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## **Canada**

## **Seafood**

# **The Second Most Important Market for U.S. Seafood**

## **1998**

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### **Report Highlights:**

U.S. exports account for nearly 40 percent of the Canadian import market for seafood. Mid-term prospects (3-5 years) for increased U.S. exports are bright as a result of a trend to increased fish consumption in Canada reflecting changing dietary patterns and a rise in the number of restaurant meals.

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Includes PSD changes: Yes  
Includes Trade Matrix: Yes  
Annual Report  
Ottawa[CA1], CA

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## Executive Summary

\*Official Canadian statistics on the fishery catch are not timely, the most recent being for 1996. Post estimates the total 1998 catch at about 890,000 metric tons which includes strong growth in aquaculture production. For 1999, the total catch could slip to near 870,000 metric tons reflecting stricter federal on catch quotas and licencing retirement programs.

\*By 1999, total Canadian aquaculture production will be double the level six years earlier (1993). Farmed-raised fish and seafood is anticipated to account for more than 11 percent of the total fish catch by 1999. Salmon is the dominate species in Canadian aquaculture production accounting for nearly 70 percent of total farm-raised fish production in 1997.

\*Fish consumption in Canada is increasing. A combination of factors including increased restaurant meals and changing immigration and dietary patterns propelled per capita fish consumption to near 9.0 kilograms in 1996, an increase of more than 25 percent since 1990.

\*With declining domestic catches of ocean fish, Canadian fish processors rely heavily on imports of raw fish from world suppliers in order to maintain processed supplies for export. In the first half of 1998, total Canadian imports slipped by about 5 percent compared to a year earlier due largely to reduced purchases from Russia and Iceland.

\*The United States is the major supplier of fish and seafood to the Canadian market, accounting for about 40 percent of total Canadian imports. U.S. exporters ship a wide variety of fish products to Canada including high value products such as salmon, lobster, shrimp, crab, and shellfish.

\*Canada is the second most important market for U.S. fish and seafood exports, after Japan. Total U.S. fish and seafood exports to Canada during 1997 reached \$US427 million, nearly three and one-half times more than the third largest market, South Korea.

\*In June 1998, the GOC announced a \$C750 million fisheries restructuring package which includes an important licence retirement program and economic development measures.

\*Post estimates current export market development funding under Canada's Program for Export Market Development at about \$C300,000 and private industry contributions to fish and seafood export promotion at about \$C1.0-\$1.1 million.

\*Exchange rates: Prices and values in this report are expressed in Canadian dollars. Exchange rates are 1996, C\$=US\$.7334; 1997, C\$=US\$.7223; October 1998, C\$= approximately US\$.6500.

## Production

## Landings

According to the Canada's Department of Fisheries and Oceans (F&O), the country's total fish and seafood landings during 1996 (the most recent data available) reached 894,467 metric tons, an increase of 5% above the 1995 level. Post estimates the total 1998 catch at about 870,000 metric tons which includes strong growth in aquaculture production. For 1999, the total catch could slip to near 850,000 metric tons reflecting stricter federal on catch quotas and licencing retirement programs.

CANADA: FISH & SHELLFISH CATCH					
(includes aquaculture)					
Landings in Metric Tons, Live Weight					
Species	1994	1995	1996	1997	1998
			Prelim.	Post est.	Post fore.
Groundfish	322,548	230,122	263,777	250,000	240,000
Pelag.& other finfish	361,243	312,093	320,028	325,000	310,000
Shellfish	317,835	308,510	310,662	315,000	320,000
SUBTOTAL	1,001,626	850,725	894,467	890,000	870,000
Marine Plants/Roe	32,681	29,565	30,699	30,000	30,000
GRAND TOTAL	1,034,307	880,290	925,166	920,000	900,000
Source: Dept. of Fish.& Oceans and post estimates					
catch98.wk4					

## Landings, By Species

1996 ATLANTIC & PACIFIC COASTS COMMERCIAL LANDINGS, BY PROVINCE								
(metric tons, live weight)								
	Nova	New				Total	British	Total
	Scotia	Brunswick	PEI	Quebec	Nfld.	Atlantic	Columbia	Canada
Groundfish								
Cod	12,673	1,059	99	503	1,147	15,481	906	16,387
Haddock	9,991	154	0	0	146	10,291	0	10,291
Redfish	11,716	1	0	45	9,809	21,571	23,526	45,097
Halibut	760	8	0	131	196	1,095	5,466	6,561
Flatfishes	6,312	519	601	520	1,335	9,287	5,275	14,562
Greenland turbot	978	23	0	1,863	11,754	14,618	4,597	19,215
Pollock	8,990	294	0	0	438	9,722	2,156	11,878
Hake	28,760	49	20	27	373	29,229	100,000	129,229
Cusk	1,399	0	0	0	1	1,400	0	1,400
Catfish	382	9	0	1	30	422	0	422
Other	2,028	110	4	21	527	2,690	6,044	8,734
Total	83,990	2,226	724	3,111	25,756	115,807	147,970	263,777
Pelagic & other finfish								
Herring	79,268	66,117	17,379	7,915	17,290	187,969	22,147	210,116
Mackerel	5,475	2,616	4,014	4,317	3,869	20,291	363	20,654
Swordfish	658	0	0	0	81	739	0	739
Tuna	717	0	0	0	96	813	456	1,269
Alewife	1,715	3,314	53	0	0	5,082	0	5,082
Eel	82	148	33	186	95	544	0	544
Salmon	0	0	0	32	50	82	34,194	34,276
Skate	2,090	0	19	0	1,778	3,887	802	4,689
Smelt	20	679	130	42	8	879	0	879
Capelin	0	0	0	658	31,970	32,628	0	32,628
Other	1,863	41	292	286	40	2,522	6,630	9,152
Total	91,888	72,915	21,920	13,436	55,277	255,436	64,592	320,028
							continued.....	

1996 ATLANTIC & PACIFIC COASTS COMMERCIAL LANDINGS, BY PROVINCE, continued								
(metric tons, live weight)								
	Nova	New				Total	British	Total
	Scotia	Brunswick	PEI	Quebec	Nfld.	Atlantic	Columbia	Canada
Total Shellfish								
Clams	10,424	893	1,025	875	16,789	30,006	3,113	33,119
Oyster	63	586	1,457	0	0	2,106	5,274	7,380
Scallop	40,119	2,761	1,983	2,485	12,188	59,536	102	59,638
Squid	508	0	0	0	8,314	8,822	75	8,897
Mussel	0	147	7,744	69	0	7,960	0	7,960
Lobster	18,021	7,569	8,068	3,502	2,382	39,542	0	39,542
Shrimp	10,916	3,497	0	11,929	29,966	56,308	9,139	65,447
Crab, Queen	3,987	9,544	1,176	13,084	37,979	65,770	0	65,770
Crab, Other	1,926	1,321	1,770	688	88	5,793	4,942	10,735
Sea urchin	1,099	1,896	0	99	680	3,774	5,821	9,595
Other	183	99	0	1,131	176	1,589	990	2,579
Total	87,246	28,313	23,223	33,862	108,562	281,206	29,456	310,662
Sub-total	263,124	103,454	45,867	50,409	189,595	652,449	242,018	894,467
Marine plants	15,201	3,185	5,873	0	1	24,260	0	24,260
Lumpfish roe	0	0	0	5	1,471	1,476	0	1,476
Miscellaneous	0	179	0	147	4,279	4,605	358	4,963
Total	15,201	3,364	5,873	152	5,751	30,341	358	30,699
GRAND TOTAL	278,325	106,818	51,740	50,561	195,346	682,790	242,376	925,166
Source: Fisheries & Oceans, Oct.98								

## Fish Product Production

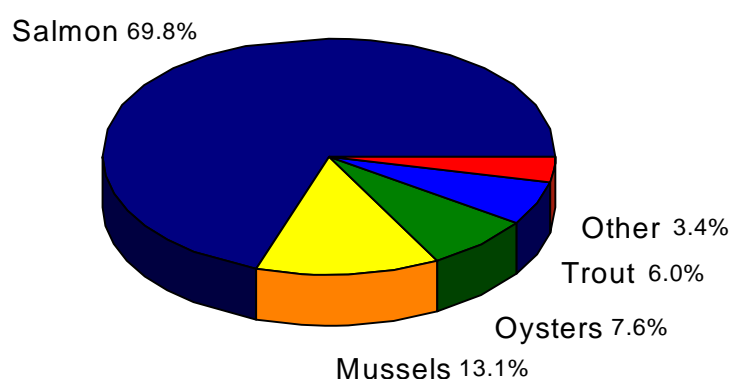
The most recent official data for fish and seafood product production in Canada is for 1996 as published by Statistics Canada. For 1998, lower imports of seafish is expected to result in a decline in fresh and processed product production. Shellfish output is forecast to rise in 1998 reflecting increased domestic supplies from farmed production sources.

