



# Outline of AAFC Initiatives For the Fish and Seafood Industry

January 2008



## **AAFC's Mandate for Seafood**

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**An Order in Council was passed October 3, 2002, assigning AAFC the responsibility of providing market development funding and services to the seafood processing industry.**



## AAFC and Seafood

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Now, responsibility for seafood is split between Agriculture and Agri-Food Canada and the Department of Fisheries and Oceans.

- ❑ DFO is responsible for fish in the water.
- ❑ AAFC is responsible for seafood market development.
- ❑ The Canadian Food Inspection Agency (CFIA), which reports to Cabinet through the Minister of AAFC, manages seafood safety through the Quality Management Program (QMP).



# **INTEGRATING SEAFOOD INTERESTS INTO AAFC INITIATIVES**

- Eligibility for international market development program - CAFI
- Trade show support
- Seafood Value Chain Roundtable
- Country strategies
- Seafood Specialists at AAFC
- Specialists at posts abroad
- Web site



**AAFC supports a Canadian presence at three major seafood trade shows**

- Boston Seafood Show**
- European Seafood Exposition**
- China Fisheries and Seafood Expo**

## Market Engagement Strategies



**Seafood is included in AAFC's market engagement strategies for**

- United States**
- European Union**
- China**
- Japan**
- Mexico**



## Seafood Value Chain Roundtable

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**TO FOSTER COLLABORATIVE INDUSTRY-GOVERNMENT ACTION THAT HELPS TO SECURE AN ENDURING COMPETITIVE ADVANTAGE FOR CANADA IN INTERNATIONAL MARKETS.**

- ❑ 13 studies completed, including 9 benchmarking analyses of specific industries, each making recommendations for improvements in competitiveness.
- ❑ Sector-specific vehicle for engagement on AAFC's "Brand Canada" initiative.
- ❑ Broad range of perspectives represented.

## Seafood Web Site

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AAFC has built a large and growing web site of information for and about the Canadian seafood industry. It includes –

- fact sheets
- fisheries and aquaculture atlases
- directory of Canadian seafood suppliers
- list of trade shows
- market reports
- statistical information



Source: Nova Scotia  
Agriculture and Fisheries

**[www.seafoodcanada.gc.ca](http://www.seafoodcanada.gc.ca)**

## **Seafood Web Site on Health Benefits**



In 2008, a new sub-site will be launched outlining the health benefits of eating Canadian seafood. Developed by a Registered Dietician, this site will contain all the latest information on why eating seafood is good for you.

[www.seafoodcanada.gc.ca](http://www.seafoodcanada.gc.ca)

## **Canadian Agriculture and Food International Program -- CAFI**



- AAFC's program for international market development.
- Open to national associations or to associations representing the majority of the product for which assistance is being sought.
- Total budget in 2007-08 was \$24.4 million, spread among 35 national associations.
- Nine seafood associations received CAFI funding in 2007-08, totalling \$3.7 million.
- In the 6 years that the seafood industry has been eligible for CAFI, associations have received almost \$16 million.

## CAFI Program Components

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### Projects:

- 5-6 opportunities during the year for projects to be assessed and reviewed.
- Projects can address short-term or one-off situations, or could be on some very specific aspect of an ongoing issue.
- Associations can use the CAFI project component to develop a Long-Term International Strategy.



## CAFI Program Components – cont'd



### **Long-Term International Strategies (LTIS):**

- ❑ Single date for submission (late January); all applications reviewed by interdepartmental Steering Committee in late March.
- ❑ Associations submit a long-term strategy (usually spanning several years) and request funding for a year's worth of activities.
- ❑ Each association has a Working Group Leader who assists in the process and who is responsible for evaluating the application.
- ❑ Associations can receive millions in CAFI funding, provided they have the ability to match.

## CAFI Program Components – cont'd



### **LTIS (cont'd):**

- ❑ Associations can receive advances on CAFI funding during the year, but must reconcile advances with claims.
- ❑ Participants must file interim reports along with claims and must file a final report on the year's activities.
- ❑ Any CAFI project over \$10,000 must be audited at the end of the fiscal year. CAFI pays 100% of audit costs.

## CAFI Funding Rules

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**CAFI funds generic market development activities in export markets.**

- Funding is on a 50% cost-shared basis.
- Other provincial funding is allowed; however, federal stacking rules apply, meaning that industry must contribute at least 25% of project costs.
- CAFI does not allow in-kind contributions.



## Current Seafood Participants in CAFI



### **BC Salmon Marketing Council**

#### **Goals:**

- ❑ Revitalize Canada's canned salmon market in the UK, Belgian, Italian, New Zealand and Australian markets.

#### **Activities:**

- ❑ In-store promotions with key buyers.
- ❑ Participation at the European Seafood Exposition.
- ❑ Co-branding initiatives with UK, Belgian, Italian, New Zealand and Australian retailers (co-branding refers to a Canadian product that is packed and marketed under a foreign brand)

## Current Seafood Participants in CAFI – cont'd



### **Canadian Aquaculture Industry Alliance (CAIA)**

#### **Goals:**

- ❑ To increase volume and value of Canadian aquaculture exports (finfish and shellfish) to the US and to counteract ENGO's claims by emphasizing environmental responsibility and food safety.

#### **Activities:**

- ❑ Develop generic promotional materials.
- ❑ In-coming buyer missions; trade access initiatives.
- ❑ Develop Canada Brand for aquaculture products.
- ❑ Participate in trade shows.

## Current Seafood Participants in CAFI – cont'd



### **Canadian Association of Prawn Producers (CAPP)**

- ❑ Develop a strategy to move shell-on shrimp from wet markets to modern retail (e.g., Carrefour, Metro) in China.
- ❑ Develop promotion and POS materials in Chinese.
- ❑ Participate in in-country promotions and China Fisheries & Seafood Expo.



## **Current Seafood Participants in CAFI – cont'd**



### **Canadian Pacific Kazunoko Association (CPKA):**

#### **Goals:**

- ❑ Revitalize the salted herring roe market in Japan through effective partnership with Japanese users.

#### **Activities:**

- ❑ Consensus-building with Japanese makers.
- ❑ Co-branding activities including advertising, in-store demonstrations, development of new packaging, market outreach activities, etc.
- ❑ Chain of custody certification system to back up brand promise.

## Current Seafood Participants in CAFI – cont'd.



### **Pacific Sardine Association**

#### **Goals:**

- To increase sales of high-quality food-grade sardines in the Japanese market; to promote the “Pacific Sardine Association” brand of sardines.

#### **Activities:**

- Develop promotional material highlighting brand.
- Market research in key Japanese markets.
- Research into obtaining ECO certification.

## **Current Seafood Participants in CAFI – cont'd.**



### **Pacific Urchin Harvesters Association (PUHA)**

#### **Goals:**

- To solidify Canada's position as a primary supplier of high quality sea urchin products in Japan and to diversify into new markets such as Europe, China, and the US.

#### **Activities:**

- Trade show participation
- Develop promotional material and web site in English and Japanese
- Develop joint marketing initiatives with Japanese buyers

## **Current Seafood Participants in CAFI – cont'd.**



### **Underwater Harvesters Association**

#### **Goals:**

- To establish “Geoduck from Canada” as a high quality, delicious, healthy, safe product, available live and year round.

#### **Activities:**

- Further penetrate the Chinese market through trade shows such as the China Fisheries and Seafood Expo.
- Develop Chinese-language promotional materials.
- Further development of web site in Chinese.
- Conduct research into competitors.

# Seafood Contacts

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- ❑ Richard Stead, Canadian Embassy, Brussels
- ❑ Other posts abroad