



MARKET ACCESS FOR THE FUTURE

A stylized map of East Asia and Southeast Asia in shades of yellow and white. Labels include Uzbekistan, Kyrgyzstan, Tajikistan, China, North Korea, Nepal, Bhutan, Myanmar (Burma), Cambodia, Malaysia, Singapore, Philippines, Taiwan, East China Sea, and Maldives. The map is partially obscured by yellow banners and large text.

CANADA EXPORTS OVER

85%

OF THE CANOLA WE GROW



Market access is critical for the Canadian canola industry.

With more than 85 per cent of production exported in the form of seed, oil, or meal, the canola industry provides jobs and economic growth to communities across the country

because of international market opportunities – contributing

\$15.4 billion to the Canadian economy each year. With so much

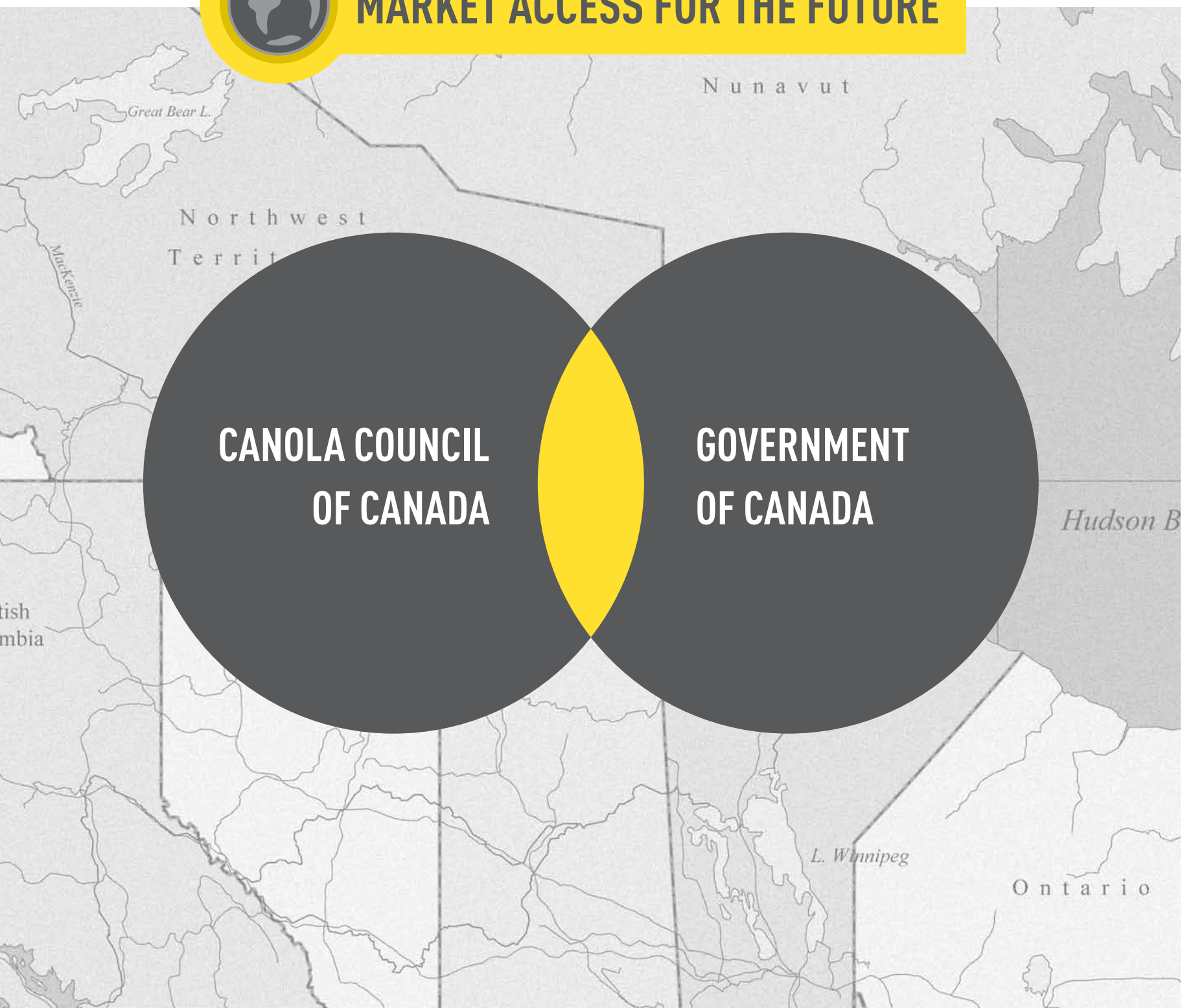
of the industry earning its returns from international markets, ensuring competitive and stable market access is essential for continued prosperity from Canada's most valuable crop. Free and stable market access is also essential for Canadian exporters to continue providing a stable and high quality supply of canola to international customers. Canada's most valuable crop, canola.



