

Everywhere you do business

The Canadian Trade Commissioner Service

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Foreign Affairs, Trade and
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Trade Commissioner Service

Affaires étrangères, Commerce
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Service des délégués commerciaux

Canada

Gulf Cooperation Council

Market Overview

- GCC Countries: Saudi Arabia, UAE, Kuwait, Qatar, Oman, and Bahrain
- Estimated population = 52.4 million (48% Non-nationals)
- 2015 GDP = US\$1.40 trillion (compare Canada 2015 GDP at US\$1.55 trillion)
- 3.1% GDP growth in 2015, forecast 1.0% for 2017, 2.7% for 2018
- Average Per Capita Income (2013 estimate) = US\$33, 005
- Total Canadian Agriculture, Agri-food and Seafood Exports to the GCC (2016) = C\$900 million

Top Canadian Exports to the

Product	2016 Exports in millions of C\$
Canola seed	332.00
Red and Green lentils	231.68
Wheat	155.96

- Top 3 categories 80% of total agri-food exports
- Other significant exports in 2016 (C\$)
 - Beef = \$27.27 million
 - Peanut Butter = \$15.01 million
 - Barley = \$13.8 million
 - Cheese = \$13.44 million
 - Baked products = \$12.55 million
 - Peas = \$11.65 million
 - Food preparations = \$9.28 million
 - Chickpeas = \$7.52 million
 - Oats = \$5.41 million
 - Lobsters live and frozen = \$3.40 million

United Arab Emirates: Country Profile

- 2016 Population = est. 9.3 million, expected growth of 2.9% (2014-19)
- 80-85% expat population, young (median age 30 yrs.)
- GDP = US\$375 billion (2015), PPP = US\$667 billion
- 2016 per capita income = \$44,600, PPP = \$67,700
- 1.3% annual growth expected for 2017, up to 3.4% for 2018 (IMF)
- Economic and political stability
- strong hospitality sector, linked to tourism and major international events
- Access to the GCC, and Asian and African markets

UAE: Agriculture Market

- Weather conditions and water costs hamper agricultural development efforts
- \$15.6 billion of agri-food product imports annually (\$5.1 bn exports), over 80% of food needs imported
- Top imports (top exporting country): cigarettes (South Korea), milled rice (India), food preparations (US), almonds (US), milk/cream (NZ)
- 30% of agri-food imports are re-exported
- Canadian agri-food and seafood exports to the UAE in 2016 = C\$730 million (80% of agrifood exports to the GCC and 30% of agrifood exports to the MENA region)

Saudi Arabia: Country Profile

- Population = 28.5 million, 1.45% growth rate
- Over 6 million foreign workers
- Large youth population, median age 26.8 years
- 2016 GDP = US\$646.4 billion, 1.7% growth
- Per Capita income 2016 (PPP) = \$55,300
- Petroleum sector is 45% of GDP and 90% of export earnings

Saudi Arabia: Agriculture Market

- Largest agriculture and agri-food importer in the GCC
- Imported over US\$24 billion of agrifood and seafood products in 2013
- Among the world's top 10 dairy producers
- Canadian agri-food and seafood exports to KSA in 2016 = C\$98.4 million (down from \$200 m in previous year)
- Major imports from Canada: wheat/barley, frozen beef, peanut butter, fruit syrups for beverages, cheese, baked goods, frozen vegetables (mainly fries), cheese, lentils

UAE Animal Feed Market

Overview

- Government of Abu Dhabi ends commercial hay production in 2012
- UAE is the largest hay importer in ME: 2016 forage imports estimated at 1.5 MMT
- Feed demand ties in with diversification and food security strategies
- Horse and camel racing an important part of local culture
- Jenaan and Al Dahra are accredited by ADFCA to import hay to the UAE
 - 20 hay and feed distribution sites within the Emirate of Abu Dhabi, sales based on quotas
- Large commercial dairies buy directly from suppliers

UAE Animal Feed Market

Canadian exports to UAE

- Timothy exports from Canada to UAE in 2016: 2,630 MT (C\$790,000) down from 3,872 MT (\$1.2million) in 2015
- Alfalfa exports from Canada to UAE in 2016: 6,291 MT (C\$1,461,121)
- Oat exports in 2016 17,495 MT (\$5,117,661) up from 9,097 MT (\$3.2 million) in 2015

Opportunities

- Commercial dairies buy direct from suppliers
- Camel, sheep and goat market promising for Canada
- Horse industry wants high-end Timothy, protein 8-10%, green color important

UAE Animal Feed Market

Challenges

- Strong competition from US, Spain and Italy; logistics and cost disadvantage versus competitors
- Single compression is the most welcome form of shipping alfalfa hay to the UAE
- US and Spanish suppliers have been long active in the market
- Important to build relationships with buyers

Saudi Animal Feed Market

Opportunities and Challenges

- Estimated forage market: 3-4 MMT
- Saudi dairies have high quality requirements
- Import high quality alfalfa from the US and Spain, and investing in production in countries like Sudan and Ethiopia
- KSA planning to phase out forage production
- Consolidation in dairy industry
- Camel, Sheep and Goat market
- Opportunities for 3rd-country production: alfalfa and non-gmo corn seed, forage-related equipment, storage equipment
- Relationship-based culture
- Prefer single press hay

Other Markets in the MENA Region

- Egypt, Qatar, Jordan, Kuwait, Jordan and Oman

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