



The Food and Beverage Market Entry Handbook: Canada

A Practical Guide to the Market in Canada
for European Agri-food Products



*Promotion of
agricultural
products*



The Food and Beverage Market Entry Handbook

Canada

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Note: the term EU in this handbook refers to the EU-27 excluding the UK, unless otherwise specified. For product trade stats, data is presented in order of exporter size for reasons of readability.

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1 The Food and Beverage Market Entry Handbook: Canada

This Handbook is intended to act as a reference for those agri-food producers planning for, or in the process of entering, the Canadian market. This Handbook provides **step-by-step guides** on entering the agri-food market in Canada including relevant information such as **analysis of the Canadian market** for different product categories, **market access** and **market entry procedures**, **IP protection**, **referrals to professional buyers** and a signposting and referral system providing useful contacts and ways to penetrate the Canadian market.

How to use this handbook

Depending on your stage of market entry, company profile, and product range, different sections within this handbook will be helpful to a different extent for your business strategies.

For those wishing to learn more about the Canadian food and beverage market in general, section 2 provides a general country overview; section 3 provides an overview of the agri-food market; and section 4 an overview on market entry. These latter two sections contain information on: the food and beverage market, market access procedures, customs procedures, SPS and labelling requirements, intellectual property protection, including the status of geographical indications. The information contained within these sections is of a general nature and so may not be relevant for those in the more advanced stages of market entry.

If you want to find out more information relevant for your product, then check out the **Market Snapshots for Selected Products** (section 5). This content illustrates the market situation, market access procedures, SPS requirements etc. specific for this product or product category. This information will provide more industry specific information to consider as part of any market entry or market expansion strategies.

If you already have decided that the Canadian market is where you want to be, but you need some support, then the **Support Services Directory** can point you in the right direction. Contact information for a service provider, business facilitation support organisation, or from a business contact, could help put you in touch with the right parties who can help you to build your brand in the Canadian market.

2 Country introduction and overview



Capital:	Ottawa
Population:	39 million (the world's 20 th most populous country)
Area:	9 985 million km ² (the world's 4 th largest country)
Political structure:	Constitutional monarchy
Major languages:	English and French
Major religions:	53% Christian, 35% unaffiliated, 5% Muslim, 2% Hindu, 2% Sikh
Life expectancy:	79.7 years male; 83.9 years female
Currency:	Canadian Dollar (Can\$); 1 EUR = 1.37Can\$ (2022 average)
GDP growth (real):	3.5% (2022)
Exports:	31% of GDP (2021)
Imports:	33% of GDP (2021)
Main exports*:	Energy products (20.8%), metals and minerals (17.4%), motor vehicles and parts (13.7%), machinery and equipment (11.4%), forestry products (9.4%), agricultural and fishing products (8.4%)
Main imports*:	Vehicles and parts (17.4%), machinery and equipment (16.6%), electronic and electrical equipment and parts (9.4%), crude oil and equivalent products (6.8%), pharmaceuticals and medicinal products (6.2%), plastics and articles thereof (4.7%)
Unemployment rate:	7.1% (2021)
Labour force:	65 % (2021)
Main industries:	Agriculture: 7.5 % of GDP Industry: 10.8 % of GDP Services: 71.7 % of GDP
Average household income (2020):	EUR 82 000
Household expenditure on food and beverages (2020):	EUR 5 600
Food and beverage market size (2021):	EUR 128 billion

Sources: Euromonitor International: Economies and Consumers, 2022; IMF; UN, World Bank; WHO, OECD. * Based on data from the Government of Canada's Trade Data Online (2021)

2.1 Country overview: Canada at a glance

2.1.1 Past economic and political trends

- *The Canadian territory was part of Colonialism; the French claimed the territory first but were later defeated by the British. Until today Canada is part of the British Commonwealth and colonialism remains embedded in the legal, political and economic context of Canada.*
- *The Canadian economy initially depended on the trade of natural resources, and in particular fur, but got increasingly industrialised during the 20th century which boosted the manufacturing sector. With wider access to education, other non-physical sectors progressively developed after the mid-1900s, such as engineering, science and finance. The discovery of oil in 1947 put Canada on the map as a major oil producer.*
- *Canada fought in WWI and WWII and became a member of the NATO alliance afterwards.*

The first Europeans came to this part of North America in 1497. The lives of the native people changed drastically with the arrival of traders, missionaries, colonists and soldiers from Europe. Many natives passed away due to the spread of European diseases. However, Europeans and natives were able to form strong economic religious and military bonds during the first 200 years after the arrival of the Europeans.

Between 1534 and 1542, the territory was claimed by France. Some natives tried to fight the French settlements for over a century before both parties made peace again in 1701. Natives and French cooperated in the massive fur trade economy, which was driven by the demand in Europe. In 1670, the King of England allowed the Hudson's Bay Company exclusive trading rights, which increased competition between the company and Montreal based traders. Over the years, English colonies became richer than French ones. This led Great Britain to battle for North America; a battle that they won in 1759 when they defeated the French in Quebec. This was the end of the French empire in North America. After the war, the French-speaking catholic inhabitants aimed to keep their way of life in the new English-speaking protestant area. In 1776, when the United States was formed, many people loyal to the French crown fled to Nova Scotia and Quebec.

The development of democratic institutions in Canada was peaceful and gradual. Halifax was the first place to have a representative assembly that was elected in 1758. In 1791 the 'Constitutional Act' divided the territory into Upper Canada (later known as Ontario), which was mainly loyalist, English speaking and protestant, and into Lower Canada (later known as Quebec), which was mainly French-speaking and catholic. The Act also made Canada the official name of the land that is still used today.

In the early 19th century, the first financial institutions were launched, such as the Montreal Stock exchange in 1832. The economy was based on farming and the exportation of natural resources including fur, timber and fish that was moved around via lakes, rivers, canals, and roads.

In 1840, Lower and Upper Canada were reunited and became known as the Province of Canada. Later, between 1864 and 1867, representatives from the Province of Canada, as well as representatives from Nova Scotia and New Brunswick got together with the aim to establish a new even bigger country. The Province of Canada was split into Ontario and Quebec and was then united with New Brunswick and Nova Scotia to establish a country that was known as the 'Dominion of Canada' on July 1st of 1867. Throughout the years the Dominion has been expanded; the last time was in 1999 with the inclusion of Nunavut. July 1st has been celebrated as 'Dominion Day' until 1982; since then it is known as Canada Day.

Canada fought in the first world war. As many Canadians were proud to be part of the British Empire over 600 000 people volunteered out of a total population of eight million. After this war, the British Empire became a free association of states that is known today as the British Commonwealth of Nations.

The economy of Canada began to grow when the country became increasingly industrialised during the economic boom of the early 1900s. About one million British and one million Americans immigrated to Canada during that time, but also Irish, Italians, Polish, Ukrainian, Dutch, Chinese, Japanese and Scandinavians. New provinces were established, and cities began to grow. By the 1910s, half of the population was living in urban centres. New machines were developed, which led to a strong increase in factory work in urban areas. The country's rich natural resources started to be processed into products including lumber, textiles and meat, creating many new jobs.¹ Canadian women were allowed to vote for the first time in federal elections in 1918. The 1920s were also known as a boom time in Canada. Businesses flourished and unemployment rates were low. This changed when the stock market crashed in 1929 which led to the Great Depression. During that time farmers were hit by low grain prices and drought. Due to the situation, the population demanded a social safety net that consists of e.g. minimum wages and unemployment insurance. The Bank of Canada was created in 1934 and brought back stability to the financial system.

Over one million Canadians and Newfoundlanders participated in the second world war out of a population of 11.5 million.² The war changed Canada's economy and national pride. Industrialisation during wartime grew the manufacturing sector which made Canada develop into a leader in e.g. car building and chemical processing. The discovery of oil in 1947 led to Canada becoming a major oil producer. Wider access to education meant that Canadians had the chance to choose to work in non-physical sectors such as science, finance or engineering.

In 1949 Canada signed the North Atlantic Treaty (NATO) together with eleven other countries. This strengthened the ties with the US and showed the importance of economic collaboration. This step was seen as necessary to prevent communist Russian expansion during the Cold War.³

In 1952, the last British appointed governor left which secured the political independence of the country.

Prime Minister Pierre Trudeau established a new Constitution Act in 1982 that contained a Charter of Rights and Freedoms which gave all Canadians the freedom of speech, religion and movement. The Act moreover declared the country as bilingual. This was a response to internal tensions in the country related to language and culture.⁴

¹ 20th century history of Canada, <https://thecanadaguide.com/history/the-20th-century/>

² Canada's History, <https://www.canada.ca/en/immigration-refugees-citizenship/corporate/publications-manuals/discover-canada/read-online/canadas-history.html>

³ Significant Events in Canadian History, <https://www.thecanadianencyclopedia.ca/en/timeline/100-great-events-in-canadian-history>

⁴ 20th century history of Canada, <https://thecanadaguide.com/history/the-20th-century/>

2.1.2 Current economic situation and mid-term outlook

- *After the Canadian economy has been negatively affected by the COVID-19 pandemic, it is returning to normal.*
- *Canada is dependent on exports, which makes it sensitive towards rapidly changing world prices of commodities and energy.*
- *The unemployment rate is shrinking which has led to the demand for higher wages. This, in combination with the effects of the war in Ukraine on energy prices and increasing interest rates, further boosts inflation.*
- *Foreign investment has decreased, largely due to the COVID-19 pandemic.*

After the negative impacts of the COVID-19 pandemic on the Canadian economy faded away the economy is going back to normal. Annual GDP growth was about 4.6% in 2021 compared to an average of 5.1% in other developed nations. Increasing oil prices are a boost for Canada's energy sector. Consumers are likely to continue going back to pre-pandemic spending patterns, which also boosts the economy. The annual real GDP growth for 2022 was higher than the average for other developed nations at around 3.5%.

One negative impact of the COVID-19 pandemic was the rising unemployment rate, which reached close to 10% in 2020. In 2021, it decreased to 7.5% as economic conditions started to get better. Employment opportunities in the goods and services sector continued to increase, which helps to limit the jobless rate in Canada. Consequently, the unemployment rate reached its all-time low in 2022. The tighter labour market is putting pressure on increasing wages, which in return fosters inflation. Nonetheless, the unemployment rate in Canada is forecast to remain above the developed countries' average between 2022 and 2026.

Canada is strongly reliant on global commodity prices due to its reliance on exports of its numerous natural resources, oil and minerals, which makes it exposed to fluctuations. Even though the country benefited from current high prices, it is sensitive to falling prices and changing demands from trading partners.

Moreover, inflation is rising. The war in Ukraine further increased food and energy prices, which is putting pressure on Canada's inflation rate. In April 2022 inflation was at the highest level in the last three decades with an increase of 6.7% from the previous month. The likelihood of interest rates getting higher is there, and wage inflation adds to the problem. Thus, the ongoing inflation could potentially affect Canada's economic growth.

Due to the impact of the COVID-19 pandemic on companies' ability to invest, the foreign direct investment inflows in Canada declined to only 1.5% of GDP in 2020. The main impacted sectors are mining, quarrying and manufacturing. To weaken the pressure on the housing market, the Canadian government momentarily imposed a ban on foreigners purchasing a property.⁵

⁵ Euromonitor International (2022). PEST Analysis: Canada

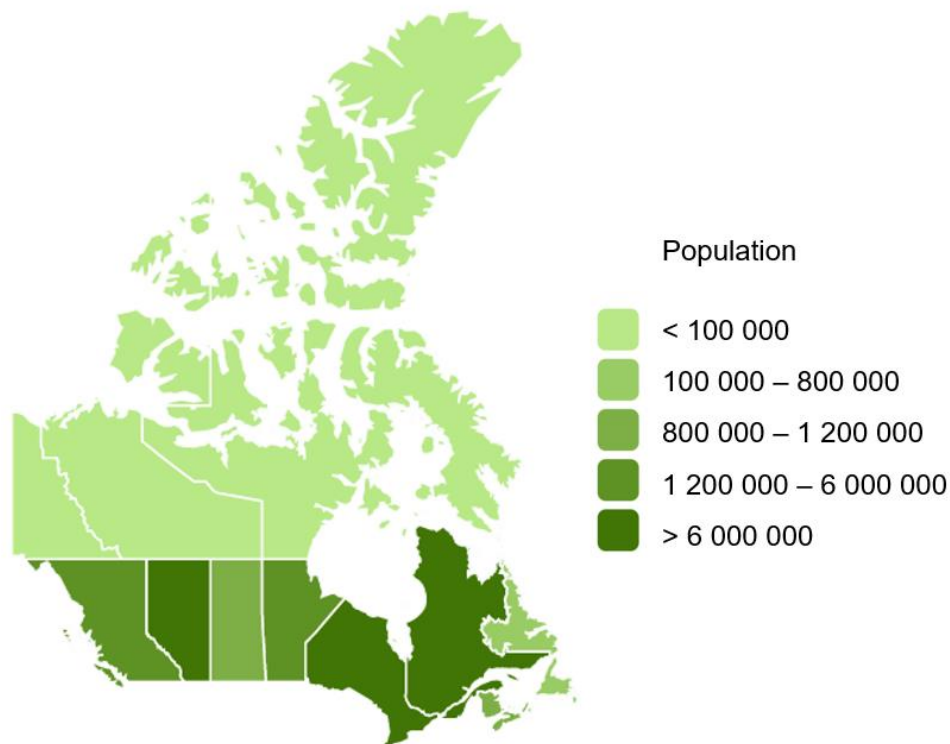
Figure 2-1: Real GDP growth in Canada, 2013-2040 (>2021: projected)

Source: Euromonitor International: PEST Analysis: Canada, 2022

As Figure 2-1 shows the Canadian real GDP growth reached a low in 2020 due to the COVID-19 pandemic, recovering at a higher point in 2021. Until 2024 Canada's real GDP growth is forecast to remain rather stable but slightly below the pre-pandemic level and below that of the world.

