

Flatman, John MAH:EX

From: Mercado, Maria JTT:EX
Sent: Wednesday, February 14, 2018 1:16 PM
To: Domench, Martin JTT:EX
Subject: FW: Background Notes for PJH and Ministers' Asia Trip - Requested for Dec 13th

Hello Martin,

Please see attached.

Thank you,

Maria

From: Teramoto, Leslie JTT:EX
Sent: Wednesday, February 14, 2018 9:38 AM
To: Mercado, Maria JTT:EX
Subject: FW: Background Notes for PJH and Ministers' Asia Trip - Requested for Dec 13th

Please ensure Martin has these.

From: Ommundsen, Eric JTT:EX
Sent: Tuesday, February 13, 2018 9:26 AM
To: Mercado, Maria JTT:EX
Cc: Teramoto, Leslie JTT:EX
Subject: FW: Background Notes for PJH and Ministers' Asia Trip - Requested for Dec 13th

Hi Maria and Leslie,

s.13

Thanks,
Eric

From: Patterson, Mat AGRI:EX
Sent: Wednesday, December 13, 2017 2:41 PM
To: Ommundsen, Eric JTT:EX
Cc: McLaren, Solveig AGRI:EX; Wong, Jane T AGRI:EX
Subject: RE: Background Notes for PJH and Ministers' Asia Trip - Requested for Dec 13th

Hi Eric,

Attached are all of the DM-approved notes from Agriculture. Please note that some of the text in the aquaculture note has changed since I sent you the draft. Please ensure that the previous note that Paul developed for MLP meeting is updated to reflect these changes.

The trade barriers note is fairly light, s.22

(so this note was done by another policy analyst who is covering the trade file temporarily). Your own trade team may have additional information to add to this note.

Thanks,
Mat

Mat Patterson

BC Ministry of Agriculture
250-356-2945

From: Ommundsen, Eric JTT:EX
Sent: Friday, December 1, 2017 3:32 PM
To: Patterson, Mat AGRI:EX; McLaren, Solveig AGRI:EX
Subject: Background Notes for PJH and Ministers' Asia Trip - Requested for Dec 13th

Hi Mat and Solveig,

Hope you're doing well. As you many know, our ministry and primarily our Missions and Events group and our China and Japan / Korea geographic teams are coordinating much of the preparation for the January trip to Asia by PJH and several ministers. Part of this preparation is the development of background notes for the briefing materials carried by the DM's and other staff and we've been asked to request AGRI create background notes on several topics, as well as anything else your team may see important.

The background note template is attached and the intent is to keep such notes to 2 pages or less. There are additional notes being developed for the specific meetings, so the background notes are for more general reference on the sector. We'd appreciate the help of your team in creating notes on:

- Agrifood and Seafood – sector overview in general including recent export stats and efforts in China, Japan, Korea
- s.13,s.16
- GF2 – CAP funding programs
- Any market specific access, phytosanitary, trade barrier background that should be included for those countries

I've attached the current version of the trip itinerary FYI as well. The group has provided a deadline of December 13th to receive the notes; if you can send them to me I can provide them to Missions & Events and the Geography team leads coordinating the materials.

Please let me know any questions or concerns.

Many thanks for your help,
Eric

Eric Ommundsen

A/ Senior Director, Natural Resources

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Background Note

CLIFF: 139225

TITLE: British Columbia's Agrifood and Seafood Sector Overview

ISSUE: BC Agrifood and Seafood Sector Statistics (2016)

BACKGROUND:

- British Columbia's agrifood and seafood sector is a major contributor to the provincial economy. The sector includes agriculture, fisheries, aquaculture and food and beverage processing. Over 200 agricultural commodities and 100 seafood species are produced and harvested with 700 distinct products exported to over 160 international markets.

