

Final Trip Report
New West Partnership
Ministerial Agriculture Mission to
Beijing and Shanghai, China; and Tokyo, Japan
Dates: October 9-16, 2010

**Government
of Alberta ■**

**AGRICULTURE
AND RURAL DEVELOPMENT**

Purpose of travel:

To promote the dynamic agricultural sector of the New West Partnership (NWP) region, gain insights on emerging opportunities and constraints to growing trade, and to undertake advocacy and advance Alberta's trade and investment interests.

Overview:

I am pleased to report on my October 9-16, 2010 mission to China and Japan, in which I was joined by the Honourable Steve Thomson, British Columbia's (BC) then Minister of Agriculture and Lands, who now holds the portfolio of BC's Minister of Natural Resource Operations. Minister Thomson and I undertook this mission within the auspices and on behalf of the NWP. Our joint efforts on this mission allowed us to communicate the export-oriented nature, scale, diversity and high quality of the NWP region's agriculture, seafood, and aquaculture production.

In both China and Japan we effectively promoted the NWP region within the Canadian context, with our overall efforts contributing to the Canadian brand which is well received in these markets. We also worked closely with our federal government counterparts to complement ongoing advocacy efforts to enhance existing trade conditions with these priority markets for a number of agri-food products. Outside of our collective programming, both provinces undertook some independent activity to pursue interests specific to our respective provinces.

China:

In Beijing, I co-hosted a successful industry reception that was marked by an excellent customer turnout and ample promotional and networking opportunities. I was pleased to become familiar with many of Alberta's existing and potential customers in Beijing, and to gain additional insights on enhancing our trade to this market.

A variety of NWP agri-food products were featured at this reception, including pork, honey, canola, pulses, and others. I was also pleased to serve up Canadian beef at the reception. I know we all look forward to established beef import arrangements so that serving Canadian beef in China becomes commonplace. Beef industry representatives from the Canada Beef Export Federation were provided an opportunity at the reception to extol the virtues of Canadian beef and our industry's long-term commitment to developing and serving the market.

I also had the opportunity to speak with the press in both Beijing and Shanghai, and convey the commitment of our producers and processors to reliably deliver high quality agri-food products and services to our international customers. I believe both these public engagements were well received and served to effectively extend our messaging in these markets.

The delegation also held several trade and investment-focused meetings that elevated the profile of our industry, demonstrated our positive investment environment, and promoted the strength of our research community. We had a positive exploratory discussion with China's National Cereals, Oils and Foodstuff Corporation on research, development and commercialization possibilities that certainly warrant continued efforts to find an appropriate fit. Our opportunity to have discussions with key clients, in China, existing or potential, generated several trade and investment follow-up opportunities for Alberta's international network.

We also held effective discussions with government entities that influence market access conditions for agri-food products. These discussions were undertaken alongside senior federal officials from Agriculture and Agri-food Canada's (AAFC) Market Access Secretariat and Canada's Embassy in Beijing. Ongoing diplomatic discussions on beef access continue to be important to maintain momentum on the breakthrough of the China-Canada incremental beef access agreement in June 2010, and ensure technical work progresses to establish the import protocol framework that will allow actual trade to resume. Likewise on canola matters, Canada's federal government and industry have been working hard to maintain the flow of canola seed trade with China since the expression of China's concerns of the presence of blackleg in the Canadian canola crop. I observed our federal officials working diligently and effectively to ensure the appropriate information is being exchanged to resolve outstanding issues and advance the interests of our various sectors. I was pleased to work collaboratively with my federal and provincial colleagues to add to these diplomatic efforts for the benefit of our entire industry.

While trade advocacy is important, so is broader scope relationship building; and sometimes these efforts are interrelated. Another successful outcome of our mission to China was a positive discussion with China's Ministry of Agriculture (MOA). We committed to developing some specific cooperative activities together, targeted to provide mutual beneficial opportunities for trade and information exchange. Over the next year, we will be working closely with China's MOA to focus on the development of a strategic plan that will bring mutual trade benefits. I look forward to a strengthened relationship with this important government entity resulting from the greater cooperation.

Japan:

In Tokyo, we also held an industry networking reception followed by engagement with the local media. We co-hosted this event with the Honourable Gerry Ritz, Minister of AAFC who was in Japan to attend the first ever agricultural ministers Asia-Pacific Economic Cooperation (APEC) meetings in Niigata, Japan on October, 16 and 17, 2010. Our conversations at the reception yielded useful insights, and again I became familiar with some key customers and their priorities in this important market. We were able to leverage the reception further by working with our mission and industry partners to provide an information seminar on Canadian beef. The seminar was well-executed and well-attended, demonstrating the continued strong interest from our Japanese customers to grow our trade in this product.

With Minister Thomson and I in the market at the same time as Minister Ritz, we coordinated efforts to support the federal minister's discussions with Japan's Ministry of Agriculture, Forestry and Fisheries; and Japan's Ministry of Health, Labour and Welfare. The experience of these discussions reaffirm to me, the importance of frequent high-level intergovernmental engagement, which is critical in setting the trade environment

between countries. Canada's beef trade with this lucrative market is currently restricted to the export of beef derived from animals of twenty months of age or less. This longstanding level of access has created challenges for our beef industry in pursuit of greater trade with Japan.

Minister Ritz is a tireless advocate for our entire agri-food industry and was effective at conveying and advancing Canada's trade interests with Japan, including our interests concerning the beef file. I was pleased to have provided support to these discussions and observed that these coordinated and joint approaches are effective in terms of advancing, with one voice, our collective trade interests and concerns. I believe we need to continue to take a coordinated, concerted and active approach to move these issues forward.

In Japan, I also undertook some select meetings with industry contacts separately from my NWP and federal colleagues, and I was able to convey my appreciation to several of our key customers that purchase red meat, canola, honey and other products from our province.

As part of our Japan program, I also had productive discussions with the All Japan Chef's Association, Japan's Food Service Association, and Japan's Meat Trader Association. These local associations are excellent resources for market information and advice on how we can approach the market to promote our products and serve their member's needs to strengthen our trade. In Japan, relationship building requires a long-term concerted approach and a need to stay connected at senior levels. This is how we understand our customer's priorities so that we can develop strategies accordingly. This is as true with government relations as it is with industry relations, and also with customers. I bring these insights back with me with a better understanding of how we can complement industry efforts in these markets.

Mission Objectives:

- Enhance the profile of the NWP region and promote its dynamic and diverse export-oriented agricultural sector;
- Undertake joint provincial efforts to strengthen intersection with the federal government on international trade advocacy activity; and
- Advance Alberta specific agri-food priorities and further develop existing and evolving industry and government relationships.

Results:

- The NWP region and its agriculture sector was effectively profiled within the Canadian context through well-attended networking receptions, discussions with foreign governments and key industry associations, and engagement with media;
- Effective provincial collaboration with the federal government to enhance and advance government-to-government advocacy efforts for the benefit of Canada's entire agri-food industry;
- The delegation's development of several qualified trade and investment leads for further follow-up by Alberta's international network;
- A commitment from China's MOA to work with Alberta to develop a strategic plan of cooperative activity to promote mutually beneficial trade;
- The acquisition of current and relevant market and political intelligence to help inform future advocacy and marketing efforts;

- New relationship development with the Chinese meat industry to help complement industry efforts to increase its network and visibility in the marketplace; and
- Relationship management with key Japanese meat and canola importers to encourage continued and increased sourcing.

Delegation:

Honourable Jack Hayden, Minister of ARD

Brett Sparrow, Executive Assistant, Office of the Minister