2.1.3 Population trends

- The Canadian population stands at roughly 39 million, which make it the world's 29th most populous country.
- Canada currently has a fertility rate of around 1.5 births per woman. The rate continued to decline in recent years.
- The population of Canada is heavily concentrated in the east of the country, with most people living in Ontario and Quebec.
- Roughly 30% of the population is made up of non-Canadian ethnic groups with South Asian, Chinese, and Indigenous being the biggest ethnic groups residing in Canada.

Figure 2-2: Provinces and territories of Canada by population

Source: Agra CEAS based on various

As of January 2023, Canada has a population of approximately 39 million and thus accounts for close to 0.5% of the total world population. It is the 29th largest country by population and the fourth largest country by land area. It has a population density of one person per 4 square km.⁶ Most parts of the country are only sparsely inhabited, with most people living in Ontario and Quebec. Even though the population density in Canada is fairly low, Quebec for example has a higher population density than some European countries. Over 81% of Canadians currently live in urban areas.

Canada is one of the most culturally diverse countries in the world due to constant migration from many different places. In a survey where Canadians were able to choose the ethnic group they feel they belong to, most people answered Canadian (32%). This was followed by English (18%), Scottish (14%), French (14%), Irish (13%), German (10%) and Italian (5%). Before the arrival of the Europeans, indigenous people such as Inuit, Metis and First Nations lived in the country. Up until today over 4% of Canadian people feel they belong to the First Nations.⁷

In 2021 around 53% of the Canadian population followed a Christian religion. Even though this share remains high, it is declining. Around 35% of the population was not affiliated with any religion in 2021, a proportion that doubled between 2001 and 2021. Close to 5% of the population was Muslim in 2021, which is a strong increase from 2% in 2001. Over 2% of the population was

⁶ Canada population (2023), <https://www.worldometers.info/world-population/canada-population/>

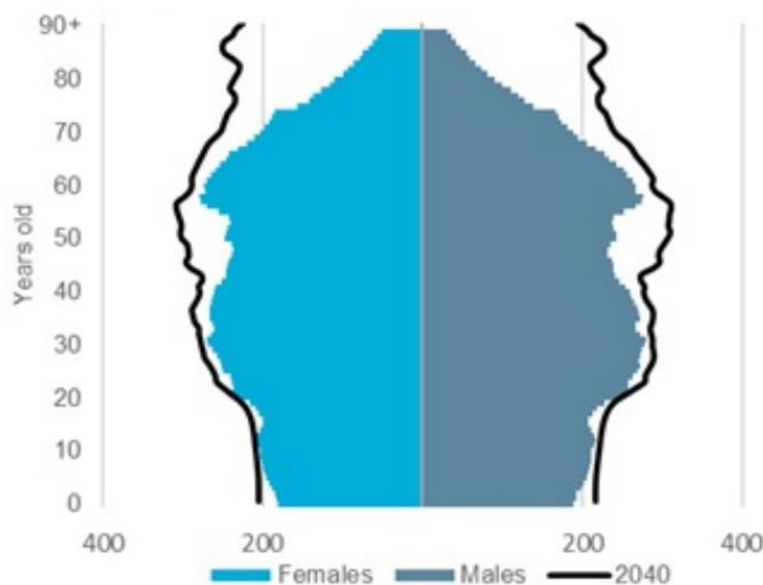
⁷ Major Ethnic Groups Of Canada, <https://www.worldatlas.com/articles/ethnic-groups-and-nationalities-of-canada.html>

Hindu and another 2% was Sikh in the same year.⁸

The life expectancy for male Canadians is 79.7 years and for female Canadians 83.9 years. At present, around 66% of the population is aged between 15 and 64 years, about 8% is older than 65 years and close to 16% is aged between 0 and 14 years. Approximately 50.3% of the population is female and the remaining 49.7% is male. The fertility rate is at about 1.5 births per woman and has continued to decline in recent years.

As shown in Figure 2-3, Canada's population is expected to grow by close to 17%, but this is mostly due to net migration between 2022 and 2040. Currently, the median Canadian is 41 years old. During the years to come the 65+ age group is forecast to grow at the fastest pace, by close to 47%. The 0 to 14-year-old group is forecast to grow at a much lower 6%. This means that the Canadian population is getting older even though the overall population is increasing. The old age dependency ratio is forecast to increase to more than 38% by 2040. This ageing population is likely to put pressure on state resources in the long run, as more pensions and healthcare will be needed.

Figure 2-3: Age pyramid in 2021 and 2040 in Canada; female and male population by age ('000 people)



Source: Euromonitor International: PEST Analysis: Canada, 2022

Note: Data for 2040 is forecast

2.2 Geography and key markets

Canada is the second largest country in the world and occupies most of North America. It is bordered by the Atlantic Ocean in the east, the North Pacific Ocean in the west, and the Arctic Ocean in the north. It also borders Alaska (US) in the west and a total of 12 US states in the

⁸ The Canadian census: A rich portrait of the country's religious and ethnocultural diversity (2022), <https://www150.statcan.gc.ca/n1/daily-quotidien/221026/dq221026b-eng.htm>

south. The border with the US is situated along the 45th parallel (north) and, with a total length of nearly 9 000 km, is the longest international border between only two countries that exists in the world. Canada furthermore borders Greenland which is part of Denmark and Saint Pierre and Miquelon, which is a small island territory that is part of France. Canada has a total size of nearly 10 million km². It is a little larger than the US and has 18 times the size of France.

The country is separated into several geographical regions and its landscape is very diverse. The Canadian Shield is the biggest geographical area that makes up half of the country and has its centre around Hudson Bay. The south-eastern region of Canada, on the other hand, largely consists of lowlands that are bordered by the Great Lakes, which are Lake Michigan, Lake Superior, Lake Erie, and Lake Ontario.⁹

2.2.1 Overview of urban markets

Canada is divided into 13 sub-national divisions: ten provinces and three territories. Each province has its own local government set up. The territories are Northwest Territories, Nunavut, and Yukon. The main difference between territories and provinces is that provinces have been established by the Constitution Act of 1982, whereas territories were created by federal law. This means the federal government has stronger control over territories than it has over provinces, as provincial governments have more competences and rights.¹⁰

Canada as it is known today became self-governing in the middle of the 19th century. However, even after this, colonies kept close ties with the British crown. In 1867 the British North America Act established the first four provinces which were Ontario, Québec, New Brunswick, and Nova Scotia.

⁹ Canada, <https://www.nationsonline.org/oneworld/canada.htm#:~:text=Canada%20occupies%20most%20of%20the,United%20States%20in%20the%20south.>

¹⁰ Canadian Provinces and Territories, https://www.nationsonline.org/oneworld/countries_canada.htm#:~:text=Canada%20consists%20of%2013%20political,Northwest%20Territories%2C%20Nunavut%20and%20Yukon.

Figure 2-4: Provinces and territories of Canada

Source: Agra CEAS based on various

Table 2-1: Provinces and territories of Canada and their capital cities

Province or territory	Capital
Alberta	Edmonton
British Columbia	Victoria
Manitoba	Winnipeg
New Brunswick	Fredericton
Newfoundland and Labrador	Saint John's
Northwest Territories	Yellowknife
Nova Scotia	Halifax
Nunavut	Iqaluit
Ontario	Toronto
Prince Edward Island	Charlottetown
Québec	Québec
Saskatchewan	Regina
Yukon	Whitehorse

Source: Agra CEAS based on various

Canada scores well in the Index of Economic Freedom, where it was placed amongst the 'mostly free' group in 2022. However, Canada's ranking has been getting worse during the last few years. The main reasons for this are related to government spending and fiscal health pillars. Corruption is not a big problem in the country.

Canada's politics operate within a context of parliamentary democracy and a federal system of parliamentary government that has strong democratic traditions. However, Canada remains a constitutional monarchy, with the British monarch being the head of state. Executive powers however lie with the Cabinet and the committee of ministers that is headed by Canada's prime minister.

Canada is viewed to be a full democracy. Far right or far left politics have never been noticeable in the country's politics as the traditional 'brokerage' model of politics does not leave much room for it. The founding principles are peace, order, and good government together with an Implied Bill of Rights. Social justice has been very important in Canada's politics as the country aims to achieve equality and inclusion for all its inhabitants.

A multi-party system is in place. The Liberal Party of Canada and the Conservative Party of Canada are the two dominant political parties in the country. Nevertheless, other parties such as the New Democratic Party, the Quebec nationalist Bloc Québécois, and the Green Party grow in popularity.

Figure 2-5: Overview of the political structure of Canada

King		
Executive	Legislative	Juridical
Prime Minister	Senate	Supreme Court
Cabinet	House of Commons	Federal Court
		Provincial Courts

Source: Agra CEAS based on various

2.2.2 Snapshots of important markets

Close to three in four Canadians live in Canada's urban centres, a share that continues to grow. Large urban centres are cities with a population of more than 100 000 inhabitants. They accounted for most of the country's population growth in recent years. This is because large urban centres benefit from new people coming to the country. Most immigrants settle in Canada's urban centres.¹¹

As urban centres usually play an important role when it comes to doing business due to their infrastructure, they are highly important for food and beverage exporters from the EU. They are places of entry to Canada and offer good distribution opportunities as well as access to Canadian companies. The country's biggest urban centres by population are Toronto, Montreal, Vancouver, Calgary, Edmonton, and Ottawa. They are the only cities in Canada with more than one million inhabitants. Ottawa is the capital city of Canada and is situated at the Ottawa River and the Rideau River in the southern area of the province of Ontario.

¹¹ Canada's large urban centres continue to grow and spread (2022), <https://www150.statcan.gc.ca/n1/daily-quotidien/220209/dq220209b-eng.htm>

Figure 2-6: Location of focus markets



Source: Agra CEAS

Toronto



Key facts:

Total GDP:

EUR 306 billion

Population:

2.9 million (capital region)

Toronto is the biggest city in Canada by population. It has a population of 2.9 million people in the capital region and over 6 million in the Greater Toronto Area. The latter is forecast to reach 7.7 million by 2025. It is an important cultural centre, with a motto of "Diversity Our Strength" and a population that is almost half made up of immigrants.

Toronto's central location, together with its access to international trade routes and favourable policies, has made it an important financial and commercial centre in North America. As the capital of the province of Ontario, Toronto boasts a diversified economy with a focus on financial services, manufacturing, and distribution. The city is known as one of the world's most economically powerful cities. It is home to the headquarters of close to 40% of Canada's businesses and accounts for 20% of Canada's GDP. Toronto is also a hub for transportation, with two airports serving 200 global destinations in 55 countries. The city is furthermore situated in the northwest of Lake Ontario, which gives it access to Atlantic shipping. Many banks and brokerage firms are situated in Toronto as well as the world's seventh biggest stock exchange, which is the Toronto stock exchange. The city is also one of the major hubs of the food and beverage industry in North America as it has the second-biggest food and beverage industry in North America. Its central location along with well-developed transportation connections allows for a diverse range of food products to be produced and distributed. Moreover, Toronto's location close to some of Canada's best agricultural lands, combined with a climate that supports the cultivation of a diverse selection of crops, benefits the food and beverage industry.