DISCUSSION:

- In 2016, BC agrifood and seafood sector revenues reached a record \$14 billion, up 6.4% over 2015. This included \$3 billion from agriculture, \$1.2 billion from fisheries and aquaculture, and \$9.8 billion from the food and beverage manufacturing sector.
- BC agrifood and seafood exports reached a record high of \$3.8 billion in 2016, up 9% from 2015. Shipments to our top five markets generated over 90% of the total export value in 2016. The United States was BC's top trading partner with 71% of the market worth \$2.8 billion. China, Japan, South Korea and Hong Kong round out the top five export markets for BC agrifood and seafood products with a combined export value of \$732 million and a 20% share of total exports.
- China: BC agrifood and seafood exports to China have increased by almost \$150 million in two years. By 2016, China held an 11% share of our export market at \$407.2 million. Export values to China increased 32% from 2014 to 2015 and an additional 18.5% from 2015 to 2016. The top five products going to the China market in 2016 were crab, pork, food preparations for manufacturing (including natural health products), geoduck clams and hake.
- Japan: The value of BC agrifood and seafood exports to Japan have increased about 10% per year reaching \$207 million in 2016 for a 5% market share. The top five products going to Japan in 2016 were pork, herring, mushrooms, blueberries and farmed Atlantic salmon.
- South Korea: The value of BC agrifood and seafood exports to South Korea has almost doubled in two years reaching \$64 million in 2016 for close to a 2% market share. The top five products going to South Korea in 2016 were food preparations for manufacturing (including natural health products), alfalfa, fodder and animal feeds, followed by oilseeds, shrimps/prawns and oil/oilcakes.

- Hong Kong: Consistently in the top five, and recording more than 30% growth from 2015 to 2016, Hong Kong had just over 1% of BC's agrifood and export market share generating \$55 million. The top five products going to Hong Kong in 2016 were sea cucumbers, pork, cherries, food preparations for manufacturing (including natural health products) and geoduck clams.
- Recent efforts made to further develop these markets include:
 - Ministry of Agriculture and the Ministry of Jobs, Trade and Technology (JTT) (formerly, Ministry of International Trade) developed the BC Agrifood and Seafood International Market Development Strategy (the Strategy), which focuses on programs and services that support three key areas: increasing market knowledge, generating investment in activities that support export growth, and building networks to support success for BC companies in the marketplace.
 - The Strategy prioritizes five top markets where BC focuses the majority of its resources, including the United States, China, Japan, South Korea and Hong Kong. Made possible by Growing Forward 2 funding, AGRI and JTT plan for and lead several tradeshows in these markets every year.
 - In 2017/18, tradeshows/events include: Seafood Expo Global; China Fisheries and Seafood Show; Seoul Food and Hotel; Taste of Canada, Japan; Asia Fruit Logistica, Hong Kong; China Seafood Promotion, Guangzhou; Busan International Seafood and Fisheries Expo; and, Food and Hotel China.

ATTACHMENTS:

Attachment I: British Columbia Agrifood and Seafood Sector Snapshot 2016

Attachment II: British Columbia Agrifood and Seafood Export Highlights 2016

CONTACT:

Carmen Matthews

Ministry of Agriculture

Manager, Corporate Statistics and Research

250 356-2521

Agrifoods—Agrifoods Sector Strategy

KEY MESSAGES

Ministry of Agriculture

Confidential

December 2017

BUILDING OUR EXPORT MARKETS

- I am proud that B.C. agriculture and seafood products are enjoyed by families all over the world, and am committed to expanding the markets for B.C. products both overseas and at home.
- The B.C. government's promotion of BC food and seafood products in key markets like the United States, Asia and Europe offers opportunities for B.C. companies to increase their sales, and contributions to our coastal and mainland communities.
- Our government is committed to developing policies and programs that encourage exports and international trade and we're seeing results in B.C. agrifoods.
- B.C. agrifood exports reached \$3.8 billion in 2016 (a record year).
- British Columbia exported 712 types of foods to 160 markets in 2016, building on the demand for high quality, trusted B.C. products, and the network British Columbians have with family, friends, and businesses all over the world.
- The BC government continues working with businesses to keep the trend and sales growing through trade missions, 16 international B.C. government trade offices, and B.C. government reps at over 20 international agrifood trade events this year, all of which connect buyers with B.C. companies, and incomes and jobs in B.C. communities.

OPPORTUNITIES IN ASIA

- The market opportunities for Asia are amazing. I am really optimistic about the trade of B.C. seafood, and other food products in Asia.
- Many British Columbians work in sectors and for companies with customers in Asia and we're working to build on those opportunities.
- The B.C. government is helping build export markets for B.C. agrifoods with a network of 16 international trade offices and B.C. trade missions.