## Fish Production, By Type

CANADA: Fishery Product Production, By Type						
Units: '000 metric tons				Post	Post	Post
				Est.	Fore.	Fore.
	1994	1995	1996	1997	1998	1999
Seafish						
-Fresh & Frozen	200.43	228.50	219.45	200.00	190.00	185.00
-Processed	70.50	48.00	60.00	65.00	62.00	66.00
Shellfish	57.98	55.00	54.80	60.00	65.00	70.00
Freshwater Fish	5.43	5.70	5.67	5.50	5.40	5.55
TOTALS	334.34	337.20	339.92	330.50	322.40	326.55
Source: Statistics Canada						
Cat.No. 32-230-XPB						
type98.wk4						



## Aquaculture Production

**Farmed Raised Salmon Dominates Canadian Aquaculture Production**

1997 basis

Source: StatsCan

An expanding aquaculture industry accounts for an increasing share (about 8%) of total Canadian fisheries production led by farmed raised salmon, mussels, oysters, and trout. The pace of aquaculture expansion in Canada has been dramatic. By 1999, production is expected to be more than double the output of five years earlier. The table on the next page shows Canadian aquaculture production, by species, since 1993 and post forecasts to 1999.

In 1995, the province of British Columbia placed a moratorium on new salmon farms because of a combination of environmental, human health, and wild stock health concerns. Reports during the summer of 1998 that Atlantic salmon (the preferred species for farm raised production because of faster growth rates) had been found in Pacific Ocean waters is expected to slow provincial government action to lift the moratorium despite lobbying by the aquaculture industry. For additional information on aquaculture in Canada (and supplying industries) visit the Aquaculture Association of Canada website at: <http://www.ifmt.nf.ca/mi/aac/ac.htm>

## Aquaculture Production, by Species

Canada: Aquaculture Production							
Units: metric tons							
					Prelim.	Fore.	Fore.
	1993	1994	1995	1996	1997	1998	1999
FINFISH							
Salmon	32,523	33,326	42,515	45,502	60,862	66,000	70,000
Trout	5,267	4,027	4,449	4,557	5,232	6,000	6,100
Steelhead	403	430	887	1,097	946	1,000	1,000
Other	65	71	81	17	78	100	120
Subtotal*	38,258	39,385	48,864	52,154	68,194	73,100	77,220
SHELLFISH							
Manila Clams	400	397	885	985	755	800	950
Oysters	6,528	7,767	7,735	7,946	6,649	7,000	7,800
Mussels	5,175	6,867	8,626	9,832	11,463	14,000	14,500
Scallops	13	37	38	176	50	100	100
Other	0	0	32	20	18	20	25
Subtotal*	12,116	15,101	17,432	19,037	19,017	21,920	23,375
TOTAL							
	50,374	54,486	66,296	71,191	87,211	95,020	100,595
*Includes data deemed confidential by StatCan that would disclose proprietary information							
if categorized							
Source: Statistics Canada							
aquasum.wk4							

## Consumption

The trend is to increased fish and seafood consumption in Canada. Despite year-to-year fluctuations, per capita fish and seafood consumption has risen steadily during the 1990s. From 6.92 kilograms per person in 1990, the per capita rate reached 8.85 kilograms in 1996, an increase of more than 25 percent.

Increased fish and seafood consumption in Canada reflects three main factors: 1) an increase in restaurant meals and 2) immigration patterns, which in the 1990s has been dominated by newcomers of Asian origin whose dietary traditions include greater consumption of fish and seafood and 3) the trend among consumers for a healthier diet which is transforming the Canadian food supply with Canadian consuming less sugar, animal fats, red meat and eggs, and more rice, cereal products fresh vegetables, poultry, and fish.

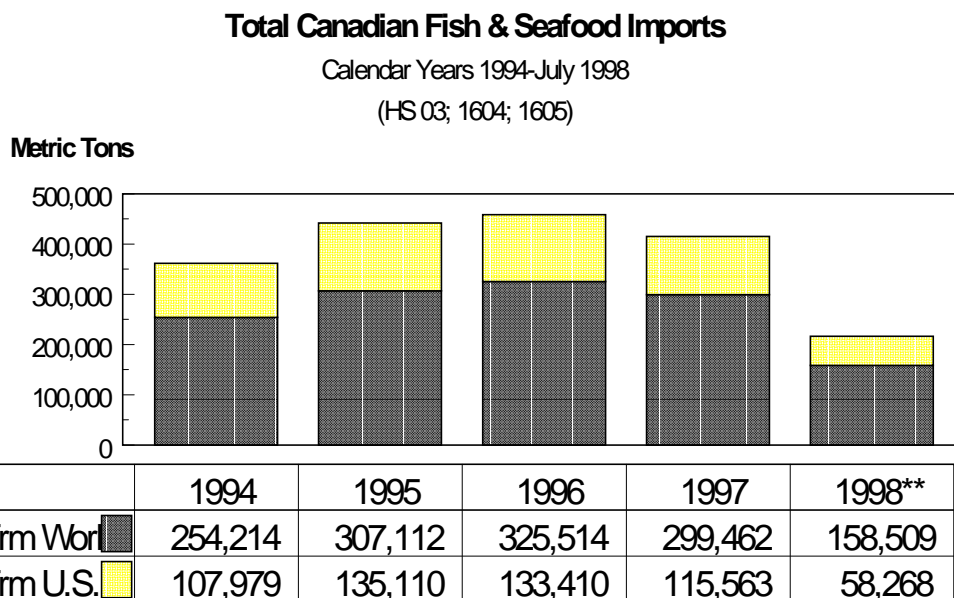
CANADA: Fish & Seafood Per Capita Consumption						
(kilograms, edible weight)						
		1992	1993	1994	1995	1996
Seafish						
Fresh & Frozen		3.07	3.77	4.57	5.84	5.50
Processed		1.89	3.03	2.20	2.31	1.56
Shellfish		1.42	1.37	1.48	1.45	1.60
Freshwater Fish		0.22	0.20	0.19	0.19	0.19
Total		6.60	8.37	8.44	9.79	8.85
Source: Statistics Canada						
Cat.No. 32-230-XPB						
percap.wk4						

## Prices

Canadian fish and shellfish importers indicate that their primary source of price information for seafood are published market reports such as the Urner Barry Seafood Report, a private U.S. publication. Others compare the direct price quotes that they receive from their U.S. suppliers. The Canadian Association of Fish Exporters (CAFÉ) publishes a World Seafood Market Report which details world prices information in U.S. dollars based on CAFÉ, National Marine Fishery Service, and FAO data. Interested readers should refer to the above mentioned market reports for current price information. The Urner Barry Website on the Internet is: <http://home.urnerbarry.com/>

## Trade

### Total Canadian Imports of Fish & Seafood



Source: Statistics Canada, TIERS Database

\*\* Jan.-July data

Total Canadian fish and seafood imports in 1998 are projected to reach about 284,000 metric tons, down about 5% from the 1997 level of 299,462 metric tons. Lower imports from the United States, Russia, and Iceland are expected to account for most of the decline. Imports from Thailand in the first seven months of 1998 were 13% above the level of the same period a year ago. The U.S. share of total Canadian fish and seafood imports peaked at 44% in 1995, but fell to 37% in July 1998 reflecting the changing import mix as Canadian fish processors import more raw fish for processing to help offset declining domestic catches of groundfish, pelagic and finfish. Imports from the United States include a greater proportion of ready-to-eat fish products.