MARKET ACCESS FOR THE FUTURE

**CANOLA COUNCIL
OF CANADA**

**GOVERNMENT
OF CANADA**



Working towards more predictable and increased market access has been the focus of the Canola Market Access Plan – a joint effort of the Canola Council of Canada and the Government of Canada.

This interim report outlines the Long-Term Global Strategy for canola market access and provides an overview of successful efforts so far, priorities for the industry, as well as a strategic vision for how the Canadian industry and government can best organize and engage for future market access success. Effective cooperation and coordination between and among government and industry has been critical to achieving market access for canola.



MARKET ACCESS SUCCESSES

A coordinated and strategic effort by the canola industry and the Government of Canada to maintain and improve market access through the Canola Market Access Plan has resulted in access to markets worth more than \$2.3 billion in 2012 – markets that continue to grow.

Serving the demand of importers according to predictable science-based rules in an environment that is free of trade barriers, has helped Canadian exporters and importing customers.

**MORE
THAN \$2.3
BILLION**

China

North
Korea

Sea of
Japan
(East Sea)

South
Korea

Japan

Nepal

Bhutan

India

Bangladesh

Bay of Bengal

Sri Lanka

in

a

or)



MAINTAINING & ACCESSING



**GLOBAL CANOLA
MARKETS**

BUILDING BLACKLEG UNDERSTANDING

Maintaining a \$1.8 billion market: In 2009/2010, concerns in China about canola seed testing positive for the presence of a common Canadian fungus referred to as blackleg led to an emergency quarantine order. Exports dropped dramatically until the Canadian industry and government collectively worked to build understanding and implement provisional measures mitigating the potential risk. Constant communication at multiple levels of government and a focused effort to coordinate research and share information were key elements of success. As a result, more than 2.9 million tonnes of canola seed worth more than \$1.8 billion was exported to approved Chinese destinations in 2012.

PROVIDING A SUSTAINABLE FEEDSTOCK

Accessing markets worth \$500 million: Biodiesel production to reduce greenhouse gas emissions is a significant market for canola oil in the United States and the European Union. Domestic policies in both markets prevented biodiesel producers from using Canadian canola oil. For the European market, the Canola Council coordinated industry and government efforts to attain sustainability certification. In the United States, the government and industry collaborated to provide evidence and successfully petitioned for Canadian canola to be an approved feedstock.

PRIORITIES FOR CONTINUED SUCCESS

Through analysis and consultation with government and members of the canola value chain, the Canola Council has prioritized and refined the key market access challenges facing the industry.

Reflecting four areas of interest, these priorities include:



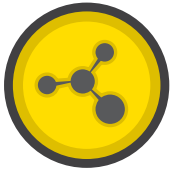
TARIFFS

Eliminating tariffs that tax Canada's canola exports and make them more expensive for importers will allow canola to compete fairly with other oilseeds and allow equal access for seed, oil, and meal. This is especially relevant for oil in Europe, seed and oil in China, oil in Japan, and oil in Korea.



