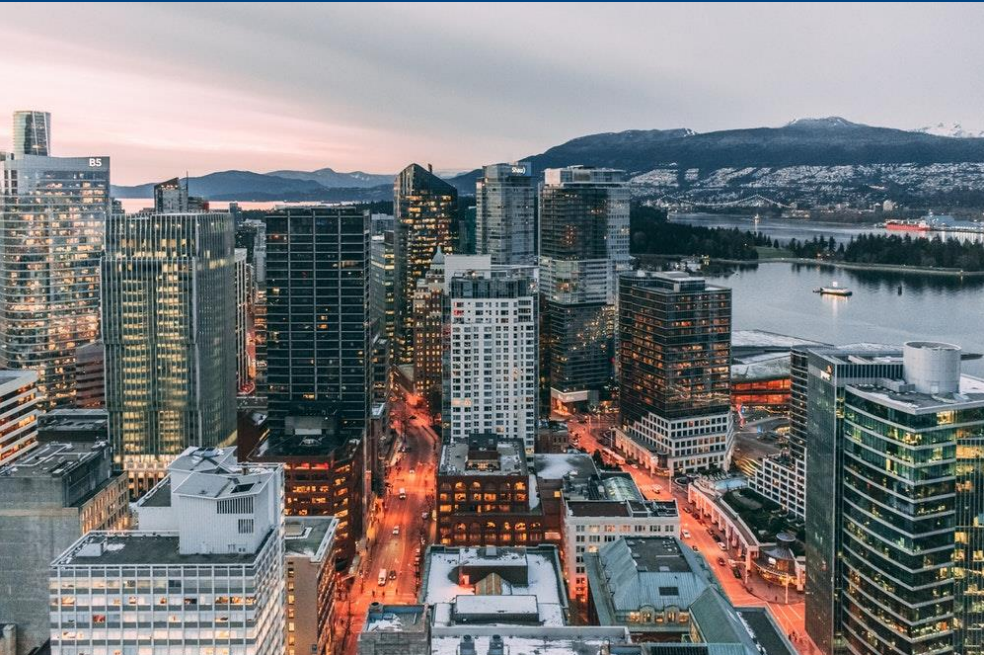


# INVITATION FOOD BUSINESS DAYS CANADA

February 20-23

- Toronto, Ontario
- Vancouver, British Columbia

Business Sweden Canada



# AGENDA

- ▶ Overview of Canadian landscape
- ▶ Food Business Days Canada





# KEY INSIGHTS – ORGANIC PACKAGED FOOD IN CANADA

- ▶ In 2017 organic packaged food grows by 7% in current value terms to reach sales of CAD 1.1 billion
- ▶ Growth in the industry is linked to rising consumer demand and increasing disposable income
- ▶ The market has fragmented competition with many small players and no dominate market leaders
- ▶ Canadian retailers are starting to widen their portfolios in the amount of organics they carry
- ▶ Private label organics expanding their competitive reach