### Leading Suppliers to Canada

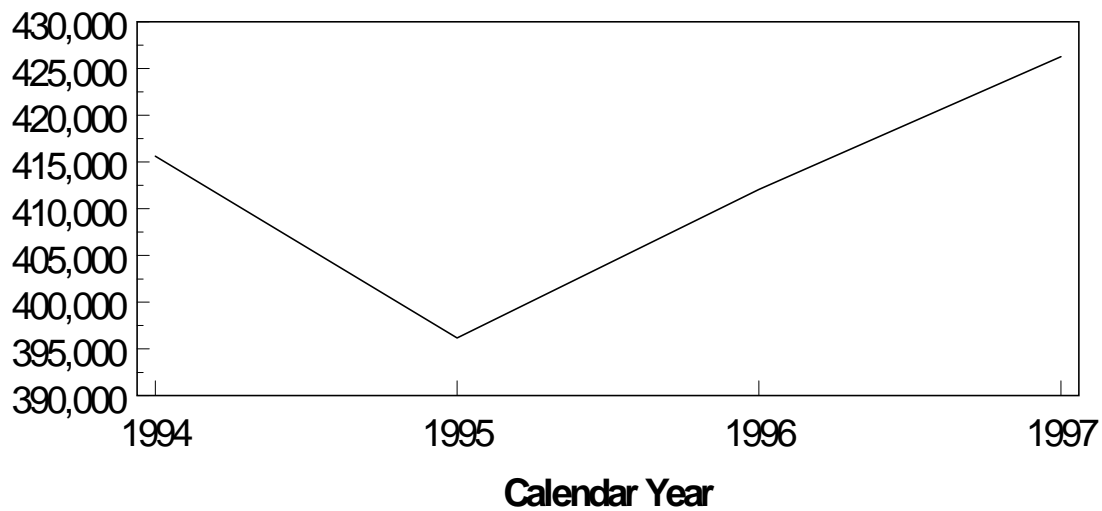
Canadian Fish & Seafood Imports							
1994-1997 Calendar Years							
Jan. -July 1997 & 1998 comparisons							
Metric tons							
HS=03; 1604; 1605							
					7 mos.	7 mos.	'98 as
	1994	1995	1996	1997	1997	1998	% '97
United States	107,979	135,110	133,410	115,563	62,628	58,268	93%
Thailand	30,578	32,039	30,082	34,326	17,677	19,990	113%
Russia	45,700	48,705	44,977	40,200	25,080	17,596	70%
Iceland	10,755	11,725	26,807	15,381	9,547	8,806	92%
Norway	3,552	10,102	12,953	14,870	6,991	8,504	122%
China, P. Rep.	8,553	9,959	10,201	12,514	6,890	7,415	108%
Denmark	1,310	6,012	9,353	8,428	4,718	5,319	113%
Philippines	4,189	6,762	7,771	5,223	3,567	3,977	111%
Taiwan	2,398	2,629	2,961	3,857	1,789	2,523	141%
Japan	2,375	1,575	2,227	4,865	2,382	2,129	89%
Sweden	4,688	4,334	4,852	2,989	2,344	343	15%
Others	32,136	38,160	39,919	41,247	23,125	23,637	102%
Total	254,214	307,112	325,514	299,462	166,738	158,509	95%
U.S. share of total	42%	44%	41%	39%	38%	37%	
19-Oct-98							
allim98.wk4-FAS/Ottawa-Source: Tiers; StatCan.							

Total Canadian Fish and Seafood Exports

## Total Canadian Fish & Seafood Exports

Metric tons

HS 03; 1604; 1605



Source: Statistics Canada, TIERS Database

## Canada As a Competitor

Canada is an important fish and seafood exporter with total exports exceeding \$C3 billion (\$US 2.2 billion) during 1997. As a supplier, Canada competes for major fish and seafood markets in the United States, Japan, Hong Kong, and EU countries. The United States is the leading destination of Canadian fish and seafood exports and in recent years the share of total Canadian fish and seafood exports to the United States has held steady at about 60 percent.

Canadian Fish & Seafood Exports							
1994-1997 Calendar Years							
Jan.-July 1997 & 1998 comparisons							
HS=03; 1604; 1605							
metric tons					7 mos.	7 mos.	'98 as
	1994	1995	1996	1997	1997	1998	% '97
United States	246,461	236,170	236,404	253,663	139,060	160,481	115%
Japan	73,154	71,480	74,647	66,574	34,145	28,429	83%
Denmark	10,535	7,608	4,562	15,827	9,203	8,174	89%
Dominican Rep.	7,367	7,258	10,326	11,282	7,223	5,781	80%
Germany	10,487	8,196	14,292	8,214	3,564	7,163	201%
United Kingdom	9,708	5,899	9,803	8,091	3,345	4,326	129%
France	7,757	7,196	6,507	6,950	3,698	3,201	87%
China, P. Rep.	2,881	4,522	5,189	6,830	2,502	5,385	215%
Hong Kong	4,117	6,710	5,046	5,011	3,046	1,619	53%
Taiwan	3,318	3,583	3,619	4,845	2,845	2,612	92%
Korea, South	5,875	4,645	5,040	3,547	2,115	269	13%
Others	33,960	32,899	36,614	35,444	17,440	17,417	100%
Total	415,620	396,169	412,050	426,276	228,186	244,856	107%
22-Oct-98							
allex98.wk4-FAS/Ottawa-Source: Tiers; StatCan.							

## Groundfish

PSD Table						
Country:	Canada					
Commodity:	Groundfish, Whole/Eviscerated					
		1997		1998		1999
	Old	New	Old	New	Old	New
Market Year Begin		01/1997		01/1998		01/1999
Beginning Stocks	0	0	0	0	0	0
Total Production	0	70000	0	67000	0	65000
Intra-EC Imports	0	0	0	0	0	0
Other Imports	0	50628	0	38000	0	42000
TOTAL Imports	0	50628	0	38000	0	42000
TOTAL SUPPLY	0	120628	0	105000	0	107000
Intra-EC Exports	0	0	0	0	0	0
Other Exports	0	17239	0	19500	0	18000
TOTAL Exports	0	17239	0	19500	0	18000
Domestic Consumption	0	103389	0	85500	0	89000
Other Use/Loss	0	0	0	0	0	0
TOTAL Utilization	0	103389	0	85500	0	89000
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	0	120628	0	105000	0	107000



## Trade matrices: Groundfish

Canadian Groundfish Imports							
1994-1997 Calendar Years							
Jan. - July 1997 & 1998 Comparisons (top 5 suppliers); Units: metric tons							
					7 mos.	7 mos.	'98 as
	1994	1995	1996	1997	1997	1998	% '97
Russia	36,800	33,946	29,671	28,247	16,018	10,152	63%
United States	6,044	9,716	8,467	7,128	4,800	5,798	121%
Norway	1,142	4,116	4,623	6,860	3,328	2,595	78%
Sweden	3,986	3,955	4,761	2,957	2,336	307	13%
Iceland	1,226	550	1,237	2,285	1,727	12	1%
United Kingdom	41	166	118	928		83	
Japan	7	1	0	694		695	
Uruguay				419		237	
Denmark	339	532	223	266		28	
Thailand	178	216	233	140		61	
Cuba	969	746	331	131			
Others	500	429	425	574		727	
Total	51,232	54,370	50,090	50,628	30,018	20,695	69%
grdim98.wk4-FAS/Ottawa-Source: Tiers; StatCan.							

Canadian Groundfish Exports							
1994-1997 Calendar Years							
Jan. - July 1997 & 1998 Comparisons (top suppliers)							
Units: metric tons							
					7 mos.	7 mos.	'98 as
	1994	1995	1996	1997	1997	1998	% '97
United States	15,908	13,674	15,821	14,971	7,915	8,663	109%
Egypt					0	2,105	100+%
Germany	44				0	115	100+%
Japan	72	1,611	1,891	654	518	66	13%
Cuba	11	579		794	794	0	0%
Korea, South	1,210	1,409	71	362	262	0	0%
Dominican Rep.	25	19	50	101			
Hong Kong	19	263	25				
Jamaica	16		90	131			
Poland	20	161					
Russia			141	33			
Others	61	98	148	193		247	
Total	17,387	17,816	18,238	17,239	9,673	11,196	116%
20-Oct-98							
grdex.wk4-FAS/Ottawa-Source: Tiers; StatCan.							