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KEY MESSAGES**

- Many British Columbians have a strong connection to Asia through our families, relatives and friends, and this network is building relationships and trade.
- Families in Asia take pride in serving high-quality and trusted foods, and look to B.C. as a recognized producer of great tasting food and seafood that they can serve and enjoy with confidence.

CHINA

- China is the second largest B.C. export market for food and seafood products with \$407 million in 2016.
- British Columbians working in our crab, pork, geoduck, hake, salmon, cherry, wine and food manufacturing and natural health product sectors all sold significant amounts of product to Chinese consumers, and we're working with B.C. businesses and our colleagues in China to see that grow.

JAPAN

- Japan is the third largest B.C. export market for food and seafood products with \$207 million in 2016.
- British Columbians working in our pork, salmon, shrimp and prawn, sea urchin herring, blueberry, mushroom, and food manufacturing sectors all sold significant amounts of product to Japanese consumers, and we're working with B.C. businesses and our colleagues in Japan to see that grow.

SOUTH KOREA

- South Korea is the fourth largest B.C. export market for food and seafood products with \$64 million in 2016.
- British Columbians working in our shrimp and prawn, sea urchin, herring, alfalfa food manufacturing and natural health product sectors all sold significant amounts of product to South Korean customers, and we're working with B.C. businesses and our colleagues in South Korea to see that grow.

AGRICULTURE FAST FACTS¹

- \$14 billion in 2016 in annual revenues (highest ever).
- The primary agriculture sector (farmers, ranchers and producers) is down 2.5% from 2015 to \$3 billion.
- The seafood sector is up 31% from 2015 to \$1.2 billion.
- The food and beverage manufacturing sector is up 7% from 2015 to \$9.8 billion.
- British Columbia agrifood and seafood producers exported \$3.8 billion worth of products in 2016.
- The top five export markets in 2016 were:
 - United States (\$2.7 billion);
 - China (\$407 million);
 - Japan (\$207 million);
 - South Korea (\$64 million); and
 - Hong Kong (\$55 million).

¹ All data is from 2016

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KEY MESSAGES**

- The top five agrifood exports were:
 - food preparations for manufacturing and natural-health products (\$307 million);
 - baked goods and cereal products (\$293 million);
 - blueberries (\$200 million);
 - mushrooms (\$156 million); and
 - chocolate and cocoa preparations (\$119 million).

- The top five seafood exports were:
 - farm-raised salmon (\$545 million);
 - crab (\$142 million);
 - hake (\$71 million);
 - shrimp and prawns (\$47 million); and
 - herring (\$45 million).

- Highlights from 2016:
 - B.C.'s farms generated \$3 billion in farm sales – down 78 million dollars from the previous year.
 - B.C.'s fisheries and aquaculture sectors generated \$1.2 billion in sales – an increase of close to \$280 million from the previous year.
 - B.C.'s food and beverage manufacturing shipments rose to \$9.8 billion, an increase of over \$645 million over the previous year.
 - Total farm cash receipts from B.C.'s agricultural crops topped \$1.5 billion, a decrease of \$18 million from the previous year.
 - B.C. grain and oilseed farmers produced more than 336,000 tonnes of wheat, oats, barley & canola, worth over \$50 million in farm cash receipts.
 - B.C. is Canada's largest fruit producer, with over 325,000 tonnes of fruit valued at \$397 million.
 - B.C. farmers produced Canada's third largest vegetable crop, generating in \$536 million farm cash receipts.
 - B.C. greenhouses produced around 120,000 tonnes of vegetables worth over \$315 million.
 - B.C. grape growers generated close to \$57 million in revenue.
 - Farm cash receipts in B.C.'s livestock and poultry sectors totaled close to \$1.5 billion.
 - B.C. poultry and egg farmers generated almost \$560 million combined.
 - B.C. beef farmers generated close to \$220 million.
 - B.C. dairy producers generated over \$586 million.
 - B.C. hog producers generated just over \$32 million.
 - B.C. lamb producers generated nearly \$10 million.
 - B.C. beekeepers produced generated \$12.4 million.

Communications Contacts: Jessica Li/ Tasha Schollen / Lara Perzoff/ Courtney Stewart
Program Contacts: Paul Irwin / Richard Sawchuk / Francis Acquarone