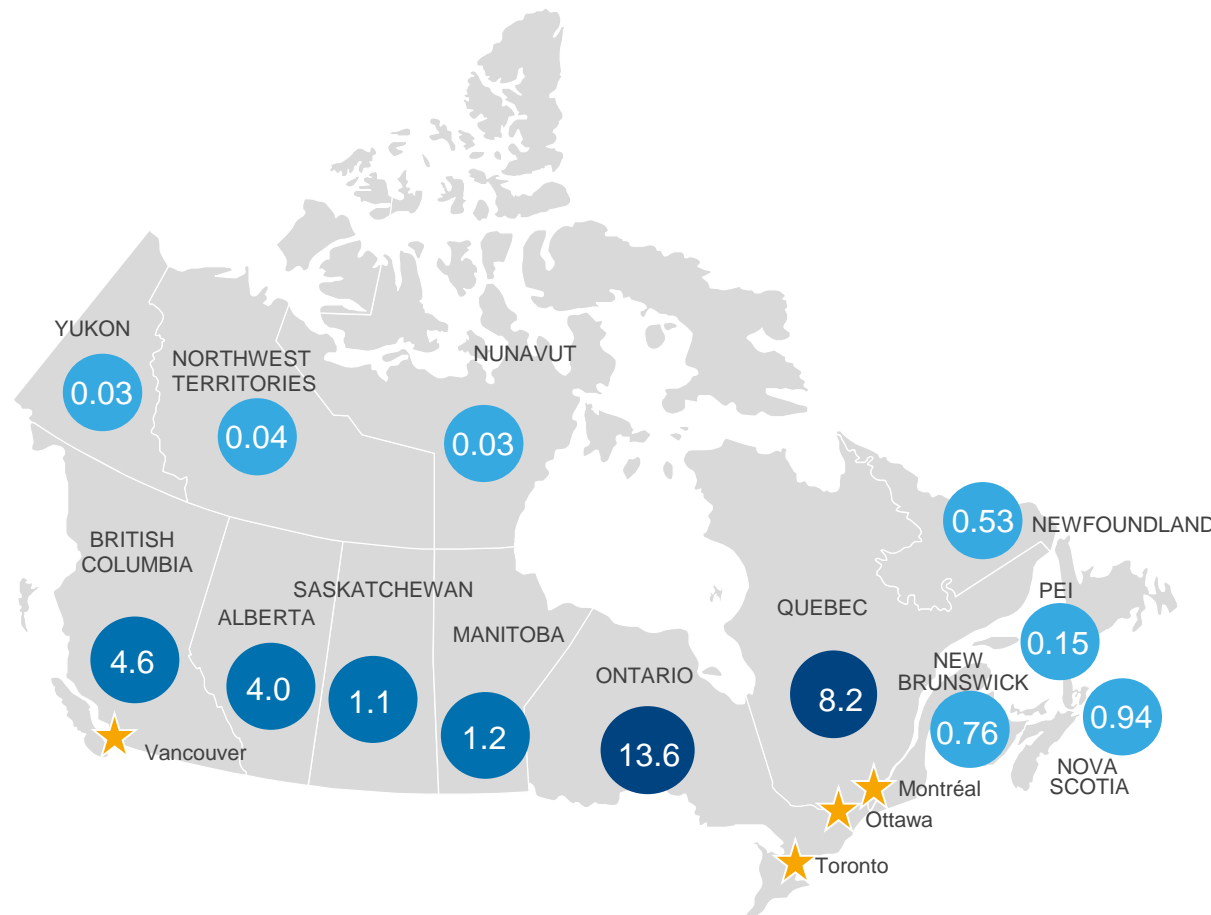
## Examples of organic private labels





# A STABLE ECONOMY WITH 36 MILLION PEOPLE ACROSS TEN PROVINCES AND THREE TERRITORIES

CANADA'S POPULATION IN MILLIONS 2016

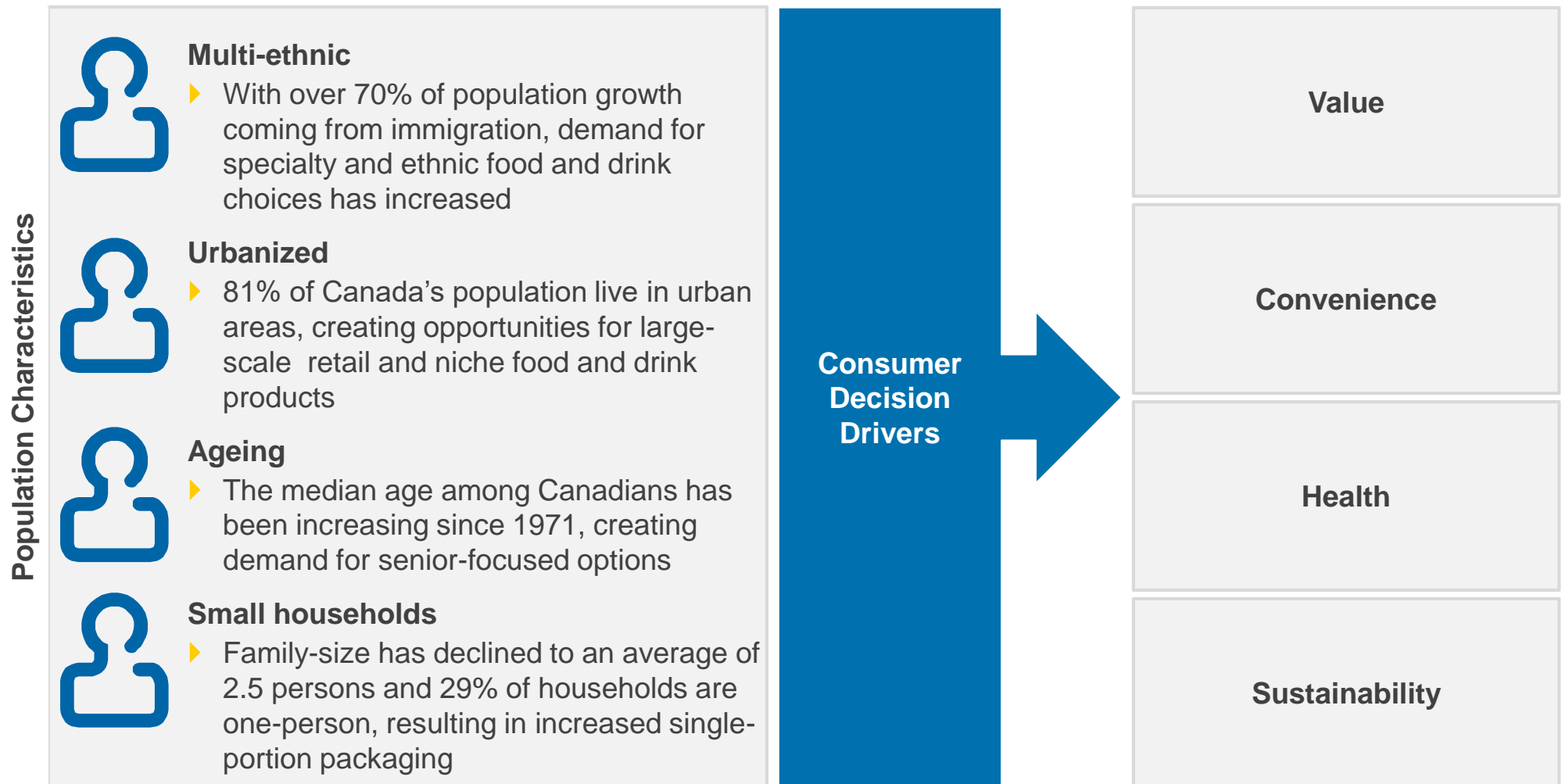


- ▶ Six times zones - Canada is the 2<sup>nd</sup> geographically largest country in the world
- ▶ Six hours to fly from East to West
- ▶ 86% of Canada's population is in four provinces (Ontario, Quebec, Alberta, British Columbia)
- ▶ Provinces have more decision making abilities than federal government, leading to differences in doing business in each province
- ▶ 20.6% of Canada's population is foreign-born, the highest proportion among the G8 countries

CANADA IS A DEMOGRAPHICALLY DIVERSE AND A GEOGRAPHICALLY VAST MARKET

SOURCE: STATISTICS CANADA, EMPLOYMENT AND SOCIAL DEVELOPMENT CANADA, NATIONAL GEOGRAPHIC, GOVERNMENT OF CANADA

# CANADA'S CHANGING DEMOGRAPHIC TRENDS IMPACT THE PURCHASING DECISIONS OF CONSUMERS



SOURCE: STATISTICS CANADA, KPMG



# CANADA'S RETAIL MARKET HAS LARGE DOMINANT PLAYERS LIKE SWEDEN



Supermarkets



Supermarkets

**ICA**

**coop**

**Hemköp**

**Loblaws**

**sobeys**

**metro**

## Retail Highlights

- Similar to Sweden, Canada's food retail is dominated by three large competing companies who operate Loblaws, Sobeys and Metro as their leading brand stores respectively
- The online sale of grocery products in Canada is not currently as advanced as other western markets, but is expected to drastically catch up as Amazon Canada recently purchased Wholefoods
- Discounters Walmart and Costco have grown their market share drastically since 2012 at the expense of traditional grocery stores
- Carrying fees and shelving fees are common among the top retailers; creating barriers for companies with small product margins

## Discounters

**Walmart**

**COSTCO**  
WHOLESALE