## Groundfish Fillets

PSD Table						
Country:	Canada					
Commodity:	Groundfish, Fillets					
		1997		1998		1999
	Old	New	Old	New	Old	New
Market Year Begin		01/1997		01/1998		01/1999
Beginning Stocks	0	0	0	0	0	0
Total Production	0	22000	0	20000	0	20000
Intra-EC Imports	0	0	0	0	0	0
Other Imports	0	3444	0	3200	0	3000
TOTAL Imports	0	3444	0	3200	0	3000
TOTAL SUPPLY	0	25444	0	23200	0	23000
Intra-EC Exports	0	0	0	0	0	0
Other Exports	0	14446	0	13000	0	12000
TOTAL Exports	0	14446	0	13000	0	12000
Domestic Consumption	0	10998	0	10200	0	11000
Other Use/Loss	0	0	0	0	0	0
TOTAL Utilization	0	10998	0	10200	0	11000
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	0	25444	0	23200	0	23000

## Trade Matrices: Groundfish Fillets

Canadian Groundfish Filet Imports							
1994-1997 Calendar Years							
Jan. - July 1997 & 1998 Comparisons (top 5 suppliers)							
Units: metric tons							
					7 mos.	7 mos.	'98 as
	1994	1995	1996	1997	1997	1998	% '97
United States	986	607	697	1,188	694	498	72%
United Kingdom	399	542	623	806	418	461	110%
Norway	240	168	688	500	320	326	102%
Russia	74		121	162	52	177	340%
China, P. Rep.	121	150	66	283	143	140	98%
Iceland	135	39	106	130		52	
New Zealand	56	139	171	151		34	
Greenland	44	1		24		25	
Japan		2	0	138		22	
Sweden	572						
Thailand	61	80	43				
Others	41	36	41	63		32	
Total	2,730	1,763	2,557	3,444	1,866	1,767	95%
21-Oct-98							
grfilim.wk4-FAS/Ottawa-Source: Tiers; StatCan.							

Canadian Groundfish Filet Exports							
1994-1997 Calendar Years							
Jan. - July 1997 & 1998 Comparisons (top suppliers)							
Units: metric tons							
					7 mos.	7 mos.	'98 as
	1994	1995	1996	1997	1997	1998	% '97
United States	23,081	16,575	12,906	14,017	8,018	7,268	91%
Switzerland	389	269	173	299	204	3	2%
Germany	264	176	111	88			
Japan	13	194	15	26			
Dominican Rep.	100	4	1				
United Kingdom	6	39				35	
Hong Kong	30	4		1			
Iceland	24						
Cuba	10	13					
Portugal	20						
Belgium		17					
Others	10	21	21	15		14	
Total	23,946	17,312	13,227	14,446	8,290	7,321	88%
21-Oct-98							
grfilex.wk4-FAS/Ottawa-Source: Tiers; StatCan.							

Flatfish

PSD Table						
Country:	Canada					
Commodity:	Flatfish, Whole/Eviscerated					
		1997		1998		1999
	Old	New	Old	New	Old	New
Market Year Begin		01/1997		01/1998		01/1999
Beginning Stocks	0	0	0	0	0	0
Total Production	0	13000	0	13500	0	14500
Intra-EC Imports	0	0	0	0	0	0
Other Imports	0	2320	0	4000	0	5000
TOTAL Imports	0	2320	0	4000	0	5000
TOTAL SUPPLY	0	15320	0	17500	0	19500
Intra-EC Exports	0	0	0	0	0	0
Other Exports	0	13679	0	14000	0	15000
TOTAL Exports	0	13679	0	14000	0	15000
Domestic Consumption	0	1641	0	3500	0	4500
Other Use/Loss	0	0	0	0	0	0
TOTAL Utilization	0	1641	0	3500	0	4500
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	0	15320	0	17500	0	19500

Trade Matrices: Flatfish

Canadian Flatfish Imports							
1994-1997 Calendar Years							
Jan. - July 1997 & 1998 Comparisons (top suppliers)							
Units: metric tons							
					7 mos.	7 mos.	'98 as
	1994	1995	1996	1997	1997	1998	% '97
United States	1,876	1,836	1,949	1,869	1,131	2,388	211%
Russia	1,183	178	55	18	18	233	1295%
Japan	409	4	292	202	0	177	100+%
Norway	95	23	7	47	0	24	100+%
Netherlands	25	40	40	16		14	
China, P. Rep.	47	61	119	51		6	
Denmark		899	2,394	1		0	
Iceland	4	14	61	1		0	
Thailand	57	43	78			0	
Greenland		93	9	4			
Taiwan	18	87		13			
Others	60	76	100	98		42	
Total	3,774	3,352	5,104	2,320	1,306	2,883	221%
21-Oct-98							
flatim98.wk4.PRN-FAS/Ottawa-Source: Tiers; StatCan.							

Canadian Flatfish Exports							
1994-1997 Calendar Years							
Jan. - July 1997 & 1998 Comparisons (top suppliers)							
Units: metric tons							
					7 mos.	7 mos.	'98 as
	1994	1995	1996	1997	1997	1998	% '97
United States	12,420	10,161	9,927	10,086	6,306	7,092	112%
Taiwan	1,279	1,351	1,509	1,771	883	629	71%
France	89	148	354	298	263	178	68%
Japan	349	369	728	573		98	
Germany	40	117	59	104		59	
Korea, South		23	356	611		59	
United Kingdom	5	32	21	8		56	
Denmark	40	118	99			22	
China, P. Rep.	96	35		73			
Portugal		64	85	41			
Spain	24	58	75	59			
Others	71	58	75	54		2	
Total	14,413	12,535	13,288	13,679	8,206	8,194	100%
21-Oct-98							
flatex98.wk4-FAS/Ottawa-Source: Tiers; StatCan.							

Roe, Caviar, Liver



PSD Table						
Country:	Canada					
Commodity:	Fish,Urchin Roe/Caviar,Livers					
		1997		1998		1999
	Old	New	Old	New	Old	New
Market Year Begin		01/1997		01/1998		01/1999
Beginning Stocks	0	0	0	0	0	0
Total Production	0	10000	0	10000	0	10500
Intra-EC Imports	0	0	0	0	0	0
Other Imports	0	1959	0	1100	0	1200
TOTAL Imports	0	1959	0	1100	0	1200
TOTAL SUPPLY	0	11959	0	11100	0	11700
Intra-EC Exports	0	0	0	0	0	0
Other Exports	0	10812	0	10000	0	10500
TOTAL Exports	0	10812	0	10000	0	10500
Domestic Consumption	0	1147	0	1100	0	1200
Other Use/Loss	0	0	0	0	0	0
TOTAL Utilization	0	1147	0	1100	0	1200
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	0	11959	0	11100	0	11700

Trade Matrices: Roe, Caviar, Liver

Canadian Roe/Caviar/Liver Imports					
1994-1997 Calendar Years; 1998 data is Jan.-July					
Units: metric tons					
					7 mos.
	1994	1995	1996	1997	1998
United States	133	330	1,237	1,884	563
Japan	35	15	28	36	28
Denmark	10	14	9	10	15
United Kingdom		0	3	12	2
Others	18	18	14	17	7
Total	196	377	1,290	1,959	615
21-Oct-98					
roeim98.wk4-FAS/Ottawa-Source: Tiers; StatCan.					

Canadian Roe/Caviar/Liver Exports					
1994-1997 Calendar Years; 1998 data is Jan.-July					
Units: metric tons					
					7 mos.
	1994	1995	1996	1997	1998
Japan	9,823	9,512	8,224	9,083	4,508
China, P. Rep.	520	526	203	215	577
Sweden	236	227	308	511	151
Denmark	427	201	121	232	133
Germany	187	233	179	304	142
United States	265	187	279	181	94
Korea, South	225	46	5	23	14
Others	60	88	206	263	37
Total	11,744	11,019	9,527	10,812	5,654
21-Oct-98					
roeex98.wk4-FAS/Ottawa-Source: Tiers; StatCan.					

Salmon, Whole or Eviscerated

PSD Table						
Country:	Canada					
Commodity:	Salmon, Whole/Eviscerated					
		1997		1998		1999
	Old	New	Old	New	Old	New
Market Year Begin		01/1997		01/1998		01/1999
Beginning Stocks	0	0	0	0	0	0
Total Production	0	49500	0	48000	0	45000
Intra-EC Imports	0	0	0	0	0	0
Other Imports	0	14693	0	13500	0	14000
TOTAL Imports	0	14693	0	13500	0	14000
TOTAL SUPPLY	0	64193	0	61500	0	59000
Intra-EC Exports	0	0	0	0	0	0
Other Exports	0	60353	0	58000	0	55000
TOTAL Exports	0	60353	0	58000	0	55000
Domestic Consumption	0	3840	0	3500	0	4000
Other Use/Loss	0	0	0	0	0	0
TOTAL Utilization	0	3840	0	3500	0	4000
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	0	64193	0	61500	0	59000

Trade Matrices: Salmon, Whole or Eviscerated

Canada: Imports of Salmon (whole/evis.)					
1994-1997 Calendar Years; 1998 data is Jan.-July					
Units: metric tons					
					7 mos.
	1994	1995	1996	1997	1998
United States	19,749	30,236	22,084	12,188	5,545
Japan	34	36	29	1,212	63
Chile	51	40	52	109	65
China, P. Rep.	130	108	18	109	19
Trinidad-Tobago		1	20	99	34
Bangladesh	7	8	51	91	31
Norway	48	41	75	53	78
Others	790	1,592	501	831	179
Total	20,809	32,061	22,829	14,693	6,013
salim98.wk4-FAS/Ottawa-Source: Tiers; StatCan.					