Toronto is also known for its delightful cuisine, which reflects the city's size and multicultural diversity. There is a wide range of food options available, such as Chinese, Vietnamese, Korean, Greek, Italian, Indian /Pakistani, Portuguese, Hungarian, Japanese, and Caribbean. Toronto also has a Jewish community, leading to a number of Jewish-style restaurants and delis. Thus, there is no shortage of world cuisines to try. Many dishes that are popular in Toronto are meat based, such as butter chicken (Indian), Jamaican jerk chicken, Greek souvlaki, peameal bacon sandwich; and, of course, like in most urban centres in Canada: *poutine*, which are fries topped with cheese curds and gravy.

Sources: About Toronto, <https://www.toronto.ca/community-people/moving-to-toronto/about-toronto/>; Toronto, <https://www.britannica.com/place/Toronto>; Living in Toronto, Ontario, <https://www.livingin-canada.com/living-in-toronto.html>; Toronto region quick facts, <https://torontoglobal.ca/resources/toronto-region-quick-facts#:~:text=A%20CDN%24364%20billion%20economy>; Toronto Food: 9 Iconic Dishes You Cannot Leave Canada Without Tasting, <https://traveltriangle.com/blog/toronto-food/>; Gross domestic product (GDP), <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3610046801>

Montreal



Key facts:

Total GDP:

EUR 155 billion

Population:

1.76 million (capital region)

Montreal is the second biggest city in Canada by population. It is located in the south-eastern region of the Quebec province. The city is situated on the largest of the 234 islands of the Hochelaga Archipelago, close to where the Ottawa and St. Lawrence rivers meet. Montreal has a strong French colonial history dating back to the 16th century. Up until today, French-speaking Canadians make up most of the city's population. Montreal is furthermore known for its vibrant culture, and its food and music scene.

Montreal's economy is one of the strongest in Canada, with the city being a hub for commerce, industry, technology, culture, and finance. The city's main industries include aerospace, electronics, pharmaceuticals, printing, software engineering, telecommunications, textiles and apparel, tourism, and transportation. However, the city's service sector is robust as well, including finance, higher education, and engineering. The Port of Montreal is known to be the largest inland port in the world, which handles around 26 million tonnes of cargo each year. It also is a major trans-shipment point for goods such as grain, and consumer goods. Montreal is also a major railway hub, serving as the headquarters of the Canadian National Railway. In addition, Montreal has a thriving agri-food industry, that is specialised in the processing and distribution of food products. There are also many research and technical centres in the city because of its high-quality food resources.

The food scene in Montreal is diverse, ranging from outdoor markets offering a diverse range of foods to high-end restaurants that experiment with new and interesting flavours. Local restaurants serve all kinds of international dishes inspired by countries such as Portugal, Italy, and France, but also traditional Quebec dishes like *poutine*, which is a popular dish made with french fries, cheese curd, and brown gravy. It is known to be the number one food to try in Montreal. Other popular dishes in the city include bagels, smoked meat, burgers, and steamed hot dogs.

Sources: Gross domestic product (GDP), <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3610046801>; Montreal, <https://www.britannica.com/place/Montreal/Administration-and-society>; 10 facts about Montreal, <https://us-keepexploring.canada.travel/things-to-do/10-facts-about-montreal>; 10 Montreal Food Favourites You Will Love (2023), <https://www.2foodtrippers.com/montreal-food-favorites/>

Vancouver



Key facts:

Total GDP:

EUR 113 billion

Population:

631 000 (capital region)

Vancouver is a city located in the southwest of British Columbia. It is known to be the major urban centre of western Canada and it is part of one of the country's most populous metropolitan areas. The city of Vancouver is surrounded by nature and pretty landscapes, including the Burrard Inlet to the north and the Fraser River delta to the south. It is situated north of the US state of Washington. Vancouver's atmosphere can be characterised as a mix of British and East Asian cultures, and its diverse population has made it one of the most multicultural places in North America.

Vancouver is the economic hub of British Columbia with its main industries being trade and transportation. The city's big and ice-free port, which is the largest in Canada, has numerous docks and grain elevators and is used by freighters, fishing boats, and some ferries. A wide range of cargo is handled, including goods such as grain, coal, sulfur, potash, and petrochemicals, as well as forest products, steel, and containers. The city is also a centre for high-tech industries, television, and film production. Other significant economic activities include forestry, tourism, mining, manufacturing, shipping, processing of forest and agricultural products and fish, and oil refining.

The city is known for its diverse food scene, reflecting its diverse population. Vancouver offers a range of cuisines from Mexican-Canadian street food, to Japanese fusion cooking. Some of the most popular local dishes include sushi, particularly the B.C. roll, Japadog (a hotdog with Japanese flavours), candied salmon, and poutine. The city is also known for its seafood, including oysters and many other fish-based dishes.

Sources: About Vancouver, <https://vancouver.ca/about-vancouver.aspx>; Gross domestic product (GDP), <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3610046801>; Vancouver, <https://www.britannica.com/place/Vancouver>; 10 Best Local Dishes from Vancouver, <https://fr.hotels.com/go/canada/best-local-dishes-from-vancouver>

Calgary



Key facts:

Total GDP:

EUR 78 billion

Population:

1.3 million (capital region)

Calgary is a city in the south of Alberta. The city's well-known setting distinguishes it from other cities in the Prairie Provinces. The city is situated on the western edge of the Great Plains and in the foothills of the Canadian Rockies. The landscape offers a change from the flat prairie areas that are typical for the region. The city is one of the fastest-growing ones in Canada.

Even though it is a relatively young city, Calgary serves as the administrative and financial headquarters of Canada's petroleum industry and is known for its history as a cattle-ranching centre of Canada. Calgary's economy is heavily reliant on its status as the corporate centre of the petroleum industry, as this attracts several related services such as banking, finance, insurance, transportation, and petroleum supply. Additionally, the city also has a thriving manufacturing sector, which includes food and beverage, wood-processing, and machinery and electronics companies. The food and beverage industry is boosted by the farming community and good railway connections. Calgary is one of the main shipping centres for the cattle industry in Canada. This also means there are many stockyards, slaughterhouses, tanneries, and meat-processing plants nearby.

Food lovers can enjoy Calgary, as the city offers a diverse range of cuisines inspired by different cultures from around the world. From Italian, French, Indian, Mexican, and Asian, there is something for every taste preference in the city. Calgary is also famous for its beef, but there is much more to explore on the local menus. Calgary has a thriving food scene, with independent and chef-owned restaurants that offer unique experiences. Local favourites include ginger beef, and Alberta steak.

Sources: Gross domestic product (GDP), <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3610046801>; Calgary, <https://www.britannica.com/place/Calgary>; Iconic foods in Calgary, <https://www.travelalberta.com/ca/articles/2021/04/iconic-foods-in-calgary/#:~:text=Alberta%20Steak,-Beef%20wasn%27t&text=Beef%20is%20also%20hailed%20as,canola%2C%20honey%20and%20root%20vegetable%20s; Alberta's 7 Signature Foods, https://www.visitcalgary.com/things-to-do/stories-from-calgary/albertas-7-signature-foods>

Ottawa



Key facts:

Total GDP:

EUR 51 billion

Population:

1 million (capital region)

Ottawa is the capital city of Canada and is located in the southeast of Ontario. It is situated on the Ottawa River and is home to a diverse population that speaks both English and French. The city's large and growing immigrant population is a growth engine. Ottawa has a rich history and serves as the political centre of the country. The federal government as well as other key government buildings and institutions, and foreign embassies are located in the city.

In addition to its political importance, Ottawa is a hub for high-tech industries and important sectors such as health and education. In addition, Ottawa offers a wide range of job opportunities and is home to many renowned research centres and academic institutions. In fact, Ottawa is known to have one of the most educated populations among cities in Canada. Moreover, major international companies have offices in the city. These economic strengths have helped Ottawa to grow into an important economic engine of Canada.

When it comes to food, Ottawa has something to offer to every taste such as Indian, Asian, Mexican, Mediterranean, French, Middle Eastern, and fusion cuisines. The city also offers healthy vegan options as well as comforting traditional dishes. The ByWard Market is renowned for its locally grown produce. However, the city is also known for its unique bacon-based dishes such as maple bacon donuts and pancakes with bacon. Another classic also is the Obama cookie or Canadian beaver tails, which is a fried dough pastry shaped like a beaver's tail. Thus, Ottawa offers a wide selection of Canadian and international cuisines that suit all budgets.

Sources: Ottawa, <https://www.britannica.com/topic/National-Gallery-of-Canada>; Gross domestic product (GDP), <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3610046801>, Economy and demographics, <https://ottawa.ca/en/city-hall/budget-finance-and-corporate-planning/financial-reports-and-statements/long-range-financial-plans/long-range-financial-plan-iii-part-1-and-part-2/economy-and-demographics>; What are Ottawa famous foods?, <https://tripsupport.ca/blog/ottawa-famous-foods/>; The best food to eat in Ottawa, <https://www.ottawalife.com/article/the-best-food-to-eat-in-ottawa?c=9>

Edmonton



Key facts:

Total GDP: *EUR 63 billion*

Population: *1 million (capital region)*

Edmonton is the capital city of the province of Alberta in Canada. It has a population of over one million people. Edmonton is situated on the North Saskatchewan river and is known for its river valley parks, which make up the largest urban parkland in North America.

Edmonton's economy is diverse and dynamic, with industries ranging from oil and gas to technology and healthcare. The city is home to several major companies, including ATCO, Stantec, and Canadian Western Bank. In addition, Edmonton is a hub for research and innovation, with world-class institutions such as the University of Alberta and the National Institute for Nanotechnology located in the city. There are several food and beverage manufacturers in Edmonton, ranging from small, locally owned businesses to larger, multinational corporations. While the food and beverage manufacturing industry in Edmonton is not as large as it is in some other Canadian cities, it is still an important and growing sector of the city's economy.

Edmonton is famous for its food scene, which offers a wide range of local and international cuisine. Some of the city's most popular dishes include the "Edmonton-style" pizza, which features a unique combination of toppings such as bacon, mushroom, and green onion, as well as the "Alberta beef". Edmonton is also home to a growing craft beer industry, with several local breweries offering a variety of unique and flavourful beers. There are several food and beverage festivals throughout the year, including the Taste of Edmonton, which showcases the city's culinary offerings, and the Edmonton Craft Beer Festival, which celebrates the local craft beer scene.

Sources: City of Edmonton, <https://www.edmonton.ca/>; Edmonton, <https://www.britannica.com/place/Edmonton-Alberta>; Edmonton's must try signature foods, <https://www.travelalberta.com/ca/articles/2021/04/edmonton-signature-foods/>; Diverse dining in Edmonton, <https://www.infoedmonton.com/article/travel-the-world-with-local-cuisine-in-edmonton/>; Economic sectors, <https://exploreedmonton.com/industry/meetings/the-edmonton-difference/economic-sectors>

2.3 Domestic agricultural production and regions

Only around 7% of Canada's land area can be used for farming. Currently, about 6.3% (approximately 62 million hectares) of land is used in agriculture. Most of this area is located in Western Canada. Nevertheless, lower quality land can be used to ranch cattle. Farms differ depending on their latitude, topology and soil type. Overall, the average size of a Canadian farm has increased over time (it doubled over the past 50 years), whereas the total number of farms decreased. Currently, Canada has close to 190 000 farms with an average size of over 3 km² (300 hectares).

Primary agriculture is an important economic sector in Canada. Canada's top agricultural products include grains and oilseeds, red meats, dairy, horticulture, poultry and eggs. The main grains and oilseeds grown in Canada include wheat, durum, oats, barley, rye, flax seed, canola, soybeans, rice, and corn. Red meats produced in the country include beef cattle, pigs, veal, and lamb. Horticulture is focused on many different fruit and vegetables. Even though the growing season in Canada is quite short due to the country's climate, Canadian farmers produce many different fruit such as apples, soft fruit (including peaches, nectarines, pears, plums, prunes and cherries), grapes, blueberries, cranberries, strawberries and raspberries. Fruit made up over 18% of the total farm income for edible horticulture in 2021.¹² The main vegetables produced in Canada include tomatoes, carrots, dry onions, cabbage, sweet corn, broccoli, peppers and lettuce; these vegetables account for close to 60% of the total value of vegetables produced in Canada. Vegetables are planted in an area of around 100 million hectares.¹³

Crop farms are mostly located in Alberta, Saskatchewan and Manitoba, which are the Prairie provinces. Besides crops, Alberta is the leader in beef and cattle production. Saskatchewan heads the production of wheat, canola and lentils. Manitoba is known to have the most pig farms and to play an important role in potato production. British Columbia, which is located on the west coast of Canada, is known for its fruit and vegetable production, as well as for its eggs and poultry. Ontario has the most poultry farms and the second-highest number of pig and dairy farms; the province also is the leader in corn and apple production. Quebec has the most dairy farms and cows and is the main producer of blueberries in the country. Atlantic Canada splits its agricultural production between livestock and crops, with potatoes being an important crop in this area.

