



STEP - Agriculture

**Pulse Trade Mission to Spain and Italy
December 3 - 7, 2018
Madrid, Spain, Naples, Vicenza and Rome, Italy,**

TRIP REPORT





Overview/Mission Description

In search for a new market for Saskatchewan pulses and special crops, Saskatchewan Trade & Export Partnership (STEP) decided to explore the European Union market. Given the current market uncertainty, there is no doubt the need for a market diversification. As a first stop we travelled to Spain and Italy this year. We partnered with the Trade Commissioner Services in Spain and Italy who helped us organize the tour. The Spanish Pulses Association helped us develop a one-day program in Madrid that included B2B meetings and presentations. The TCS in Rome helped us with the program in Italy that included site visits and B2B meetings. This mission started with a trip to Madrid, Spain on Dec 2, and then to Rome, Italy, on Dec 4, concluding in Vicenza on Dec 6, 2018.

The B2B meetings were primarily targeted for pulses and commodity importers, however there were quite a few pulse canning companies that met us during the mission. The primary objective of the mission was to identify and strengthen pulses and the commodity supply opportunity to the market. This is the first time in the last five years we travelled to the market with a trade mission focused on pulses and commodities.

Summarized Agenda

Monday, December 3, 2018

Madrid, Spain

06:15	Meet in Hotel Lobby
06:30	Depart Hotel for Train Station
07:05	Depart Madrid
09:21	Arrive in Leon
11:00	Tour a Pulse processing and canning plant.
16:25	Depart Train Station in Leon
21:31	Arrive in Madrid

Tuesday, December 4, 2018

Madrid, Spain / Rome, Italy

09:30	Arrive at Embassy
10:00	Participant Registration
10:30	Welcome by the Embassy of Canada in Spain
10:45	Address from the Association of Legumbristas of Spain
11:00	STEP and the Saskatchewan's Pulses and Special Crops Industry, Mortzoza Tarafder
11:30	B2B Meetings
13:30	Spanish wine glass
14:00	Travel to Airport
17:15	Travel to Rome, Italy

Wednesday, December 5, 2018

Rome, Italy

09:00 – 10:40	Meeting with a pulse buyer. Embassy of Canada
10:45	Transfer to Termini station by taxi, 15 minutes
11:23 – 12:33	Train Rome – Napels
12:40	Lunch and transfer to Ottaviano, 50 minutes
14:00	Meeting with a pulse and special crops processor.
15:30	Transfer to Napoli Centrale, 45 minutes
16:30 – 21:52	Train Napoli – Vicenza and taxi to hotel

Overnight in Vecenza – Hotel AC Vicenza

Thursday, December 6, 2018

Rome, Italy

09:00 – B2B Meeting Session with Pulses and commodities buyer.
12:00 c/o Hotel AC Vicenza

12:00 Lunch

13:00 Transfer by hired car with driver to Schiavon, 30 minutes

14:00 Meeting with a pulse buyer.

15:30 Transfer to Vicenza by hired car with driver, 30 minutes

16:26 – Train – Vicenza-Roma Termini (1 change in Padova)
20:10

Overnight in Rome – Hotel Palazzo 500

Friday, December 7, 2018

Italy / Saskatchewan

Return to Saskatchewan

Market Information

The European Union (EU) is Canada's second-largest trading partner, and continues to maintain approximately 20% of the world's gross domestic product (GDP); with a market of over 510 million consumers, and imports of over \$115 billion (\$694 billion if you include intra trade). As a Union the group is Saskatchewan's fifth largest market, with wheat, canola and lentils being the largest exports. The European Union (EU) market is diverse, expanding, and full of opportunities for Canadian business.

The Canadian-European Union Comprehensive Economic and Trade Agreement (CETA) is poised to help Canadian exporters access European Union (EU) agri-food markets and will

open new agriculture and agri-food market opportunities for Canadian exporters in the EU. They will have an advantage over competitors in countries that do not have a free trade agreement with the EU. When CETA enters into force, almost 94% of the EU agricultural tariff lines will be duty-free, including tariff lines for Saskatchewan processed pulse products such as chickpea flour, canned pulses and specialty soups.

Lentils are now seen as a major source of protein and iron across the EU. They are an important part of Spanish traditional dishes and are well established in the Italian diet for their nutritional benefits. Beans, peas, and lentils are an important part of traditional Spanish dishes. Leading pulse players are investing in the production of innovative processed pulse products. Spain is the third-largest importer of pulses in the EU, with imports worth US\$207.5 million in 2016. Spain relies on imports to meet consumption demand for dried pulses. Italy is the fourth-largest importer of lentils in the EU. The Italian market is segmented into North and South, where the North was subject to industrialisation, and the South remains local-driven. Italians are very focused on the cleanliness of the products. They are a small market with huge emphasis on clean products. Saskatchewan products would definitely have an advantage over our competitors in these markets.

Results

A total of six STEP member companies joined the mission. STEP represented two members during the visit.

For the first time our mission was solely focused on special crops and provided our members a great introduction to the special crops commodity buyers. The visit to several plants and the pulse market provided an insight of the industry and how things work in both of these countries.

Quantitative Results

Trade Leads: 48

of Companies Participating: 6

of Companies Represented: 2

Recommendations

In general the mission program went well. There were plant visits, market visit and B2B meetings. This was the first pulses and special crops focused Saskatchewan trade mission to both Spain and Italy in the last 5 years.



CONNECTING SASKATCHEWAN BUSINESS WITH THE WORLD

The buyers were welcoming and the meetings were cordial. Members reported they had some successful meetings and believed they have made some serious business leads and useful contacts. Both markets provide great potential for growth. The Comprehensive Economic and Trade Agreement (CETA) between Canada and the EU has reduced tariffs and some Canadian processed lentil products are now allowed to enter the EU dutyfree. In 2016, the EU imported C\$350.4 million worth of lentils at a compound annual growth rate of 15% (2012 to 2016). The EU made up 14% of the world's lentil imports in 2016.

Both of these markets provide some growing opportunities, we should remain active in these markets and recommend that we visit the market once in every two years and keep up the momentum.

STEP Contact for Further Information

For further information, please contact:

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Pictures



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