Canada: Exports of Salmon (whole/evis.)					
1994-1997 Calendar Years; 1998 data is Jan.-July					
Units: metric tons					
					7 mos.
	1994	1995	1996	1997	1998
United States	35,961	37,478	37,339	47,038	29,925
Japan	16,065	6,433	5,668	10,267	1,607
Taiwan	161	637	327	677	999
France	615	943	539	466	197
Italy	422	536	285	330	65
Sweden	333	536	582	287	19
Germany	201	175	25	235	57
Spain	122	141	54	173	94
China, P. Rep.	79	240	59	95	113
Others	1,360	1,616	1,086	786	302
Total	55,318	48,736	45,964	60,353	33,377
salex98.wk4-FAS/Ottawa-Source: Tiers; StatCan.					

Salmon, Canned

PSD Table						
Country:	Canada					
Commodity:	Salmon, Canned					
		1997		1998		1999
	Old	New	Old	New	Old	New
Market Year Begin		01/1997		01/1998		01/1999
Beginning Stocks	0	0	0	0	0	0
Total Production	0	27000	0	29000	0	29000
Intra-EC Imports	0	0	0	0	0	0
Other Imports	0	9364	0	7300	0	7000
TOTAL Imports	0	9364	0	7300	0	7000
TOTAL SUPPLY	0	36364	0	36300	0	36000
Intra-EC Exports	0	0	0	0	0	0
Other Exports	0	9334	0	8500	0	8000
TOTAL Exports	0	9334	0	8500	0	8000
Domestic Consumption	0	27030	0	27800	0	28000
Other Use/Loss	0	0	0	0	0	0
TOTAL Utilization	0	27030	0	27800	0	28000
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	0	36364	0	36300	0	36000

## Trade Matrices: Canned Salmon

Canadian Canned Salmon Imports					
1994-1997 Calendar Years; 1998 data is Jan.-July					
Units: metric tons					
					7 mos.
	1994	1995	1996	1997	1998
United States	11,128	14,176	12,961	9,112	4,217
Russia				219	
Norway	1	8	36	12	
Australia	11			9	
Thailand		5		8	6
United Kingdom				2	
France		0	0	0	1
Chile					39
Others	0	0	11	0	8
Total	11,140	14,189	13,008	9,364	4,271
cnsim98.wk4-FAS/Ottawa-Source: Tiers; StatCan.					

Canadian Canned Salmon Exports					
1994-1997 Calendar Years; 1998 data is Jan.-July					
Units: metric tons					
					7 mos.
	1994	1995	1996	1997	1998
United Kingdom	7,014	3,170	6,353	4,539	2,608
Australia	1,278	1,010	1,305	1,270	458
New Zealand	249	594	1,234	1,199	410
Belgium	982	847	1,494	831	56
Italy	441	297	381	437	174
South Africa	30	149	528	256	
Netherlands	340	190	641	250	36
United States	339	269	207	218	32
Japan	602	462	321	139	19
Ireland	75	164	187	14	18
Germany	8		289		271
Others	233	163	363	181	61
Total	11,592	7,313	13,304	9,334	4,144
cnsex98.wk4-FAS/Ottawa-Source: Tiers; StatCan.					

## Lobster

PSD Table						
Country:	Canada					
Commodity:	Lobster					
		1997		1998		1999
	Old	New	Old	New	Old	New
Market Year Begin		01/1997		01/1998		01/1999
Beginning Stocks	0	0	0	0	0	0
Total Production	0	29000	0	30000	0	30000
Intra-EC Imports	0	0	0	0	0	0
Other Imports	0	13619	0	15000	0	16000
TOTAL Imports	0	13619	0	15000	0	16000
TOTAL SUPPLY	0	42619	0	45000	0	46000
Intra-EC Exports	0	0	0	0	0	0
Other Exports	0	30443	0	32000	0	32000
TOTAL Exports	0	30443	0	32000	0	32000
Domestic Consumption	0	12176	0	13000	0	14000
Other Use/Loss	0	0	0	0	0	0
TOTAL Utilization	0	12176	0	13000	0	14000
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	0	42619	0	45000	0	46000

## Trade Matrices: Lobster

Canadian Lobster Imports					
1994-1997 Calendar Years; 1998 data is Jan.-July					
Units: metric tons					
					7 mos.
	1994	1995	1996	1997	1998
United States	7,552	8,393	9,746	12,687	1,355
Cuba	356	251	259	562	272
Bahamas	134	61	126	129	84
India		6		13	43
Chile	3	15	54	5	28
Belize	3	21	7	16	12
Iceland	34	14	17	26	11
Taiwan	85	126	56	61	10
Others	43	66	72	119	27
Total	8,209	8,953	10,337	13,619	1,843
lobim98.wk4-FAS/Ottawa-Source: Tiers; StatCan.					

Canadian Lobster Exports					
1994-1997 Calendar Years; 1998 data is Jan.-July					
Units: metric tons					
					7 mos.
	1994	1995	1996	1997	1998
United States	18,082	16,690	17,033	18,499	12,724
France	3,582	2,950	2,217	2,616	1,184
Japan	2,401	2,742	2,249	1,935	817
Belgium	1,275	1,481	1,618	1,801	757
United Kingdom	750	738	829	700	455
Hong Kong	303	913	1,086	992	403
Germany	863	709	742	609	309
Netherlands	621	754	713	678	247
Italy	447	490	455	452	191
Others	1,229	1,420	1,836	2,162	532
Total	29,554	28,887	28,778	30,443	17,618
21-Oct-98					
lobex98.wk4-FAS/Ottawa-Source: Tiers; StatCan.					



## Policy

### Groundfish Licence Retirement Program

On October 1, 1998 Fisheries and Oceans Minister David Anderson announced the details of the Atlantic Region and Quebec Groundfish Licence Retirement Program. The \$250 million program will be the last opportunity for fishers to leave the fishery with government assistance. The program was part of a \$C730 million fisheries restructuring package announced in June 1998 by the federal government. In addition to the licence retirement program, the restructuring package includes early retirement, a final cash payment, as well as adjustment and economic development measures. The minister claimed that, although fishery restructuring has created hardships for many and has fueled resentment among those who fish and within their communities, that the industry must turn the page on the mistakes of the past (i.e., over fishing, employment policies) and begin working to rebuild the Atlantic groundfish fishery along an economically and environmentally sound basis (i.e., greater conservation and a smaller fishery).

Under the licence retirement program -- finalized following lengthy consultations with industry and the provinces -- fishers will have to retire permanently and completely from the fishery in order to qualify for benefits. Priority will be given to core fishers (those who hold key licences that vary by region, and who are dependent on the fishery for his/her livelihood) who received support under The Atlantic Groundfish Strategy (TAGS). Since May 1994, Canada's Tags Program has provided income support to about 40,000 fisherman and fish-plant workers, paying a maximum of \$382 per week, or \$C1.9 billion to recipients in Atlantic Canada.

The program will be carried out using a reverse-auction process whereby fishers submit bids to the Department of Fisheries and Oceans (DFO) for their groundfish licences. The bids will then be assessed by independent Licence Retirement Advisory Committees in which fishing industry representatives will participate. In Newfoundland the existing Fishing Industry Renewal Board will carry out the evaluation.

It is expected that there will be several rounds of bidding. A fisher whose bid was not accepted in one round may submit another bid in a later round. Those who opt for licence retirement will not be eligible for the early retirement benefits component of the measures announced on June 19, 1998. However, an individual who is unsuccessful in the reverse auction process will have 21 days after receiving notification of rejection of their final bid to apply for early retirement. Licence holders who opt for licence retirement will not be eligible for the lump sum Final Cash Payment paid by Human Resources Development Canada to individuals who were eligible for TAGS on August 29, 1998. Final cash payments will be deducted from licence retirement payments. The deadline for submission of first-round bids is November 6, 1998.