SANITARY AND PHYTOSANITARY

Predictable science-based regulations designed to protect plant, animal, and human health are essential for stable market access. Access to the Chinese market uninhibited by the presence of blackleg, food safety regulations that assure health and safety while promoting access and facilitating trade, as well as aligning maximum residue levels for pesticides in key markets are SPS market access priorities.



INNOVATION AND BIOTECHNOLOGY

Born of innovation, Canadian canola prospers as an industry that gains its competitive advantage from innovation. The regulation of biotech products or new innovations should be based in science and not restrict market access. Working for synchronous international approval of new biotech traits by eliminating built-in delays and uncertainty, joint recognition of risk assessments for new technologies, and effective policies to accommodate the growing risk and uncertainty linked to the low level presence of unapproved biotech traits are important priorities.



SUSTAINABILITY

Policies designed to ensure that biofuels feedstock are produced sustainably often impose market access barriers. Similarly, sustainability standards imposed by customers can become market access barriers when they are not coordinated or are not informed by industry best practices. Going forward, maintaining and improving market access will involve working towards an international methodology to determine sustainability and monitoring US and EU policy development to ensure that the environmentally sustainable practices of the Canadian industry are recognized.



**ORGANIZED
ENGAGEMENT**

COOPERATION

**MUTUAL
COMMITMENT**

STRATEGIES FOR SUCCESS

Efficient and effective engagement to improve market access for the canola industry has been achieved through **a clear organization of responsibilities, cooperation, and a common commitment from both industry and government;** this model should continue. Resolving specific market access challenges may incorporate research, information sharing, advocacy, and stakeholder collaboration.

To achieve success, the long-term strategy must involve the following:

MUTUAL COMMITMENT

Aligned commitment of industry and government forms the backbone of successful market access efforts. Commitment from the Ministers of Agriculture and Agri-Food Canada and International Trade, senior leadership within the Market Access Secretariat, government representatives of canola growing provinces, and officials within various departments, embassies, and agencies has been instrumental to improve market access. Industry must similarly demonstrate its commitment to be an effective partner for government to accomplish mutual goals.

ORGANIZED ENGAGEMENT

Focused energy and resources require that both industry and government are organized for success. Being closest to market opportunities and challenges best positions industry to identify and prioritize market access issues. Through the Canola Council, efforts and resources of the canola value chain can be focused to achieve market access meaningful for canola's success. Similarly, the Market Access Secretariat within Agriculture and Agri-food Canada is an effective coordinating body for the Government of Canada – bringing together policy intelligence, expertise and commitment from across the departments of Foreign Affairs and International Trade, the Canadian Food Inspection Agency, Agriculture and Agri-food Canada and Health Canada.



COORDINATED COOPERATION

Government and industry both have crucial roles in addressing market access issues as a variety of expertise, knowledge, and competencies are required. Roles and initiatives across government and industry must be coordinated to achieve success. Experience has shown that cooperation and coordination among and between industry and government is essential to maintain and improve market access. This is especially true for the industry's efforts – where innovation, market development, and market access are all part of a cohesive plan for success. Innovation enables improved productivity and profitability, creating additional production that requires stable and increased market access, requiring markets to be developed to attain the maximum value for the Canadian industry. Strategically coordinating market access efforts with investments in innovation and market development continues to be an effective strategy for success.



Agriculture and
Agri-Food Canada

Agriculture et
Agroalimentaire Canada

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MARKET ACCESS FOR THE FUTURE

Canola has grown into an industry with a significant \$15.4 billion impact on the Canadian economy each year as a competitive exporter. Maintaining and growing this prosperity will depend on successfully overcoming future market access challenges to enable the industry to continue earning returns from international markets.

Government and industry will jointly enable canola's contribution to jobs and growth through committed, organized, and coordinated engagement in market access.