currently estimated at \$10 million.
- The Governments of Kazakhstan, Kostanai, and Aqmola specifically commented on the caliber of ARD's technical team, who participated thoroughly in all discussions and likely affected Kazakhstan's future openness to importing live cattle from Canada.
- While each visit from Alberta to Kazakhstan has immediate, tangible results, including the sale of cattle, embryos, and educational and consultation services, business needs to continue to flow as smoothly between missions. Alberta must implement and maintain a long term strategy to keep the Alberta brand at front of mind amongst buyers in this competitive marketplace on a full time basis.
- There exists an opportunity for Alberta industry to invest in a cattle operation in Kazakhstan. Such an investment would give Alberta a foothold in the country from which to base future outreach and conduct in-country extension programs. Discussions to capitalize on this opportunity are underway.
- There is still a strong role to play for Alberta and Canadian governments to position and coordinate industry for success in these markets. Government support can enhance industry profile, open doors, and underscore the depth of Canadian expertise and cooperative possibilities.
- The Government of Kazakhstan, including its arms-length corporations, is enhancing its knowledge of day-to-day farming operations. Regular consultation and support from Alberta and Canada's technical teams will aid their efforts, and will build up a level of trust for Canadian systems and products, assisting in gaining greater access for Canadian cattle.
- It is to Alberta's advantage to draw Kazakhstani leaders and buyers to Alberta. The Minister and other delegates extended invitations at various levels for buyers to travel to Alberta to attend events including Farmfair International 2013, with commitments to develop a customized program which could include tours to farms and facilities while in province. ARD staff continues to work closely with Northlands and the Canadian Trade Commission network to recruit an inbound buyer group from Russia and Kazakhstan to Farmfair.
- We believe that we have a positive influence on Kazakhstan's decision-making process on import protocols through several discussions at different levels.
- Discussions on moving forward with an Almaty Farm School, in cooperation with Dinara Ranch, Lakeland College, and the Canadian Hereford Association were very positive. This effort will have great benefits for the province once the school is up and running.
- Collaboration with the federal government is a good model to advance Alberta's agri-food industry proving engagement at the highest level.
- This inclusive approach showcases a broad Canadian suite of products and services while positioning Alberta industry as a partner of choice in this competitive environment.

**ARD / ALMA Delegation:**

Verlyn Olson, Minister, ARD

Nick Harsulla , Minister's Chief of Staff. ARD

Jamie Curran, Assistant Deputy Minister, Food Safety & Technology, ARD

Grant Winton , Team Lead, International Relations & Marketing, ARD

Pat Ramsey, Business Development – Beef Competitiveness, ARD

Chris Morley, Deputy Chief Provincial Vet and Branch Head, Animal Health, ARD

Dr. David Chalack, Chair, Alberta Livestock and Meat Agency

**Alberta Industry Partners:**

David Saretsky, Cantrix International

Yancy Crosier, ITS Global

Rodney Guilford, Xports International

Joel Huberdeau, Supreme International

Gordon Stephenson, Canadian Hereford Association

Byron Templeton, Canadian Hereford Association

Burt Grundy, Canadian Hereford Association

Rob Smith, Canadian Angus Association

Gary Latimer, Canadian Angus Association

Dave Bolduc, Canadian Beef Breeds Council

Gary Smith, Alta Exports International Ltd.

Kate Kolstad, Alta Exports International Ltd.

Several of the companies also included local representatives in discussions

**AAFC / DFAIT Delegation:**

Honourable Gerry Ritz, Minister of Agriculture, AAFC

Tyler McCann, Policy Advisor, Minister's Office, AAFC

Joel Taguchi, Director of Communications, Minister's Office, AAFC

Fred Gorrell Director General Market Access Secretariat Ottawa, AAFC

Elena Mozhaeva, Interpreter, Public Works & Government Services

Keva McKennirey, Senior Trade Policy Analyst, Market Access Secretariat, AAFC

Jennifer Fellows, Trade Commissioner Moscow

Louise Carrière, Director, International Market Access, CFIA

Steven Miller, Ambassador

Gaukhar Kydyrkhanova, Trade Commissioner Astana

Steven Basadur, Trade Commissioner Astana

**Industry from other Provinces:**

John Ysselstein, Friesvale Farms International, Ontario

Barry Robinson, Gowan's Feed Consulting, Alberta

Garner Deobald, Hawkeye Land and Livestock, Saskatchewan

Kees Kokke, Smart Agro's Ranch / Farm Business, Alberta

## International Travel Final Expenses

Expenditures by Participants	Amount
<b>Travel</b> (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)	\$ 23,784.24
<b>Accommodation</b> (room charges and related taxes, including any cancellation fees)	\$ 2,477.25
<b>Meals</b> (includes restaurant bills and tips, meals on hotel bills, per diem meal claims, share of group meals or working sessions)	\$ 225.85
<b>Incidental and Miscellaneous</b> (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)	\$ 1,274.99
<b>Sub-Total</b>	\$ 27,762.33
General Mission Expenditures	Amount
<b>Receptions and Hosting</b> (receptions, luncheons, dinners, and events that are hosted by the GoA 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)	\$ 298.40
<b>Incidental and Miscellaneous</b> (includes translation of documents fees, publications, shipping charges, gifts purchased specifically for mission, Canadian Embassy/High Commission/Consulate charges for services provided to the GoA)	\$ 3,298.06
<b>Sub-Total</b>	\$ 3,596.06
<b>Total Costs</b>	<b>\$ 31,358.39</b>

News release:

[Alberta strengthens trade relationship with Kazakhstan](#) (May 13, 2013)