The licence retirement program is intended to promote a significant reduction in the number of groundfish enterprises in Atlantic Canada and Quebec through the retirement of groundfish licences. The program provides financial assistance to groundfish licence holders who retire their licence and permanently exit the commercial fishery.

The program is part of a series of measures that includes: approximately \$C180 million in final lump-sum payments to clients of The Atlantic Groundfish Strategy (TAGS); \$C135 million in adjustment measures to have access to tools and resources to leave the fishery; up to \$C100 million for community and regional economic development; and up to \$C65 million for early retirement.

## Coho Recovery Plan and Salmon Fishery Funding

On June 19, 1998, David Anderson, Minister of Fisheries and Oceans and Pierre S. Pettigrew, Minister of Human Resources Development Canada, announced management measures for the 1998 salmon fishery and federal funding of \$400 million for a comprehensive plan to rebuild the resource, restructure the fishery, and help people and communities adjust to the changing fishery.

According to the ministries, scientific evidence demonstrates conclusively that wild coho stocks are declining and some are at extreme risk. A comprehensive coho recovery plan, developed by Fisheries and Oceans Canada is designed to augment conservation initiatives contained in the salmon management plan. The recovery plan incorporates significant new initiatives in enforcement, enhancement and stock assessment, which will be implemented in 1998 and beyond to protect and restore coho stocks in all areas of the coast.

The 1998 salmon management plan will introduce a fundamental new direction for the management of the Pacific salmon fishery. Severe restrictions will be imposed on fishing activity in many areas, and selective, conservation-based fishing techniques are being introduced to conserve coho and other stocks at risk. Selective fishing is a cornerstone for conservation-based management and for a sustainable fishery for the future.

While ensuring full protection of coho stocks, the fishing plan allows opportunities for recreational fishermen to catch other non-coho species. The plan also respects the right of First Nations to fish for food, social and ceremonial purposes, subject to conservation requirements.

Total funding includes \$C100 million for measures to protect and rebuild salmon habitat. New investment in salmon habitat will i) establish a permanent fund to provide funding for habitat initiatives, ii) foster community-based stewardship programs aimed at protecting habitat from further damage, iii) extend community restoration and enhancement partnership programs and iv) increase public awareness of factors affecting salmon stocks.

## Restructuring the West Coast Fishery

The GOC also announced that \$C200 million will be dedicated to fishery restructuring designed to bring fleet size in better balance with the abundance of the salmon resource and more selective fishing practices. The government is presently working with stakeholders on how to implement the industry restructuring initiatives, including licence retirement, incentives for new, selective harvesting techniques and exploring options for diversifying fishing income and opportunities. Fisheries and Oceans Canada will also launch a new licence retirement program to reduce the size and capacity of the commercial fleet.

For this year only, commercial salmon licence fees will be suspended and payments will be made to vessel owners who choose not to fish this year but may have incurred pre-season costs preparing for the 1998 fishery. Funding includes \$C100 million for early retirement, adjustment programs for displaced fishery workers, and community economic development. The funding will also support marketing efforts for conservation-based recreational fishing in British Columbia.

## WTO Appeal Report on Australian Ban of Canadian Salmon

In late October 1998, Canada welcomed a report by the World Trade Organization (WTO) Appellate Body confirming that Australia's ban on imports of Canadian salmon violates Australia's international trade obligations. The Appellate Body upheld the conclusions of a WTO panel report released in June 1998 that Australia's ban on imports of Canadian fresh, chilled and frozen salmon is contrary to its obligations under the WTO Agreement.

Canada is hopeful that Australia will act quickly on the Appellate Body findings and to lift its ban on imports of Canadian salmon which would reopen the Australian market for both wild and cultured salmon from Canada, which has been closed for many years. Australia imposed its ban on imports of Canadian salmon in 1975. After years of unsuccessful bilateral efforts to resolve the dispute, Canada took the matter to the WTO. A WTO dispute settlement panel was established on April 10, 1997. After the WTO Dispute Settlement Body adopts the Appellate Body report, Australia will have 30 days to indicate how it intends to implement the WTO findings.

## U.S.-Canada Fail to Reach Interim Agreement on Northern Pacific Salmon Fisheries

The Pacific Salmon Treaty provides the United States and Canada a framework to manage and conserve Pacific Salmon stocks. Although substantial progress on Pacific salmon negotiations were made during 1998, and some agreements reached, the Department of State announced that the U.S. and Canada have not concluded a comprehensive interim agreement on Pacific salmon fisheries for the 1998 summer fishing season in the Alaska/British Columbia northern boundary area. The two sides were unable to reach a complete resolution, in part because of differing scientific assessments of coho conservation needs in the northern boundary area. Alaska deserves credit for the creative, conservation-minded proposals that it developed in the hope of meeting Canada's concerns.

An agreement on fisheries in the southern area off the coasts of Washington, Oregon and southern British Columbia was announced on July 3. A related agreement was announced by the State of Washington. These agreements address both allocation and conservation concerns, limiting some Washington State and Canadian salmon fisheries.

Despite the lack of a comprehensive interim agreement in the north, both sides have agreed that their fisheries managers will work closely together during the upcoming season to ensure conservation of the stocks. Alaskan managers will consult regularly with Canadian managers to share information and coordinate management activities as the season progresses. Alaska has indicated that it will closely monitor the abundance of coho stocks and take appropriate action as necessary. The two sides also agreed on July 2 to close the disputed boundary waters of the Dixon Entrance to salmon fishing this summer, as a result of Canada's concerns about the conservation of coho stocks.

## Export Promotion

The Program for Export Market Development (PEMD) is the Canadian government's cornerstone international business development program. Since its inception in 1971, PEMD has assisted over 25,000 Canadian businesses in marketing their products and services abroad. The total PEMD budget (planned spending) for FY1998/99 (April/March) is \$C5.7 million. The GOC does not disclose PEMD support by industry sector. Post estimates fish industry PEMD funding at about \$300,000. In addition, post estimates industry contributions to fish and seafood export promotion at about \$C1.0-1.1 million.

The PEMD objective is to increase export sales of Canadian goods and services by sharing the costs of activities that companies normally could not or would not undertake alone, thereby reducing risks involved in entering a foreign market. Through a partnership-like relationship between government and business, the program encourages a long-term focus on target markets with built-in flexibility to respond to changing market conditions.

## PEMD Structure

The PEMD program is comprised of four major elements: Market Development Strategies (MDS), New-to-Exporting Companies, Capital Projects Bidding and Trade Association Activities.

The key MDS element focuses on assisting companies with the implementation of a simple marketing plan designed to penetrate an international market. Intended for smaller businesses, both experienced and new to exporting, it shares the risk of the international marketing initiatives with the Canadian private sector.

PEMD also provides assistance to companies that are new to exporting to introduce them to export markets without undue financial strain.

The Capital Projects Bidding element of PEMD supports Canadian companies in bidding for major capital projects outside Canada by contributing to the costs of bid preparation or proposal preparation at the pre-contractual stage.

Trade Association Activities supports export market development strategies of national trade and industry associations meeting PEMD eligibility requirements.

## Repayable Contribution

The PEMD partnership with Canadian business is an investment in a company's commitment to develop international export markets. It is not a grant, loan or entitlement, but rather a repayable contribution. Repayment of the contribution is based on incremental sales made by the recipient company or contracts obtained.

## Program Responsibility

PEMD is managed by the Export Programs Division (TCE) of the Department of Foreign Affairs and International Trade (DFAIT), and jointly administered with Industry Canada (IC), through the regional International Trade Centres. In Quebec, the regional offices of the Federal Office of Regional Development

assist with the delivery of the program.

### Market Development Strategies

The key element of PEMD, Market Development Strategies (MDS), recognizes the need for longer market planning horizons in an increasingly competitive international marketplace. Instead of individual approval of a series of projects, MDS will approve a package of support for visits, trade fairs and marketing support initiatives, based on the company's one- to two-year international marketing plan. This process reduces the administrative burden on companies, making it more streamlined and effective. MDS brings the regional International Trade Centres and trade officers in missions abroad in closer touch with their clients and enables more focused and comprehensive applications while funding a greater range of activities.

### Contribution Limits

The PEMD annual contribution per application is a minimum of \$C5 000 and a maximum of \$C50 000. Companies are limited to one approved application in an April 1 to March 31 fiscal year, and one per target market. In the case of the United States up to three applications, each for a separate and distinct region, may be approved.