Overall, the dairy sector is particularly important in Eastern Canada because dairy farming is well-suited to the region's climate and geography, and it is a major contributor to the economy and part of the cultural identity in many rural communities in Eastern Canada.

Canada has a protectionist approach for certain agricultural sectors enacted through government policies and regulations. The dairy and poultry industries are particularly protected in the country through a supply management system. This system regulates the production, pricing, and import

¹² Statistical Overview of the Canadian Fruit Industry 2021 (2022), <https://agriculture.canada.ca/en/sector/horticulture/horticulture-sector-reports/statistical-overview-canadian-fruit-industry-2021>

¹³ Statistical Overview of the Canadian Field Vegetable and Mushroom Industry (2021), <https://agriculture.canada.ca/en/sector/horticulture/horticulture-sector-reports/statistical-overview-canadian-field-vegetable-and-mushroom-industry>

of dairy and poultry products with the aim to ensure that domestic producers receive a fair price for their products and to prevent overproduction and oversupply in the market.¹⁴

Even though Canada is not a top wine producer, the importance of wine production is growing: the Canadian wine industry grew by 70% between 2011 and 2019. Wine is moreover the highest added value agricultural product in Canada. Currently, there are around 500 wineries in Canada, most of which are located in British Columbia and Ontario. Thus, wine production is also focused on these regions with two-thirds of vineyards by acreage being located in Ontario. The remaining vineyards are located in other regions such as Alberta, Quebec, New Brunswick and Nova Scotia. The country is leading the world's ice wine¹⁵ production by far, as there is more ice wine being produced in Canada than in all other countries combined. Besides ice wines, Canada is also a producer of standard grape wines, fruit wines and honey wines.¹⁶

The Canadian federal government offers some support for agriculture under a framework called "Canadian Agricultural Partnership". Funds are available for agricultural research, export and trade. Moreover, the government supports farmers in the use of new practices and technologies. Canadian provinces implement support programmes in agriculture as well.

Farms in Canada require foreign workers because many Canadians do not want to work on farms, for example because the work is only seasonal or because farms are in remote locations. Due to this, farmers typically hire temporary workers from other countries. Each year around 55 000 foreign workers are employed in the country.¹⁷

¹⁴ Canada's Supply Management System, https://lop.parl.ca/sites/PublicWebsite/default/en_CA/ResearchPublications/201842E#:~:text=The%20national%20supply%20management%20system,eggs%20and%20broiler%20hatching%20eggs.

¹⁵ Ice wine (German: Eiswein) is a type of dessert wine produced from grapes that have been frozen while still on the vine.

¹⁶ Our industry (2020), <https://www.winegrowerscanada.ca/canadian-wines/economic-impact/>

¹⁷ Agriculture in Canada (2022), <https://www.thecanadianencyclopedia.ca/en/article/agriculture-in-canada#:~:text=Most%20of%20Canada%27s%20crop%20farming,durum%20wheat%2C%20canola%20and%20lentils.>

3 Introduction to the food and beverage market and consumers

3.1 Overview of the food and beverage market and demand for imported products

3.1.1 F&B market summary

Around 70% of the food that is consumed in Canada is produced in the country. Canada is self-sufficient in a variety of products, such as dairy and meat, but relies on imports of fresh fruit and vegetables.¹⁸ On the other hand, almost half of Canada's agricultural and food production is exported.

In 2021, Canada's agri-food supply chain employed around 2.1 million people, which means it provided one in nine jobs in the country. In total, it accounted for close to 7% of the country's GDP, which is close to EUR 94 billion. Primary agriculture offered close to 242 000 jobs and accounted for 1.6% of the GDP with over EUR 22 billion. Food and beverage processors provided more than 303 000 jobs and made up 1.7% of the GDP with approximately EUR 23 billion. Food retailers and wholesalers employed 664 000 people and also accounted for 1.7% of the GDP. Foodservice providers had close to 830 000 employees and made up 1.2% of the GDP with EUR 17 billion.

The food and beverage processing sector is Canada's biggest manufacturing sector in terms of GDP and employment. It accounts for close to 18% of manufacturing GDP and 18% of manufacturing jobs. Sales in this industry reached EUR 98 billion in 2021. Processing facilities can be found across the country, but most are situated in Ontario and Quebec. Meat product manufacturing accounts for 25% of the food and beverage processing GDP, followed by dairy products with 11%, and beverages as well as bakeries/tortilla with 10% each.¹⁹

3.1.2 International trade in F&B

The agri-food sector has a high potential for economic growth in Canada. Although Canada is a net exporter of agricultural commodities and is self-sufficient in certain products, overall it is a net importer of prepared food and beverage products.

Canada is the world's fifth largest exporter of agri-food products and exports its products globally. In 2021, Canada exported agri-food products worth EUR 57 billion, mainly meat, cereals and oilseeds. It exported about half of its beef production, 70% of its pork, 70% of its soybeans, 75% of its wheat, 90% of its canola, and 95% of its pulses.²⁰

The neighbouring US is Canada's main trading partner: Canada exports the majority of its agri-food products to the US and vice versa (Figure 3-1). China is the second most important export

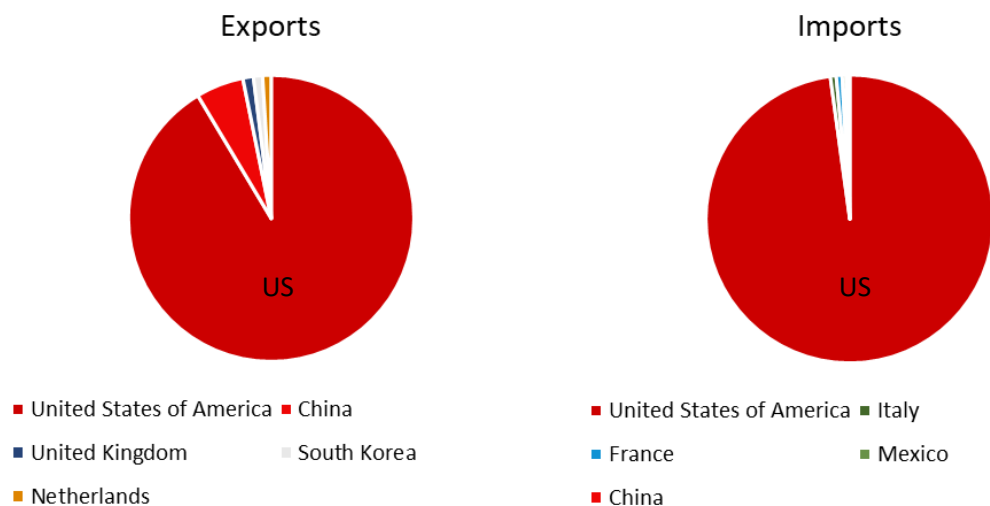
¹⁸ Should Canada Be More Food Self Reliant? (2021), <https://albertaviews.ca/canada-food-self-reliant/>

¹⁹ Overview of Canada's agriculture and agri-food sector, <https://agriculture.canada.ca/en/canadas-agriculture-sectors/overview-canadas-agriculture-and-agri-food-sector>

²⁰ Agri-Food Exports(2023), <https://cafta.org/agri-food-exports/>

destination since 2012, with exports increasing. Canada's agri-food exports to Europe and the wider Asia region are also increasing.²¹

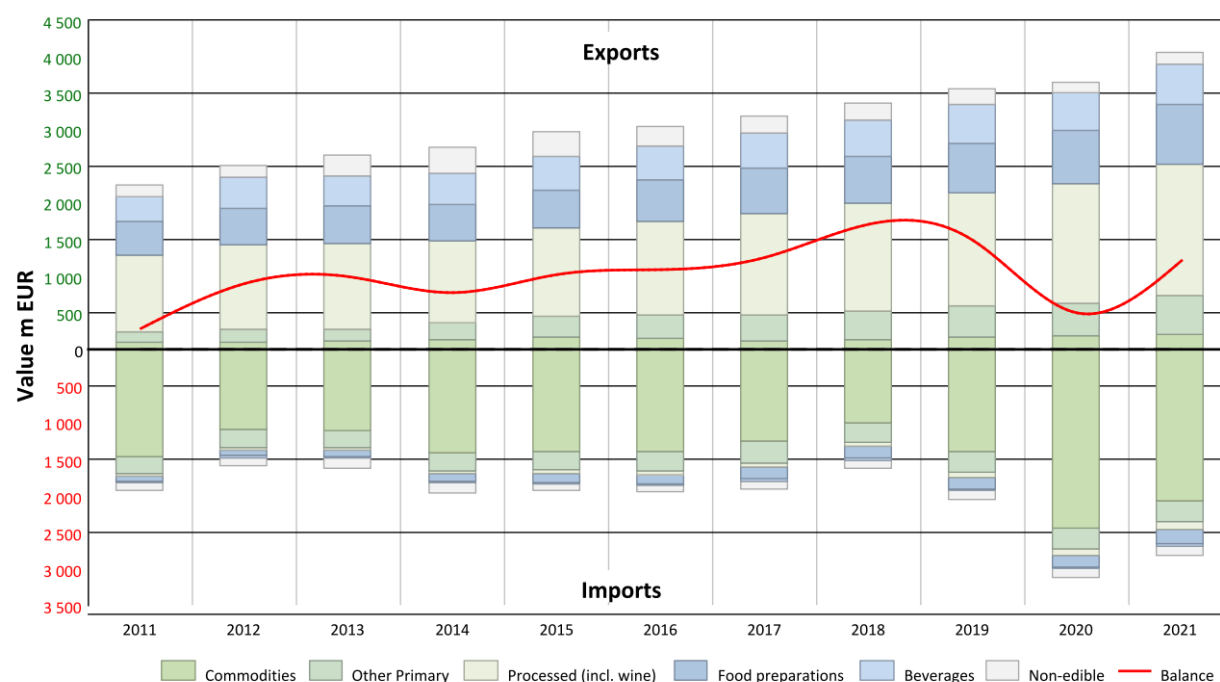
Figure 3-1 Top five countries of Canada's food exports and imports by value



Source: World Integrated Trade Solution (WITS), Databank from the World Bank; Data from 2020 (note: some agri-food sectors covered in this Handbook may be missing).

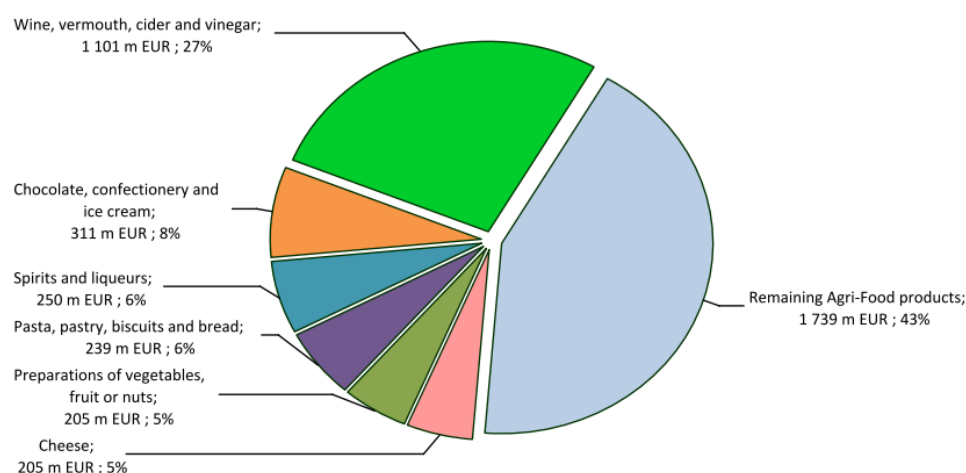
As shown in Figure 3-2, the EU exports more agri-food products by value to Canada than Canada to the EU. In 2021, the EU exported a total of over EUR 4 billion worth of agri-food and beverage products to Canada. This represents 2% of all EU agri-food and beverage exports. Canada mainly exports oilseeds and cereals, particularly soybeans and wheat, and vegetables to the EU.

²¹ Overview of Canada's agriculture and agri-food sector, <https://agriculture.canada.ca/en/canadas-agriculture-sectors/overview-canadas-agriculture-and-agri-food-sector>

Figure 3-2: Structure of EU-27 (i.e., exc. the UK) agri-food trade with Canada, 2011 to 2021

Source: European Commission: agri-food trade statistical factsheet, European Union – Canada. Based on Eurostat-COMEXT data.