# CERTIFIED EU ORGANIC PRODUCTS ARE ACCEPTED AS ORGANIC IN CANADA

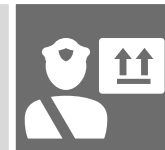
Organic agricultural products produced and processed in the EU and certified to the EU organic system are accepted as organic in Canada without additional certification under the terms of the EU-Canada Organic Equivalency Arrangement



Products may be sold, labelled and represented in Canada as organic, and may display the Canadian Organic logo as well as the EU organic logo as a representation of its claim



To be sold in Canada, the label must display the name of the organic certification body (EU control body) and comply with all other labelling requirements



Organic products exported to Canada must be accompanied by an organic certificate issued by an EU Control authority



Website: [Equivalency Agreement](#)  
Website: [EU Organic Control Authorities](#)



# THE IMPLEMENTATION OF THE FREE TRADE AGREEMENT CETA IS CHANGING THE INDUSTRY

1

## Tariffs



- ▶ Canada eliminated duties for 90.9% of all its agricultural tariff lines upon September 21<sup>st</sup>, 2017. After 7 years, the tariffs for 91.7% of agricultural lines will be eliminated.
  - ▶ The remainder are sensitive products, which will either be offered as a TRQ or excluded altogether (chicken and turkey meat, eggs and egg products)
- 
- ▶ Europe's largest export categories in sectors like spirits, packaged food & confectionary are expecting significant growth

2

## Tariff-Rate Quota (TRQ)



- ▶ TRQs were implemented for protected certain food and beverage sectors to shield the Canadian manufactures. Quotas include;
  - ▶ 17,700 tonnes of cheese
  - ▶ 10,000 tonnes of sugar & confectionery preparations
  - ▶ 35,000 tones of processed foods
  - ▶ 60,000 tonnes of cat & dog food
- 
- ▶ Cheese imports quotas require the Canadian importer to have additional permits