### Company Eligibility

Preference is given to companies with annual sales greater than \$C250 000 and less than \$C10 million, and/or with less than 100 employees for a firm in the manufacturing sector and 50 in the service industry. Eligible companies must be incorporated (federally or provincially), or an unincorporated firm of professionals, such as architects or engineers; be currently established and operating in Canada; be registered in the Department's World Information Network (WIN Exports), or Industry Canada's Business Opportunities Sourcing System; have fulfilled reporting and repayment requirements on any and all previous Canadian government assistance.

The companies also must have: a demonstrated capacity to undertake the plan, with consideration being given to the requirements for ongoing domestic work as well as the incremental resources required for the proposed activities; the management structure and competence to undertake and bring the proposed activities to a successful conclusion; the financial capacity to underwrite the plan. This includes, sufficient working capital, net worth and profit margins, to finance the market development activities; sufficient free production or service capacity to supply the additional demand of the market being sought; the marketing capacity to undertake the proposal, a sound marketing plan, proper management personnel and adequate sales personnel; a proven product or service with a history of sales, in Canada or abroad, and a Canadian content of 50 per cent (trading houses/agents must take title to the product).

### Project Eligibility

A target market is understood to be a country or a group of countries in the same region or sectoral market or in the case of the United States only, a specific region of the country. To be eligible for MDS assistance:

- the goals must be based on an international marketing plan, incorporating a variety of activities over the period of the application;

- the strategy/marketing plan should encompass new or incremental export marketing activities that extend beyond normal business activities of the company and should be realistic and likely to succeed;
- the marketing plan should include more than just one type of activity, e.g. visits;
- the anticipated results in terms of dollar sales at the end of the project must be indicated;
- the application must be signed by the Chief Operating Officer, or equivalent, of the company.

### International Marketing Plan

MDS utilizes a specific application form and each application must be accompanied by a one- to two-year international marketing plan for the target market developed and provided by the company. The plan is sent for comment to the commercial section of the Canadian embassies or consulates in the target market. The basic framework of the marketing plan includes brief statements:

- outlining the company's mission statement (what the company does);
- describing the products (including Canadian content) and/or services which the company proposes to market and that level or segment of the market which is being targeted;
- estimating the target market potential for the products and/or services and the related marketing objectives of the company;
- explaining how the target market objectives will be achieved including any related overall strategy and tactics and a brief description of each of the proposed market development activities (including those for which PEMD assistance is not being sought); and
- describing possible constraints to the achievements of the objectives such as domestic and foreign competition, tariff and non-tariff barriers, consumer preferences, and economic and financial market factors.

### Eligible Costs

Reasonable arms-length costs incurred as a result of the implementation of the international marketing plan are eligible for support providing they are consistent with acceptable marketing practices. Costs are to be itemized in the contribution agreement.

Shared eligible costs (50 per cent) will include such costs as:

- the cost of return economy international airfare or equivalent transportation costs to visit the target market;
- costs of participating at trade fairs in the target market;
- the cost of return economy international airfare or equivalent transportation costs for foreign buyers to visit the company's Canadian facilities;

- product testing by foreign standards agencies for market certification;
- legal fees for marketing agreements abroad;
- labeling/label compliance;
- return economy international airfare or equivalent transportation costs to Canada for offshore company trainees;
- product demonstration or solo show costs;
- production of a video, literature, brochure or promotional material specifically designed for a target market.

Applicants are responsible for all other costs.

PEMD does not cover:

- the cost of goods (including samples);
- normal cost of transportation of goods to the target market except for trade fair participation or product demonstration;
- the cost of translation in either official language of Canada;
- salaries and commissions;
- preparation cost of the international marketing plan including market identification studies;
- entertainment and hospitality costs;
- accommodation and meals;
- VAT (as applied by foreign governments);
- Goods and Services Tax..

#### Project Review

Approved projects must be reviewed with an International Trade Center officer every six months in order to accommodate proposed adjustments or changes to the legal agreement and the marketing plan and to assess progress with respect to the implementation of the plan.

Modifications are acceptable providing they respect the original purpose of the agreement and are requested and approved in writing before being undertaken. This includes changes to the original marketing plan to respond to changing market conditions.

Current financial statements and the international marketing plan must accompany the application.



## Revenue/Sales

Revenue/Sales Reports are used to determine the success of assisted marketing activities and whether there is a requirement for repayment of the PEMD contribution. As well the reports are used to evaluate future requests for assistance and to assess the overall performance of the program. Revenue Sales reports must be submitted on the due dates specified in the PEMD legal agreement and must report all revenue received and sales made by the company in the target market. Four reports are required. The first is due at the end of the activity period or on the expiry date and the remaining three reports at 12 month intervals. Even if no revenue has been received or sales made, a "nil" report is required under the legal agreement.

## Repayment Terms

The repayment clause of the PEMD legal agreement stipulates that repayment of the PEMD contribution is based on 4 per cent of incremental revenue/sales made in the specified target market. Incremental sales are total sales in the target market less any base of sales (i.e., existing sales level at the time of application) declared in the application form. Repayment is due with each of the four Revenue/Sales Reports. Companies are only required to repay up to the amount of the approved PEMD contribution.

In the case of the United States, up to three applications may be approved, provided the assistance is for different regions of the U.S. However, for the purposes of repayment of the PEMD contribution, all sales in the total U.S. market must be reported with respect to each application, and each legal agreement.

## PEMD Trade Association Activities; Special Activities Assistance for National Trade or Industry Associations

PEMD Trade Association Activities program is intended for national or major trade or industry associations of a non-sales and a sector-specific or horizontal nature. Activities undertaken by the association must be part of a long-term international business plan and must be for the benefit of the association members and the industry. The long-term strategy or plan may include activities relating to the generic promotion of the industry association's products or services, improved market access, or the generation of market intelligence/information for the benefit of the industry. As with other PEMD elements, the focus must be on the development or increase of sales of Canadian goods or services in foreign markets.

## Internet Market Reports

<http://www.infoexport.gc.ca/section2/market-e.asp>

The Market Intelligence Division of Canada's Department of Foreign Affairs and International Trade has developed a number of Market Reports, By Region, for the fish and seafood sector which are password protected for Canadian companies. They include:

Argentina: Fish Sector

Belgium: Seafood Industry Market

Brazil: Fish and Seafood Market

India: Aquaculture; Fish Sector

Japan: Fisheries Market Reports

Singapore: Cold Water Fish Market



## U.K.: Fish Market

### WIN Exports

WIN Exports (World Information Network for Exports) is the Department of Foreign Affairs and International Trade (DFAIT)'s computerized database of Canadian exporters and their capabilities. WIN can be accessed only by DFAIT's Trade Commissioners and by Team Canada partners -- the federal and provincial government departments involved in international business development, as well as the International Trade Centres. Company information supplied to WIN Exports can be quickly printed and provided to prospective foreign buyers, importers, distributors and partners.

The WIN Exports database is used by Canadian Trade Commissioners to find out more about Canadian exporters in response to the tens of thousands of requests they receive each year from potential foreign buyers. Trade Commissioners also use the fax function of WIN Exports to keep registered companies informed of events of interest, such as trade fairs and missions, seminars, and business opportunities. Canadian companies can register free of charge.

### Team Canada

Team Canada is a partnership between the federal government, provinces, territories and municipalities who pool their resources to work with business and help more Canadian businesses achieve success in the global marketplace through export missions.

Since 1994, business delegations led by the Prime Minister, and including provincial leaders and municipal officials, have traveled to emerging markets to conclude important business deals for Canada.

## Marketing

### Opportunities for U.S. Fish and Seafood Exporters

In 1997, Canada was the second most important market for U.S. fish and seafood product exports, after Japan. While only about one-third as important as Japan on a value basis, U.S. fish and seafood exports to Canada at \$427 million (1997) were nearly three and one-half times more than the third largest market, the Republic of Korea. End use markets for U.S. fish and seafood products in Canada include fish processors, restaurants and retail outlets. In Canada, fish and seafood are distributed by wholesale and distribution firms. Some of these businesses specialize only in seafood while others are considered full-line.

As Canada's baby boomer population ages, food industry analysts expect the graying, but relatively affluent generation to consume more restaurant meals, and eat less red meat and more fish and seafood. According to Statistics Canada, Canadian fish and seafood consumption rose more than 25 percent in the five years ending 1996 reflecting increased restaurant demand and new introductions of easy to prepare frozen seafood entrees.