Wine, vermouth, cider and vinegar is the greatest overarching category within Canada's agri-food imports from the EU, with a market share of 27% (Figure 3-3). This is followed by chocolate, confectionery, and ice cream which account for 8% of agri-food exports from the EU to Canada. Spirits and liqueurs account for 6% of all EU exports, as well as pasta, pastries, biscuits and bread (also 6%). Preparations of vegetables, fruit or nuts account for 5% of all EU exports, as well as cheese (also 5%). As the graph shows, there are additional products imported by Canada, accounting for 43% of EU agri-food exports to Canada. These include for example beer, pig meat, soft drinks and water, and olive oil.

Figure 3-3: Top EU-27 agri-food exports to Canada in 2021

Source: European Commission: agri-food trade statistical factsheet, European Union – Canada. Based on Eurostat-COMEXT data

3.1.3 The market for imported F&B

Although Canada has a self-sufficiency rate of 70% regarding certain agri-food products (mainly beef, pork, wheat, soyabeans, pulses), it remains a net importer of agri-food products from the EU. There are several sectors which appear to be particularly attractive for EU exporters.

These include alcoholic drinks: between 2010 and 2020 Canada's consumption of wine, spirits and beer has been increasing. In recent years consumption has rather stagnated for spirits, has been decreasing for beer, and increasing for wine. The consumption of all three categories is forecast to grow in the coming years, although at different rates. The EU is Canada's top foreign supplier for each of those product categories. Local production of these alcoholic beverages is limited and, although growing, currently it does not meet the demand of Canadian consumers.

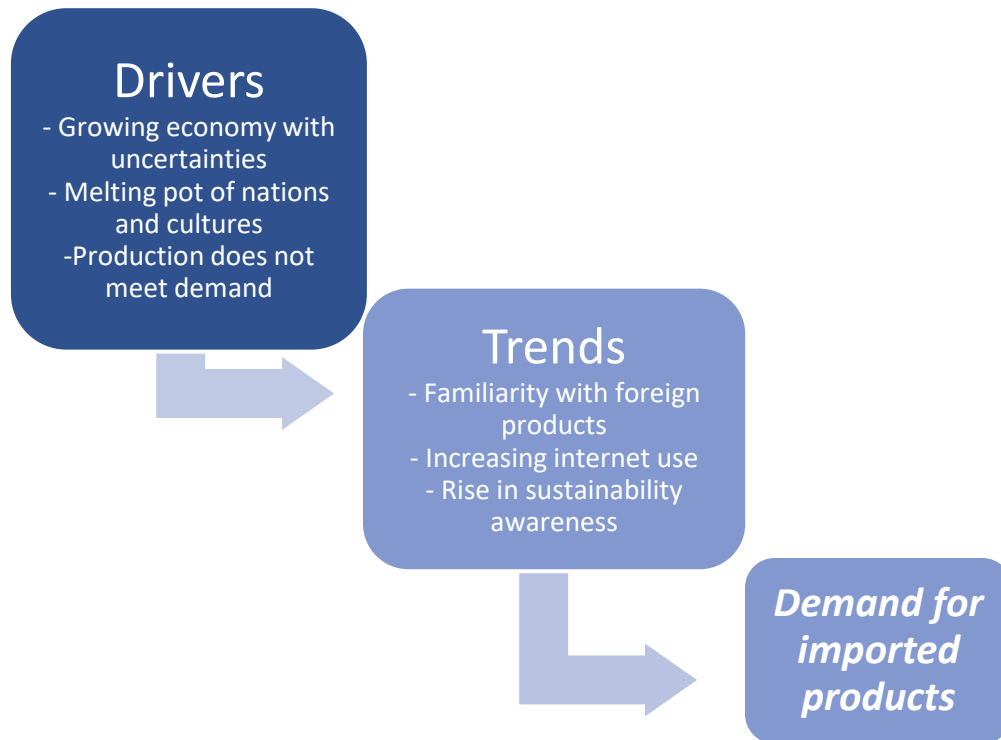
In general, the EU is a strong exporter of prepared foods to Canada. The EU for example is the top exporter of confectionery products to Canada, as the EU produces many chocolate and sugar confectionery products that are popular in Canada. Pasta and baked goods are in demand as well. Another interesting market for EU exporters is olive oil because the EU is the market leader. Exports of other categories such as fresh fruit and vegetables, cheese and meat are growing as well. In general, premium food and beverage products are particularly popular.

Detailed information on the market for different individual imported product categories can be found in the corresponding market snapshots in section 5.

3.2 Growth Drivers and Trends

The key factors affecting the food and beverage market in Canada are:

- **Growing economy with uncertainties:** After the Canadian economy was hit in 2020 due to the COVID-19 pandemic, it started to recover. The country's rate of economic growth is going back to pre-pandemic levels, although it remains lower than in some other developed nations. Consumers are also going back to pre-pandemic spending patterns which further boosts the economy. As the foodservice industry and other sectors reopened again, the unemployment rate has been falling. The labour market more than recovered and as demand is strong this puts pressure on wages to increase, which might increase inflation. Inflation is already getting stronger, partly due to the pressures on the global economy following the war in Ukraine and related uncertainty. Canada is an important oil producer and the economy strongly depends on oil exports, which makes it sensitive to changing energy prices on the world market. This further puts pressure on inflation and has the potential to damage the economy. Currently, the economy is forecast to grow at a relatively steady rate until 2040.
- **Melting pot of nations and cultures:** Canada is a highly diverse country due to its long history of immigration. Throughout time most migrants came from European countries such as Great Britain, France, Ireland, Germany and Italy. Until today many migrants feel connected to their European origin and thus still value their European culture. Canada continues to be a nation in which immigration plays an important role as about 20% of its population has recently immigrated to the country. Immigration is important for the country's economy because without it the population would be declining. Due to immigration, Canada's population is forecast to grow in the next two decades.
- **Production does not meet demand:** Even though Canada produces around 70% of its agri-food needs, around 50% of its agri-food production is exported. The country is one of the world's biggest exporters but also one of the biggest importers. It is a strong producer of certain products such as grains and livestock products, but is missing others such as processed food, fresh fruit and vegetables as well as beverages including alcoholic drinks (notably wine). Canada is in need of high-value food products that are consumer oriented and can be sold directly in shops or can be consumed directly in restaurants. The country is a net importer of many agri-food products from the EU.

Figure 3-4: Growth drivers and trends – the Canadian food and beverage market

Source: Agra CEAS based on European Commission agri-food factsheet; Euromonitor International, and various (see footnotes).

In terms of current trends, the following stand out:

- **Familiarity with foreign products:** Because Canada is a melting pot of mainly European nations, and because migration continues, many Canadians are used to European food and beverage products and are likely to continue to be attracted to such products in the future. This is a big plus for EU producers trying to sell their products on the Canadian market, in particular product of those countries which many Canadians originally migrated from. Another reason why Canadians are familiar with EU food and beverage products is that they live a similar lifestyle to many Europeans. Moreover, the disposable income available to Canadians is generally high which enables them to purchase higher priced premium products from the EU. Canadian consumers are also generally interested in global cuisine and like to try something new, which is another reason for imported food and beverage products from the EU to be viewed to be attractive.
- **Increasing internet use:** Internet usage in Canada is nearly universal. By 2026, about 98% of the population is likely to use the internet. The penetration has been increasing in the last few years due to the COVID-19 pandemic. As consumers had to stay home a lot, they got used to being online to stay in contact with friends and family and ultimately also to connect to e-commerce channels. The number of consumers who uses these channels for online grocery shopping is growing, which offers new opportunities to European producers who aim to sell their products on the Canadian market. The Canadian government realised the growing importance of internet connectivity and thus has been working on increasing internet speed throughout the country. This makes online grocery retail an even more convenient channel for many. Canada also has universal coverage of

4G / 5G networks which increases the number of mobile phone users. By 2026, there will be close to 43 million mobile phone subscribers in the country, which will be larger than the forecasted total population in that year (this is explained by the fact that some people have more than one mobile phones). This will further boost the use of e-commerce. In 2022 the total spending of online shoppers in Canada was around EUR 23 billion. This is already a strong increase compared to EUR 13 billion in 2012. Around 84% of internet users purchased goods or services online in 2022.

- **Rise in sustainability awareness:** As is the case elsewhere in the world, sustainability awareness is also on the rise in Canada. This includes for example issues surrounding environmental protection but also public health, as well as ethical production. Consumers are increasingly getting a more holistic view of different aspects that negatively affect the world at the moment and aim to avoid supporting bad practices. The awareness increased a lot more during the COVID-19 pandemic, when consumers spent a lot of time at home and had time to rethink what is important to them and what kind of life they want to live. This new awareness trend among Canadian consumers offers many new opportunities for exporters of agri-food products from the EU.

3.3 Consumer profiles and preferences

3.3.1 Consumer profiles

Certain aspects of the Canadian demographics that were touched upon in sections 2.1 and 2.2 are worth bearing in mind when considering Canadian consumers. Most notably:

- **Immigration.** As Canada is one of the world's most culturally diverse nations, migration played a big part in the country's past and will continue to do so in the future. Most people migrated to Canada from Europe over time, with English, Scottish, French, Irish, Germans and Italians being the largest groups. Migration still continues today as around 20% of the population are recent immigrants. The different cultures that come together influence consumers' demands and needs, in particular shape demand for food and beverage products.
- **Urbanised and educated population:** As Canada is a large country it is relatively sparsely populated. Most people live in Ontario and Quebec because this is where major cities and urban centres are located. Currently, more than 81% of Canadians live in urban centres and only 19% in rural areas. This means most of the population has good access to most goods as they are living in concentrated areas where products are generally available. Moreover, the Canadian population is highly educated, which influences their consumption choices too. About 91% of people aged between 25 and 64 years have completed upper secondary education, much more than the OECD average (78%).
- **Increasing age.** Even though the population of Canada is forecast to grow, at the same time it is expected to get older. The age group of people older than 65 years is likely to grow at a fast pace, by about 47% until 2040. This puts pressure on the economy, as the old age dependency ratio is going to increase and is therefore likely to change priorities.

Health topics are likely to gain even more importance. As the older population tends to be generally wealthy this offers opportunities for specific premium products.²²

Against the considerations set out above, notable overarching consumer types in Canada are set out below. It is important to note that, while these overarching types have relevance across the country to some extent, the various aforementioned nuances must be taken into account given that in such a diverse country, the relevance of universal consumer types is limited:

- **Trendy consumers:** This type of consumer is usually up to date with new trends and knows what new products have been released on the market. Trendy consumers enjoy trying new things and to go with the time. Their image is important to them, and they invest in and prioritise their status in society because they care about what others think about them. Most trendy consumers are likely to make impulse purchases when they see something they are interested in. They enjoy shopping for the experience but also want convenience at the same time so they can get it done quickly when they do not have time. Trendy consumers can be influenced through various marketing channels, however, as many are increasingly interested in online platforms, social media and celebrity endorsement work well with this consumer type. As the lifestyle of the trendy consumer is not the cheapest, they are likely to be young to middle-aged educated urban professionals with a decent income.
- **Traditional consumers:** This consumer type is rather set in its way. Traditional consumers are usually not interested in the newest trends, new releases or new brands – they much rather stick with the products and brands they know they like. They are likely to spend money on premium products and well-known brands as long as they know the quality of the products is there, either because they tested it before or because someone they trust suggested giving it a try. Overall, traditional consumers mainly stick to their essential purchases when going shopping. Their image is not important to them, which means they buy branded products mainly for their quality and not because a brand is perceived to be good for one's image. This consumer type mainly prefers traditional shopping channels; however, some might also be interested in online shopping due to its convenience. Many traditional consumers are from the older age groups as they know what they like and want and are less willing to try out something new. However, many of them also have a good amount of disposable income to use.
- **Conscious consumers:** This consumer type is also not necessarily following the newest trends and does not care about its image in the same way the trendy consumer does. However, as they are focused on many recent topics including sustainability and personal health, they value products that fit their specific lifestyle. This means they are likely to try a new product or brand if it fits their values and worldviews. Conscious consumers prefer to purchase, for example, organic products in sustainable packaging that have been produced ethically without emitting too much CO₂. They take time to research before they decide on a product to purchase, which means they are less likely to make impulse purchases. To attract this consumer type, products should be clearly labelled. For some conscious consumers the price matters, for others it does not; it depends on their financial situation. This consumer type tends to be educated and young to middle-aged; however, the older generations become increasingly interested in these topics as well.

²² Euromonitor International (2022). PEST Analysis: Canada

3.3.2 Cultural sensitivities and other considerations

There are many interesting and important cultural sensitivities and other considerations that should be kept in mind when entering the Canadian market. Those listed below stand out as particularly important for exporters of food and beverage products.