3

## Examples of the benefit of the CETA agreement



	Before	After
▶ Chocolate:	6%	0%
▶ Gingerbread:	3%	0%
▶ Candy:	9,5%	0%
▶ Fruit juice:	11%	0%
▶ Caviar:	3%	0%
▶ Fish sticks:	7%	0%

- 
- ▶ Almost all food and beverage sectors have dropped tariffs to 0% other than protected industries including dairy, eggs, meat and poultry



# AGENDA

- ▶ Overview of Canadian landscape
- ▶ Food Business Days Canada

# MATCH MAKING DAYS: ORGANIC INDUSTRY IN CANADA

## FEBRUARY 20-23, 2018

### Participants

Swedish companies manufacturing organic food & beverage products with a desire to increase global sales

### Benefit

Connect with Canadian stakeholders such as distributors and agents working in the organic industry to harness the growing market potential

### Dates

February 20-23

### Location

Toronto, Ontario  
Vancouver, British Columbia

### Registration

Caleb Chapman, Business Sweden  
E: [caleb.chapman@business-sweden.se](mailto:caleb.chapman@business-sweden.se)

## Highlighted Activities



### Match Making – Industry Specific

Meeting with distributors, brokers, agents and importers who work directly in the organic industry and service the Canadian market



### Guest Speakers

Hear from industry experts, labeling consultants and key opinion leaders about developments in the Canadian landscape



### Store Tours

See for yourself what typical Canadian food and beverage retail looks like by getting a tour of stores in Canada's largest metropolitans



### Attending CHFA West

Attend one of Canada's largest expositions of healthy, quality produced and organic food at the CHFA West trade show



# ANTICIPATED SCHEDULE OF ACTIVITIES

## Toronto



### February 20

#### Morning

- Introduction Canada: Business Sweden
- Case presentation: Löfbergs Lila - TBD
- Presentation: City of Toronto – TBD

#### Afternoon

- Store tour of local Toronto boutique

### February 21

#### Morning

- Match making – Brokers & Distributors\*

#### Afternoon

- Departure to Vancouver, British Columbia

## Vancouver



### February 22

#### Morning

- Presentation: Canadian Organic Trade Association – TBD
- Match making – Brokers & Distributors\*

#### Afternoon

- Attending CHFA (Canadian Health Food Association) West Trade Show

### February 23

#### Morning

- Attending CHFA (Canadian Health Food Association) West Trade Show

#### Afternoon

- Departure to Sweden

# REQUIREMENTS TO RECEIVE SUBSIDY FUNDING

- ▶ Turnover > 20 MSEK
- ▶ > 10 employees\*
- ▶ < 250 employees
- ▶ Equity of 1 MSEK
- ▶ Currently exporting
- ▶ Products that are attractive in the markets and sustainable
- ▶ Management wanting an international expansions
- ▶ Acceptance for subsidies requires approval by Maria Varnauskas, Senior Project Manager, Food Industry – Business Sweden



\*AN INDIVIDUAL ASSESSMENT IS MADE FOR SMALLER MICRO COMPANIES



# REGISTRATION FOR PARTICIPATION

## Participation fee

- 35 000SEK **OR**
- 17 500SEK : With 50% subsidy for qualifying SME companies

## Stipulations

- This offer includes three participants per company. 2000 SEK will be charged for each additional representative
- Invitation valid until: December 7, 2018

## Conditions of payment

- ▶ Business Sweden Canada requires a minimum of four companies to participate in order for the program to be launched
- ▶ Business Sweden's General Conditions for Assignments (last revised January 2016) govern the performance of this project
- ▶ Specific conditions for Try Swedish Project Assignments govern the performance of this project
- ▶ The fixed fee will be invoiced on project acceptance
- ▶ Large expenditures such as access to unique data or travel costs will be paid by the client but verified in advance
- ▶ Travel costs related to the visiting program, will be paid by the client but verified in advance
- ▶ Invoicing will be done in SEK, based on the official exchange rate applied on the invoice date. Terms are 30 days after the date of invoicing. VAT will be added when applicable

Proposal and conditions accepted by:

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(date)

\_\_\_\_\_  
(Name in block letters)

\_\_\_\_\_  
(phone)

\_\_\_\_\_  
(Company name)

\_\_\_\_\_  
(Invoicing address)

\_\_\_\_\_  
(City and Zip)

\_\_\_\_\_  
(Organisation No.)

\_\_\_\_\_  
(Number of participants)

**Please send signed copy via e-mail or fax to:**  
**Caleb Chapman, Business Sweden Canada**  
**E-mail: [caleb.chapman@business-sweden.se](mailto:caleb.chapman@business-sweden.se)**

# ANY QUESTIONS? CONTACT US

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<http://www.business-sweden.se/kanada/>

## Food & Beverage Industry Advisor



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