

Canadian cattle producers welcome investments in Canada's Indo-Pacific Strategy

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Ottawa, Ontario - The Canadian Cattle Association (CCA) is pleased to see Canada's Indo-Pacific Strategy details released, which includes our priority trade recommendations and will be key to further increasing market access for Canadian beef.

The Indo-Pacific region holds the greatest potential for market growth and diversification, with a growing middle class, GDP, and food consumption. About 20 per cent of Canada's beef exports are destined for the Indo-Pacific market, with the top five markets being Japan, Mainland China, South Korea, Vietnam, and Hong Kong.

"We are particularly pleased to see the inclusion of a Canadian Indo-Pacific Agriculture and Agri-Food Office to increase and diversify agricultural exports in the region, an ask CCA has consistently made to the federal government," said Reg Schellenberg, CCA President. "It is important for Canada to have a proactive presence in the region to help address market access barriers and increase Canadian beef exports by maintaining stable and open trade."

Free and open trade is key to the beef industry's success, as over 50 per cent of Canadian beef is exported around the globe. In 2021, our industry hit a new export record high of \$4.5 billion of beef exports, the sixth record year in a row. This great success is largely attributed to increased market access in the Indo-Pacific region.

CCA also commends the strategy's increased investment into Canadian missions to deepen diplomatic, trade, development, and climate ties in the region. Our industry looks forward to partnering with Minister-led trade missions in the region.

The federal government's investment in the Indo-Pacific will support the livelihood and future of rural communities across Canada. Canadian cattle producers provide a safe, sustainable, and nutrient-dense protein that feeds millions of people every year. International trade adds significant value to the beef industry as producers gain \$1044 CDN per animal through selling in international markets.

The Canadian beef industry continues to be supportive of securing further preferential market access through free trade agreements (FTAs) in the Indo-Pacific, including the Southeast Asian Association Nations (ASEAN), and Indonesia FTAs. Securing meaningful market access through FTAs while addressing non-tariff barriers provides Canadian beef exports the best opportunity of success.

Trade Quick Facts

- Japan is Canada's second largest export partner. In 2021, Canada exported close to \$438 million CDN to Japan—a 43.3 per cent increase from 2020.
- Since the start of the Comprehensive Progressive Trans-Pacific Partnership (CPTPP), and the removal of tariffs that followed, Canadian beef exports increased 70 per cent to Japan.

- Since the implementation of the Canada-Korea Free Trade Agreement in 2015, beef exports have increased 2,781 per cent. In 2020, exports to South Korea were \$45 million CDN, in 2021 exports totalled \$117 million CDN, as of September 2022 exports stand at \$156 million CDN.
- Vietnam is a fast-growing market for Canadian beef going from \$8 million CDN in 2019 to \$83 million in 2021 since the implementation of CPTPP.
- There is potential for Canadian beef exports in Indonesia, Thailand, and the Philippines with the removal of tariffs and non-tariff barriers.

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