Canadian identity

The Canadian identity shows the specific culture, characteristics and conditions of what it means to be Canadian. It is a broad mix of cultures that influenced the country throughout the years. There are many French and British influences due to the time when each of them ruled over the Canadian territory. Moreover, the Canadian identity is influenced by American culture as well due to the proximity of the country and similar lifestyle. These different influences affect also parts of cultural life in Canada, from cooking to playing sports.

Canadian cuisine

Canadian cuisine is as diverse as its cultural identity with a variety of styles and typical ingredients used. The country's strong indigenous heritage in combination with many different imported dishes from France and England, which both occupied Canada in the past, as well as from the US which is the country's close neighbour formed Canadian cuisine.²³

Because of its large grassy areas and many rivers, Canada is known for its good quality meat and fish products. Salmon is the most consumed fish in the country and can be prepared fresh, baked or smoked. Vegetables are an important part of the Canadian diet as well.

As Canada produces a lot of meat it is no wonder that many of its traditional dishes incorporate the product. Smoked meat, also called '*boeuf fumé*', is a popular ingredient in sandwiches. Besides meat, these sandwiches also include pickles and mustard sauce. They are very popular with locals. '*Tourtière*', which is a meat pie that consists of a bread dough stuffed with meat, was introduced in Quebec during French colonisation and remains a classic until today.

'*Poutine*' is one of the most popular dishes in Canada. It has its origins in Quebec and is a fast food. It consists of French fries that are covered with fresh cheese curds and brown gravy sauce. It can be found in most places that offer food in bigger cities, from food stalls to high-class restaurants.

The most common sweet dish in Canada are '*Tremettes*'. These crunchy and thick pancakes that are served with butter, cream or maple syrup (one of the most typical Canadian ingredients) are eaten for breakfast or as a dessert.²⁴

Ice hockey

Ice hockey is the national winter sport in Canada, which is considered to be the birthplace of ice hockey. As such, Canadians view this sport as their own. It is common for Canadians to participate in hockey games at all different levels or at least to enthusiastically watch the games nationwide. Hockey brought all types of Canadians together and somehow reunites the country

²³ What is Canadian cuisine, <https://livelearn.ca/article/about-canada/what-is-canadian-cuisine/>

²⁴ Food in Canada, <https://www.exoticca.com/us/america/north-america/canada/gastronomy>

in particular during international competitions. Canadian players play in hockey teams throughout the world and are highly successful in international competitions.²⁵

Gift giving

Giving gifts is a common practice in Canada and is in particular done on special occasions such as birthdays, anniversaries, Thanksgiving, Christmas, New Year, Valentine's Day, parties or get-togethers. When invited to a party it is customary to bring a gift for the host or hostess, in the same way as it is customary to bring a gift when visiting someone's house for the first time. Canadians usually do not have high expectations concerning gifts because, for most of them, it is the good intention that counts. Gifts for family and friends can be emotional and customised. Common gifts are a premium bottle of wine or some premium chocolates. Gifts for business events should be formal, sophisticated and decent.²⁶

Festivals and holidays

Many Canadian holidays and festivities are common also in EU countries such as Valentine's Day, Halloween and Christmas, but there are also celebrations revolving around the celebration of the Canadian state. A full list of major holidays in 2023 is found below:²⁷

- **New Year's Day** (January 1st). After the New Year's Eve celebrations, many Canadians use this day to relax. It is a public national holiday.
- **Valentine's Day** (February 14th). This Day celebrates the love for one's partner. It is not an official holiday.
- **St. Patrick's Day** (March 17th). Due to Irish migrants, this day is also celebrated in Canada mainly in Newfoundland and Labrador where it is a public holiday. It is not an official holiday in the rest of the country.
- **Easter**. This Christian festivity is celebrated in most parts of the country. Good Friday (April 7th) is a national holiday and so is Easter Monday (April 10th) in some parts of the country.
- **Mother's Day** (May 14th). A day on which mothers are celebrated and cherished. It is not an official holiday.
- **Father's Day** (June 18th). A day on which fathers are celebrated. It is not an official holiday.
- **Canada Day** (July 1st). The country's national day on which Canadians all over the country show their pride. This day has been celebrated since 1868 and each year many festivities take place across Canada.²⁸
- **Labour Day** (September 4th). This day is the unofficial start of the new school year for Canadian children. It mainly however is a day of rest, and for unions and labour activists to put forward their accomplishments.

²⁵ Ice Hockey in Canada, <https://www.thecanadianencyclopedia.ca/en/article/ice-hockey#:~:text=Hockey%20is%20Canada%27s%20official%20national,greatest%20contribution%20to%20world%20sport>.

²⁶ Guide to Gift-Giving Etiquettes to Follow in Canada (2022), <https://www.canvaschamp.ca/blog/guide-to-gift-giving-etiquettes-in-canada>

²⁷ 2023 Canadian Statutory Holidays, <https://www.statutoryholidays.com/2023.php>

²⁸ History of Canada, <https://www.canada.ca/en/canadian-heritage/services/canada-day-history.html>

- **National Day for Truth and Reconciliation** (September 30th). This day is in honour of the children who did not return home and survivors of residential schools and their families and community. It is an important part of the reconciliation process.²⁹
- **Thanksgiving** (October 9th). This day is a national holiday in most parts of the country. It marks the annual celebration to honour life while spending quality time with family and friends.
- **Halloween** (October 31st). Some Canadians throw or go to Halloween parties, while many children go trick-or-treating. It is not a national holiday.
- **Remembrance Day** (November 11th). This day, which was originally called Armistice Day, celebrates the end of hostilities during World War I. It is a national holiday in most parts of Canada.³⁰
- **Christmas**. Christmas is celebrated throughout the country by most Canadians. Christmas Day (December 25th) is a national holiday and Boxing Day (December 26th) is a holiday in some parts of the country.

Important cultural symbols

Canada's rich history and the natural environment influence many of the important cultural symbols found in Canada. Notable important cultural symbols include:

The Canadian Flag

The Canadian Flag as it is known today has been officially agreed on by the Parliament in 1964 and has been ratified by a royal proclamation from Her Majesty Queen Elizabeth II in 1965. The flag's design is simple. It uses two colours: red and white. It shows a red maple leaf in the middle on a white background between large red stripes on each side. Red and white symbolise pride and strength that has been shown throughout Canada's history as well as its natural prominent features such as the white snowy winters and red autumnal maple leaves. The maple leaf is one of the most prominent symbols of Canada. The maple leaf is also used on the Canadian coat of arms as well as on other Canadian flags such as the ones from the Armed Forces.³¹



²⁹ National Day for Truth and Reconciliation, <https://www.canada.ca/en/canadian-heritage/campaigns/national-day-truth-reconciliation.html>

³⁰ Remembrance Day, <https://www.warmuseum.ca/firstworldwar/history/after-the-war/remembrance/remembrance-day/#:~:text=Canadians%20recognize%20Remembrance%20Day%2C%20originally,served%20in%20the%20nation%27s%20defence.>

³¹ Description of the National Flag of Canada, <https://www.canada.ca/en/canadian-heritage/services/flag-canada-description.html>

Maple Leaf



The maple leaf is what comes to mind first when many people think about Canada. It is a distinctive emblem. Maple already has been an important resource before the first colonists arrived from Europe as the indigenous population consumed maple sap regularly. They used the sap to make syrup and maple sugar. The first European settlers supported the culture and adopted the maple leaf as their emblem in 1834. The newspaper 'Le Canadien' has also used the maple leaf on its front page.³² Historians traced the use of the maple leaf as an emblem as far back as 1700.³³

Beaver

The Beaver also has had the official status of an emblem since 1975 but has been an important cultural symbol long before that. In the early 1700s fur clothes were trending, which is why beaver pelts were in demand. The fur trade was profitable for many Canadians and the beaver nearly went extinct in the middle of the 19th century. Canadians wanted to honour the beaver which is why today it is a national emblem and conservation efforts restore the beaver population numbers.³⁴



³² The maple leaf (2022), <https://lestresorsderable.com/en/blog/post/the-maple-leaf-emblem-of-canada.html>

³³ Unofficial symbols of Canada, <https://www.canada.ca/en/canadian-heritage/services/unofficial-symbols-canada.html#a2>

³⁴ Official symbols of Canada, <https://www.canada.ca/en/canadian-heritage/services/official-symbols-canada.html>

4 Market access and entry

This section provides details on the necessary requirements for entry into the Canadian market, outlining existing market access restrictions and explaining procedures. A summary of market access and entry is presented in section 4.1, in the form of a SWOT analysis.

4.1 Summary SWOT analysis

STRENGTHS (+)	WEAKNESSES (-)
▪ Even though Canada's agricultural and manufacturing sectors are significant, the country needs imports to meet demand. ▪ The EU-Canada Comprehensive and Economic Trade Agreement (CETA) offers benefits to EU food and beverage exporters. ▪ Canada is a high-income country with high disposable incomes. ▪ Cultural similarities with EU Member States make it less of a difficult market to advertise when compared to other third countries.	▪ Ongoing inflation, due to various geopolitical factors, might decrease consumer willingness to pay for higher quality products in the future. Imported products from the EU are often more expensive. ▪ Canada is a geographically distant market, which offers better opportunities to close by markets. ▪ Canada maintains trade barriers for poultry and dairy products as these are excluded from the tariff liberalisation in CETA. Other less severe trade barriers currently for EU exporters to Canada are mainly related to fresh agri-food products (sanitary and phytosanitary measures), and alcoholic drinks. In addition, Canada does not sufficiently protect EU GIs. ▪ Growing number of vegetarians/vegans impacts demand for animal products.
OPPORTUNITIES (+)	THREATS (-)
▪ Increasing interest in healthier, environmentally friendly and sustainable diets, pushing up demand for food and beverage products such as organic, natural, sugar-free, hormone-free, local, sustainably sourced products. ▪ To keep consumers attracted, manufacturers continuously evolve their product offers using innovation and new flavours and product launches. ▪ Even though still a niche, the e-commerce channel offers many new opportunities to manufacturers as it continues to grow at a fast pace.	▪ Canada is an important domestic producer of many food and beverage products. ▪ The food and beverage market is led by international companies, many of which produce their products domestically, and some domestic Canadian companies. ▪ Competition from Canadian craft production is increasing, as consumer interest in diversity, local production and high-quality products grows. ▪ Canada's neighbouring US dominates the export market. Another important competitor is Mexico.

4.2 Food and beverage legislation and regulations

Agriculture and Agri-Food Canada is responsible at federal level for matters related to Canadian agriculture, such as federal regulation and policies that govern the production, processing and marketing of all agricultural and food products. The federal department works together with the provinces and territories when it comes to the introduction of new policies and programmes because they share their jurisdiction. Health Canada administers regulations related to food safety and the Canadian Food Inspection Agency (CFIA) is responsible to protect consumers from food that is not safe for consumption. The Canadian Intellectual Property Office needs to be contacted for GIs to be registered and Canadian food inspectors and stakeholders use the Industry Label Tool as a basis for labelling.

4.2.1 Import requirements/restrictions, customs procedures and documentation

The general documentation requirements for shipments to Canada are set out in Table 4-1. A summary of specific requirements by food and beverage type covered in this handbook is set out in Table 4-2, with further explanations regarding some of the general registrations / notifications required for food products provided thereafter. As a general rule, documents on the exporter side can be in English or French.