The following is a list of brokers and wholesalers for the cities of Toronto, Montreal, Ottawa, and Vancouver.

#### Fish & Seafood Foodservice Distribution

##### **Toronto & area:**

Federated Foods Ltd.  
2121 Argenta Rd., Suite 102  
Mississauga, Ontario  
L5N 2X4  
tel: (416) 567-1900  
fax: (416) 567-1918

Gordon Food Service (Canada)  
989 Dairy Road East  
Mississauga, Ontario  
L5T 2J8  
tel: (905) 564-3300  
fax: (905) 564-4972

MacGregors Meat & Seafood Ltd.  
265 Garyray Drive  
Weston, Ontario  
M9L 1P2  
tel: (416) 749-5951  
fax: (416) 740-3230

Reliable Food Suppliers Inc.  
2450 Lawrence Avenue East  
Scarborough, Ontario  
M1P 2R7  
tel: (416) 751-1156  
fax: (416) 751-3917

Select Agro  
165 The Queensway, Suite 316  
Toronto, Ontario  
M8Y 1H8  
tel: (416) 252-3537; fax: (416) 252-7488

Serca Foodservice Inc.  
302 The West Mall, Suite 200  
Etobicoke, Ontario  
M9B 6B8  
tel: (416) 236-1971  
fax: (416) 236-2071

Strano Foodservice  
P.O. Box 6000  
Peterborough, Ontario  
K9J 7B1  
tel: (705) 748-6701  
fax: (705) 748-0025

##### **Montreal & Area:**

Boucher et Freres 1983 Inc.  
5480, Avenue Henri-Julien  
Montreal, Quebec  
H2T 2E8  
tel: (514) 274-5681  
fax: (514) 274-3327

Distribution Alimplus Inc.  
340, Route 235  
Ange-Gardien-de-Rouville, Quebec, J0E 1E0  
tel: (514) 293-3626  
fax: (514) 293-2550

Provigo Distribution Inc.  
11625 55IEME Rue  
Rivieres des Prairies  
Montreal, Quebec  
H1E 2K2  
tel: (514) 494-5200  
fax: (514) 643-1821

T. Lauzon Limitée  
2715, Rue Reading  
Montreal, Quebec  
J3K 1P7  
tel: (514) 937-8571  
fax: (514) 937-9210

#### **Ottawa:**

Magnafoods Incorporation  
100 Legacy Rd.  
Ottawa, Ontario  
K1G 5T8  
tel: (613) 737-7000  
fax: (613) 737-4678

Tannis Food Distribution  
2390 Stevenage Drive  
Ottawa, Ontario  
K1G 3W3  
tel: (613) 736-6000  
fax: (613) 736-7707

#### **and Brokers**

##### **Toronto:**

City Fish Market  
2917 Dufferin St.  
tel: (416) 256-7373

Eddie The Shrimp King  
120 West Beaver Creek  
tel: (905) 889-2060

Lobster Island Seafood Ltd.  
169 Augusta Avenue  
Toronto  
tel: (416) 591-6488  
& 27 Milliken, Scarborough  
tel: (416) 297-6488

Van Horne Fish Distributors Ltd.  
135 Crockford  
(1 block east of Warden off Lawrence)  
tel: (416) 288-9286

Carlbex Seafoods Ltd.  
(broker)  
1090 Don Mills Rd.  
tel: (416) 444-0026

Clouston Foods Canada (broker)  
3800 Steeles Ave. W.  
tel: (905) 851-6771

Inter-Canada Fisheries Inc.  
(broker)  
270 Pennsylvania  
Thornhill, Ontario  
tel: (905) 660-1421

#### **Fish & Seafood Importers, Wholesalers, Distributors**

**Montreal:**

Bari Fish Market Ltd.  
1430 St. Louis St. Laurent  
tel: (514) 748-5555

City Fish Co. (broker)  
111 Roy E.  
tel: (514) 285-1691

Coralli Fish Inc.  
8955 Meillieur  
tel: (514) 381-5623

Clouston Foods Canada  
9960 Cote de Liesse  
Lachine, Quebec  
tel: (514) 636-5114

Les Fruits de Mer Union International Ltée (broker)  
90 Willowdale  
tel: (514) 739-9942

La Reine de la Mer  
1840 Blvd. René-Levesque E.  
tel: (514) 522-6703

Moderne Ltd.  
4477 Papineau  
tel: (514) 524-6881

Pomer Seafoods International Ltd. (broker)  
5890 Ferrier  
tel: (514) 737-4500

**Ottawa:**

Lapointe Fish Ltd.  
445 Catherine St.  
tel: (613) 233-6221

Capital Fish Market Ltd.  
160 Adrien-Robert  
Hull, Quebec  
tel: (613) 778-1892

## Summary: Regulatory Requirements for Selling U.S. Fish Products to Canada

The following information outlines basic information pertaining to safety, quality, composition, labeling requirements and inspection procedures of imported fish into Canada as administered by the Canadian Food Inspection Agency (CFIA), Fish Inspection Directorate.

The authority for the control and inspection of fish is provided under: The Fish Inspection Act and the Fish Inspection Regulations. The CFIA's Fish Inspection Directorate also takes into consideration requirements of other Canadian federal agencies concerned with the inspection of food such as Health Canada.

Cost recovery for inspections of Imported fish products: Canadian importers are required to obtain an Import License issued by the Fish Inspection Directorate prior to importing fish products. An import licence costs \$C500 per year and is valid for 12 months. Importers are required to notify the Fish Inspection Directorate, prior to importation of a product or within 48 hours following importation, stating the type and quantity, the name of the producer, the country of origin and the storage location for each product contained within a shipment. The following inspection service fees are charged for imported products: \$C50 per shipment of imported fresh fish; \$C30 per shipment for any fish imported for further processing; or \$C50 per lot for any other type of imported fish to a maximum of \$C250 per shipment. The fees are payable upon receipt of an invoice from the Fish Inspection Directorate.

When an imported product fails to comply with the Fish Inspection Regulations, the product will be listed on the Fish Inspection Directorate Import Alert List, and all subsequent importations of this product from the same producer will be subject to mandatory inspection until such time as four (4) consecutive importations comply with the Fish Inspection Regulations. The Canadian importer is required to pay the inspection fees, the amount to depend on the test(s) performed, for the inspection of any product by the Fish Inspection Directorate. Importers are invoiced for all inspection fees, on a monthly basis.

Failure of the Canadian importer to provide proper written notification for each imported shipment may result in enforcement action by the Fish Inspection Directorate. Products new to the Canadian market are sampled on entry until the Fish Inspection Directorate is satisfied that safety, quality, composition, packaging and labeling are satisfactory. Shipments subjected to sampling and examination procedures are detained pending the results of inspection, and may only be released for sale in Canada if they are found to comply with the requirements of the Fish Inspection Regulations and other Canadian federal agency requirements.

Shipments of fish which do not conform to the requirements are not permitted entry into Canada. In such cases, the importer is notified of the refusal of entry and, subject to the appeal process provided by the Fish Inspection Regulations, the shipment must be destroyed or removed from Canada within 45 days of the date of notification. In cases where labeling infractions are the cause for rejection, permission for re-labeling may be granted.

## New to Market Exporters

For U.S. fish and seafood exporters, post strongly suggests that they familiarize themselves with Canada's import inspection program. Comprehensive information is available on the Canadian Food Inspection Agency's website at: [http://www.cfia-acia.agr.ca/english/animal/fish\\_and\\_seafood/mainfish.html](http://www.cfia-acia.agr.ca/english/animal/fish_and_seafood/mainfish.html)

Websites:

The following websites were mentioned in this report and provide additional information on Canadian fish and seafood production and policies and inspection procedures.

Aquaculture Association of Canada : <http://www.ifmt.nf.ca/mi/aac/ac.htm>

Urner Barry Website: <http://home.urnerbarry.com/>

DFAIT Internet Market Reports: <http://www.infoexport.gc.ca/section2/market-e.asp>

Canadian Food Inspection Agency's Fish Directorate:  
[http://www.cfia-acia.agr.ca/english/animal/fish\\_and\\_seafood/mainfish.html](http://www.cfia-acia.agr.ca/english/animal/fish_and_seafood/mainfish.html)

Other links: Fisheries and Oceans Canada: [http://www.ncr.dfo.ca/home\\_e.htm](http://www.ncr.dfo.ca/home_e.htm)

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FAS/Ottawa e-mail: [usagr@istar.ca](mailto:usagr@istar.ca)