The main body responsible for imports is the Canada Border Services Agency (CBSA). The CBSA is a federal law enforcement agency that is responsible for border control and thus deals with importers across the whole range of imported goods.³⁵

Table 4-1: General requirements for goods exported to Canada (including F&B)

Name	Description	To be prepared by	Language
Advance Commercial Information	A document providing the Canada Border Services Agency (CBSA) with details of any means of transportation prior to its arrival in the framework of the Advance Commercial Information (ACI) programme.	Carrier	EN or FR
Manifest	A document notifying the authorities of the arrival of a means of transportation and summarising the goods loaded therein.	Carrier	EN or FR
Pre-Arrival Notice for Vessels	A document reporting and controlling cargo imported by marine carriers.	Carrier	EN or FR
General Declaration for Aircraft	A document reporting the details of the aircraft and its cargo to the customs authorities.	Carrier	EN or FR
General Declaration for Vessels	A document reporting the details of the ship and its cargo to the customs authorities.	Carrier	EN or FR
Customs Cargo Control	A document summarising all goods being presented to the customs authorities.	Importer or owner of the goods	EN or FR

³⁵ Canada Border Services Agency, <https://www.cbsa-asfc.gc.ca/menu-eng.html>

Name	Description	To be prepared by	Language
Customs Import Declaration	Official form for the customs clearance of goods.	Importer or owner of the goods	EN or FR
Canadian Customs Invoice	A document containing the details of the transaction.	Importer or the supplier	EN or FR
Commercial Invoice	A document containing the details of the transaction.	Exporter	
Packing List	A document containing the details of the shipment and serving as a basis for the customs treatment of goods.	Exporter	EN or FR
Certificate of Non-Preferential Origin	A document certifying the non-preferential origin of the goods to be imported. Only required if specifically requested by the importer, by the customs authorities or by other authorities involved in import procedures.	Exporter	
Air Waybill	A document containing the details of the international transportation of goods by air and proving the transport contract between the consignor and the carrier's company.	Carrier	Usually EN
Bill of Lading	A document containing the details of the international transportation of goods by sea. It serves as proof of receipt of goods by the carrier. Furthermore, it serves as a transportation contract obliging the carrier to deliver the goods to the consignee.	Carrier	Usually EN
Proof of preferential origin / origin documentation	A document confirming the preferential origin of the goods to be imported. Such document is only required to claim preferential tariff treatment under a free trade agreement.	Importers	

Source: European Commission Access2Market

Table 4-2: Specific market entry requirements mapped to handbook categories

Name and description	Fresh meat	F&V	Dairy	Alcohol (spirits, wine, beer)	Olive oil	Chocolate	Confectionery	Processed Meat	Processed F&V	Baked Goods	Pasta	Biscuits / cereal bars	Jams
EIPA File Number A document certifying that importers are registered with the Global Affairs Canada for the purposes of the Export and Import Permits Act (EIPA) and have subsequently obtained an EIPA File Number.	?		X			X		?		X	X	X	
Import Licence for Foodstuffs A document proving that its bearer is authorised to import foodstuffs.	X	X	X			X		X	X	X	X	X	X
Import License for Fresh Fruits and Vegetables A document proving that its bearer is authorised to import fresh fruits and vegetables.		X											
CITES Permit A document permitting the importation of live animals and plants as well as products thereof subject to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).	X							X					
General Import Permit for Designated Commercial Agricultural Goods A document permitting the importation of designated commercial agricultural goods under the general import permit (GIP) number 100.	?		X			X		X					
General Import Permit for Wheat, Barley and Their Products A document permitting the importation of wheat and wheat products as well as barley and barley products under the general import permit (GIP) number 20.										X	X	X	
Import Permit for Designated Plants and Plant Products A document permitting the importation of designated plants and plant products.		X											
Permit to Import Animals and Animal Products A document permitting the importation of live animals,	X		X					X					

Name and description	Fresh meat	F&V	Dairy	Alcohol (spirits, wine, beer)	Olive oil	Chocolate	Confectionery	Processed Meat	Processed F&V	Baked Goods	Pasta	Biscuits / cereal bars	Jams
hatching eggs, animal germplasm, animal products and by-products as well as animal pathogens.													
Import Declaration for Certain Agricultural Commodities A document containing the details of a shipment consisting of certain agricultural goods.		?	X						X				
Request for Documentation Review A document requesting approval for customs release from the Canadian Food Inspection Agency (CFIA).	X	X	X	X	X	X	X	X	X	X	X	X	X
Veterinary Health Certificate for Animal Products A document confirming that products of animal origin to be imported have been inspected according to appropriate procedures, are not contaminated and do not carry any contagious diseases and are considered to conform with the current veterinary regulations of the importing country.	X		X					X					
BSE Certificate A document certifying that the cattle or bovine products to be imported are not infected and that no BSE-infected materials have been used for cattle breeding or for the production of bovine products, including products of bovine origin used in cosmetic products or medicinal preparations.	?		?					X					
Phytosanitary Certificate A document confirming that plants and plant products to be imported have been inspected according to appropriate procedures, are free from quarantine pests and practically free from other injurious pests and are considered to conform with the current phytosanitary regulations of the importing country.		X											

Source: Agra CEAS based on Access2Market

X = required for the category; ? = only required for category in specific cases, consult Access2Market for more data

4.2.2 Food safety and other food certification requirements

Several federal laws and regulations concerning food safety exist in Canada that need to be followed. These are administered by Health Canada, which is responsible to establish policies and standards related to the safety and nutritional quality of food sold in the country. The agency also is responsible to carry out foodborne disease surveillance to enable early detection and warning.

The Canadian Food Inspection Agency (CFIA) enforces and administers the *Food and Drugs Act*, which protects consumers from foods that should not be consumed. CFIA also has the legislative power to enforce anti-fraud and labelling requirements of the *Consumer Packaging and Labelling Act*, the *Canada Agriculture Products Act* as well as related regulations concerning all food processors in Canada. This means it is also responsible for the enforcement of the following acts: *Safe Food for Canadians Act*, *Agriculture and Agri-Food Administrative Monetary Penalties Act*, *Canadian Food Inspection Agency Act*, *Feeds Act*, *Fertilizers Act*, *Health of Animals Act*, *Plant Breeders' Rights Act*, *Plant Protection Act*, and the *Seeds Act*.

In addition, food processors need to familiarise themselves with several provincial regulations and statutes, which are administered and enforced by different provincial authorities. The Ministry of Agriculture, Food and Rural Affairs of Ontario (OMAFRA), for example, administers and imposes regulations that must be followed by food processors that produce and distribute agri-food products only within Ontario.

4.2.3 Alcohol regulations

The history of prohibition in Canada and its eventual relaxation has had a long-lasting impact on the regulation of the alcoholic beverages market. The temperance movement in the late 19th and early 20th centuries led to the introduction of prohibition laws in several provinces, but these were not uniformly enforced, leading to the rise of organised crime and a black market for alcohol.

By the 1920s, many provinces relaxed or cancelled their prohibition laws, and in 1927 the federal government passed the *Liquor Control Act*, which established a government monopoly on the sale of alcohol in Canada. This gave individual provinces the power to regulate the sale and consumption of alcohol within their borders.³⁶

Today, the sale and consumption of alcohol is regulated by a combination of federal and provincial laws, with each province and territory having its own unique set of regulations governing the sale, distribution, and consumption of alcoholic beverages. These regulations include setting minimum drinking ages, establishing hours and locations where alcohol can be sold, and licensing liquor outlets.

Thus, the prohibition in Canada has strongly influenced the current regulatory landscape of the alcoholic beverages market, with the federal structure of the country allowing provinces to set their own policies in this area.³⁷

³⁶ Canada's boozy history, <https://www.cranbrookhistorycentre.com/canadas-boozy-history/>

³⁷ Policy and regulations (Alcohol), <https://ccsa.ca/policy-and-regulations-alcohol/#legal-drinking-age-in-canada>

4.2.4 Labelling requirements

The reference used by food inspectors and stakeholders in Canada is called the Industry Labelling Tool. All food labels must be bilingual in English and French. The requested information must be on the food label, whether a product is pre-packaged or not. The label must be clear and prominent to the person who purchases a product or to the consumer. Labels must be added to pre-packaged foods in a way that they will still be there by the time it is sold. All of the label of prepacked food or at least a part of it is required to be placed on the principal display surface.³⁸

The core labelling requirements in Canada include the following:

- Common name
- Country of origin
- Date markings and storage instructions
- Name and principal place of business
- List of ingredients and allergens
- Net quantity
- Nutrition labelling

If applicable to the product sold, also the following information must be displayed on the label:

- Sweeteners and food additives
- Irradiated foods
- Fortification of food
- Grades for food
- Standards of identity for food

Alcohol labelling rules slightly differ from the common labelling rules of products sold in Canada. Labels also need to be bilingual (English and French). The labelling requirements for alcoholic beverages sold in Canada include the following:

- Common name
- Food allergens, gluten and added sulphite labelling (must be declared when added allergens, gluten sources and sulphites have a level of 10 ppm or higher)
- Alcohol by volume declaration (if a product contains 1.1% or more alcohol)

Nutrition labelling is usually not necessary because alcoholic drinks that contain 0.5% of alcohol or more must not display a nutrition facts table on their labels. Standardised alcoholic beverages such as beer, wine and rum do not have to include a list of ingredients on their label either. Unstandardised alcoholic drinks such as Pernod and ouzo must include a list of ingredients on their label.³⁹

³⁸ Food labelling for industry, <https://inspection.canada.ca/food-labels/labelling/industry/eng/1383607266489/1383607344939>

³⁹ Labelling requirements for alcoholic beverages (2022), <https://inspection.canada.ca/food-labels/labelling/industry/alcoholic-beverages/eng/1624281662154/1624281662623>

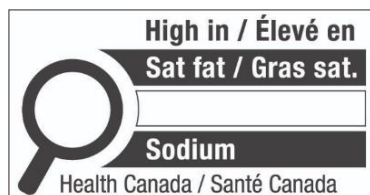
Canada Organic Regime

Organic products that are imported or traded across provinces in Canada need to be certified under the Canada Organic Regime. However, if these products come from countries with which Canada has set up an equivalency arrangement, organic products must be certified as foreseen in the arrangement. Such products need to be certified by a certification body which is accredited by the foreign country and recognised by Canada under the agreement.⁴⁰

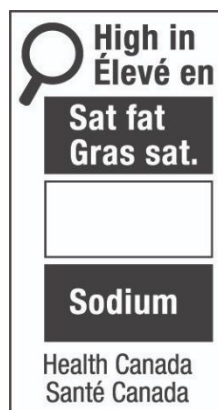
The EU has such an arrangement with Canada: the ‘European Union - Canada Organic Equivalency Arrangement’ (EUCOEA). Canada and the EU thus recognise each other’s organic production rules and control systems. The arrangement has been in place since June 2011 and covers organic agricultural products of Canadian or EU origin. This means EU products that are certified as organic in the EU can be sold and labelled as organic in Canada.⁴¹ The exported products from the EU must meet all labelling requirements applicable in Canada if they want to use the country’s organic logo.



Products high in sugars, sodium and saturated fat



Starting in 2026, products that are high in sugars, sodium and saturated fat must be labelled with a clear warning label. This decision was taken by the Canadian government to encourage healthier eating and to reduce chronic health risks. The food industry has until January 1st, 2026, to make this change. It might be the case that some producers introduce this new label earlier.⁴²



Besides the newly required label (a draft of how it will potentially look is shown on the left) a text will be required that makes clear what “nutrients of concern” a food contains.⁴³ However, as it currently stands, the policy will not be applicable for some food products with a positive health profile, which include: fruits and vegetables without added sodium, sugars, or saturated fat; some dairy products such as plain milk, plain yoghurt and cheese because these products are sources of calcium which is seen to be beneficial for health. Exceptions also include raw, single ingredient ground meats and poultry, to ensure they are not perceived to be inferior to cuts which do not have to carry this label. The list also includes butter, sugar, salt and other products used for the same purpose as butter, sugar or salt like honey, celery salt, maple syrup, vegetable oils, and seasoning salt. Other products are exempt for technical

⁴⁰ Organic claims on food labels, <https://inspection.canada.ca/food-labels/labelling/industry/organic-claims/eng/1623967517085/1623967517522>

⁴¹ European Union - Canada Organic Equivalency Arrangement (2021), <https://inspection.canada.ca/organic-products/equivalence-arrangements/eucoea-overview/eng/1328074578961/1328074648480>

⁴² Backgrounder Front-of-package nutrition labelling(2022), <https://www.canada.ca/en/health-canada/news/2022/06/front-of-package-nutrition-labelling.html>

⁴³ Canada to slap warning labels on sugary, salty and fatty foods (2022), [https://www.reuters.com/business/healthcare-pharmaceuticals/canada-fight-poor-diet-with-labels-sugar-salt-saturated-fat-2022-06-30/#:~:text=OTTAWA%2C%20June%2030%20\(Reuters\),and%20reduce%20chronic%20health%20risks.](https://www.reuters.com/business/healthcare-pharmaceuticals/canada-fight-poor-diet-with-labels-sugar-salt-saturated-fat-2022-06-30/#:~:text=OTTAWA%2C%20June%2030%20(Reuters),and%20reduce%20chronic%20health%20risks.)

reasons, such as foods in very small packages, and packaged individual portions that are usually served in restaurants or other commercial enterprises.⁴⁴

4.2.5 Protection of intellectual property rights, including geographical Indications (GIs)

Due to the EU-Canada Trade Agreement (CETA), intellectual property rights for companies in the EU that export innovative and high-quality products to Canada are protected. Canada has been increasing its border measures to counteract counterfeited trademarks, pirated copyright goods and counterfeit geographical identification products. Canadian customs can keep suspected fake products and analyse said products. Due to CETA, Canada furthermore agreed to align its copyright protection regime with the 'internet treaties' of the World Intellectual Property Organisation (WIPO).

Geographical indications of wines and spirits in Canada and the EU are listed in Annex III(a) and Annex IV(a) of the 2003 Agreement on trade in wines and spirit drinks, which can be found here: [Agreement between the European Community and Canada on trade in wines and spirit drinks](#). For these to be protected in Canada, the right holders must register their GIs with the Canadian Intellectual Property Office.

In addition to these, which are integrated into CETA, another 143 GIs are protected as distinctive food and drink products from specific towns or regions in the EU. All of the listed GIs are protected by Canada from imitations in the same way they are in the EU, which makes it illegal to mislead consumers regarding the origin of a product. A full list of GIs protected in Canada can be found here: [List of Geographical Indications](#). This list has the potential to be extended to other products in the future if both the EU and Canada agree.⁴⁵ Further guidance on GIs in Canada can be found here: [Guide on geographical indications in Canada](#).

Searching for intellectual property in Canada

There are online databases of intellectual property in Canada. These can be found, in English and French, at: <https://www.canada.ca/en/services/business/ip/databases.html>.

There are links to the different registries by type of intellectual property.

4.2.6 Relevant authorities for IPR and GI protection and further contacts

Canadian Intellectual Property Office
 Trademarks and Industrial Designs Branch
 50 Victoria Street
 Place du Portage, Phase I
 Gatineau, Quebec, Canada

⁴⁴ Front-of-package nutrition labelling (2022), <https://www.canada.ca/en/health-canada/services/food-labelling-changes/front-package.html>

⁴⁵ EU-Canada CETA, https://trade.ec.europa.eu/access-to-markets/en/content/eu-canada-comprehensive-and-economic-trade-agreement#toc_5

K1A 0C9

☎ 1-819-934-0544

✉ ic.contact-contact.ic@ised-isde.gc.ca💻 <https://ised-isde.canada.ca/site/canadian-intellectual-property-office/en>

4.3 International trade

4.3.1 Canada and foreign trade

Canada is open to foreign trade, which accounts for around 60% of the country's GDP. Canada is a large exporter of fossil fuels, metals such as gold, cars and other parts, while it imports vehicles, auto parts or accessories, automatic data processing machines and telephones. The country is also a net importer of commercial services. Canada's trade deficit increased during 2015 to 2020, due to various factors such as the situation in the world, tensions with certain trade partners and low prices of some products. In the last two years (2021 and 2022) Canada has recorded an expanding trade surplus. This is partly due to certain trade agreements that entered into force which make the trade with certain partners easier, such as the EU-Canada Comprehensive and Economic Trade Agreement (CETA) and the USMCA (Canada-United States-Mexico Agreement, an updated version of NAFTA).

There are many reasons for Canada to be open to foreign trade as it wants to sell its own products but also is in need to bridge its own production deficits in certain sectors, with agriculture and food being an important one.

4.3.2 Key trade agreements, present, and future

Canada being a large country has several key free trade agreements with countries located within its immediate vicinity and around the world. These trade agreements help the country's trade-oriented economy. The agreements that are currently in force are listed in Table 4-3 below.

Table 4-3: Chronological list of Canadian trade/economic agreements with third countries/regions

Partners	Type of agreement	Entry into force
<i>Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)</i> Australia, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, Vietnam (not yet in force for Brunei Darussalam and Chile)	Free Trade Agreement	2018
<i>Canada-European Union: Comprehensive Economic and Trade Agreement (CETA)</i> European Union	Free Trade Agreement	2017
Ukraine	Free Trade Agreement	2017
Korea	Free Trade Agreement	2015

Partners	Type of agreement	Entry into force
Honduras	Free Trade Agreement	2014
Panama	Free Trade Agreement	2013
Jordan	Free Trade Agreement	2012
Columbia	Free Trade Agreement	2011
Canada-European Free Trade Association (EFTA) Iceland, Liechtenstein, Norway, Switzerland	Free Trade Agreement	2009
Peru	Free Trade Agreement	2009
Costa Rica	Free Trade Agreement	2002
Chile	Free Trade Agreement	1997
Israel	Free Trade Agreement	1997
US (and Mexico)	Free Trade Agreement	1989 superseded by NAFTA 1994 and then superseded by CUSMA in 2020

Source: Agra CEAS based on various

FTAs that Canada is currently in negotiation or that are pending ratification include:⁴⁶

- Canada-UK Trade Continuity Agreement (Canada-UK TCA) (signed)
- Trans-Pacific Partnership (TPP) (signed)
- Canada-Caribbean Community FTA (negotiations)
- Canada-Dominican Republic FTA (negotiations)
- Canada-Guatemala, Nicaragua and El Salvador FTA (negotiations)
- Canada-India FTA (negotiations)
- Canada-Indonesia FTA (negotiations)
- Canada-Japan FTA (negotiations)
- Canada-Mercosur FTA (negotiations)
- Canada-Morocco FTA (negotiations)
- Canada - Pacific Alliance FTA (negotiations)
- Canada-Singapore FTA (negotiations)
- Canada-United Kingdom FTA (negotiations)
- Canada-China FTA (exploratory discussions)
- Canada-Philippines FTA (exploratory discussions)
- Canada-Thailand FTA (exploratory discussions)
- Canada-Turkey FTA (exploratory discussions)
- Canada-ASEAN FTA (negotiations)

4.3.3 EU-Canada Comprehensive Economic and Trade Agreement (CETA)

The Canada-European Union Comprehensive Economic and Trade Agreement (CETA) is a trade agreement between the European Union and Canada. It was signed by both parties on October 30th 2016. It entered into force provisionally around one year later on September 21st 2017. Since

⁴⁶ Trade and investment agreements (2022), <https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/index.aspx?lang=eng#dataset-filter>

then, most parts of the agreement apply; however, national parliaments in the EU as well as some regional ones must approve it too so it can take full effect. The process is ongoing.

Since its partial establishment, CETA offers European and Canadian businesses preferential access to each other's markets. Currently, all the economically important parts of the agreement are in force except various parts of the investment chapter.⁴⁷

The agreement makes it easier to export goods and services by eliminating or reducing trade barriers, tariffs and costs related to export. It makes paperwork easier and simplifies technical regulations, customs procedures and rules of origin requirements, product testing requirements, procurement information, intellectual property issues, and others. It enhances the trade in food, animal and plant products while keeping up high levels of human, animal and plant health and safety. It furthermore enables EU companies to bid for tenders at all different levels of the Canadian government. It also creates additional market access in various sectors and increases mobility. One important point for the EU is that CETA protects a large number of geographical indications of high-quality EU food products on the market in Canada. It overall promotes high-quality investment between Canada and the EU.

With the entry into force of CETA, 98% of envisioned tariff lines have been eliminated, with the remaining ones being gradually eliminated over time. By 2024, 99% of tariff lines will be abolished. Regarding agricultural goods in particular, 90.9% of tariff lines have been abolished when CETA entered into force and by the end of 2023 this will increase to 91.7%. Canada will, however, maintain tariffs on dairy products (with the exception of the cheese TRQ and milk protein concentrates) and poultry products.

The EU and Canada both apply tariff rate quotas (TRQs) for certain agri-food products such as for cheese from the EU. For these products only specific volumes get preferential treatment throughout a certain timeframe. More information can be found in the relevant product sectors, in section 5.

4.3.4 WTO disputes and other trade barriers

Canada is, or previously has been, involved as a respondent in a total of 23 WTO disputes, many of which concern sectors other than agri-food. Eight of those relate to agri-food products; these are identified in the table below (Table 4-4).⁴⁸

Table 4-4: Key WTO disputes involving Canada

Role	Counterparty	Issue	Reference
Respondent	Australia	Measures Governing the Sale of Wine	DS537
Respondent	US	Measures Governing the Sale of Wine in Grocery Stores (second complaint)	DS531
Respondent	US	Measures Governing the Sale of Wine in Grocery Stores	DS520

⁴⁷ Timeline, https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/ceta-aecg/view_timeline-consulter_chronologie.aspx?lang=eng

⁴⁸ Canada and the WTO, https://www.wto.org/english/thewto_e/countries_e/canada_e.htm

Role	Counterparty	Issue	Reference
Respondent	European Communities	Tax Exemptions and Reductions for Wine and Beer	DS354
Respondent	US	Provisional Anti-Dumping and Countervailing Duties on Grain Corn from the United States	DS338
Respondent	US	Measures Relating to Exports of Wheat and Treatment of Imported Grain	DS276
Respondent	New Zealand	Measures Affecting Dairy Exports	DS113
Respondent	US	Measures Affecting the Importation of Milk and the Exportation of Dairy Products	DS103

Source: AGRA CEAS based on WTO data

Canada has had only one agri-food related trade dispute with the European Union concerning tax exemptions and reductions for wine and beer, which was raised in 2006. The European Union raised the concern that Canadian domestically produced wines were exempt from federal excise duties. Another issue was that the excise duty rates on the first 75 000 hl of beer and malt liquor produced and packaged in Canada were reduced. Both parties reached a mutual agreement in 2008.⁴⁹

In addition, a total of six other trade barriers are known that affect EU exports of agricultural and food products to Canada:⁵⁰

- **EU harmonised certificates for exports of animal products to Canada:** The EU wants to create EU harmonised health certificates for exports of meat and edible meat offal products to Canada. Such a document exists for the export of poultry meat and its products since late 2021. Negotiations continue as the EU wishes to introduce more harmonised certifications also for other commodities that are interesting to export to Canada.
- **Phytosanitary import conditions for fresh tomatoes:** In 2016 the Canadian government set up phytosanitary import requirements concerning *Tuta absoluta* (tomato leaf miner) for fresh tomatoes. According to the new requirements, green parts such as vines, stems or calyces must be removed from tomatoes if they come from a country where *Tuta absoluta* is present. Affected EU countries would prefer to be able to export fresh tomatoes with green parts and safe trade conditions can be offered to Canada to lessen the risk of the plant pest. The EU sent an application in 2016 to Canada to allow this trade under safe conditions, which is still in review. The EU submitted another request in 2021. Currently, bilateral work regarding this pending issue is ongoing.
- **Protection of EU GIs in Canada:** A few issues are currently pending:
 - In 2010, the lack of sufficient enforcement of IPR was reported. Canada only uses the existing system for complaints that deal with labelling issues for which the Canadian Food Inspection Agency (CFIA) is responsible. CFIA takes action in case of inappropriate labelling. This means EU GI holders can only submit administrative complaints regarding labels. If there are other problems, they have to use judicial proceedings.

⁴⁹ DS354: Canada — Tax Exemptions and Reductions for Wine and Beer, https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds354_e.htm

⁵⁰ Trade barriers, <https://trade.ec.europa.eu/access-to-markets/en/barriers/results?isSps=false&countries=CA>

- A grandfather clause in CETA allows companies that used certain GI names (Asiago, Fontina, Gorgonzola, Feta, Munster, Beaufort, Jambon de Bayonne and Nürnberger Bratwürste) prior to October 2013 to continue to do so. In practice, this clause has proven difficult to implement so far in the absence of a list of these Canadian companies.
 - The list of wines and spirits protected under the 2003 Wines and Spirits Agreement, which is now incorporated in CETA, is outdated and does not include any GIs from countries that joined the EU after 2003. Thus, the EU wishes to update Annexes III and IV. The EU and Canada are working on this issue.
 - The registration of EU GIs in Canada can take time. While Canada claims that in some cases it has taken no more than six months, it sometimes takes several years. To reduce any delays, the Canadian Intellectual Property Office advises applicants to check the completeness and quality of their application files before submission.
- **Discriminatory practices for imported wines and spirits:** The provincial liquor boards discriminate and hinder the access of EU alcoholic beverages to the Canadian market, for instance by applying lower product mark-ups or taxes to domestically produced products. This is the case in Ontario, Quebec, British Columbia and Nova Scotia. In addition, there is an extra cost-of-service on imported alcoholic beverages that does not always seem to be transparently used, and there are restrictions on private delivery and access to places of sale that in most cases do not apply to domestic products (although this situation improved in 2021). EU wines can only be distributed through the liquor boards, whereas domestic producers can sell directly to certain consumers and/or business customers. CETA requires finding mutually agreeable solutions on any issues regarding wines and spirits. These current discriminatory practices increase the costs of imports and hinder some EU producers to export to Canada. There is a clear competitive advantage for Canadian producers as well as some importers from third countries such as the US and Mexico (USMCA).
- **Compositional cheese standards:** This barrier has been reported in 2007. Canadian rules set out basic criteria to define and limit protein sources that are used in cheese production. These rules limit the export possibilities for milk protein substances including milk protein concentrates and milk powder from the EU because Canadian cheese producers have to limit these materials when producing cheese domestically. This Canadian requirement is not in line with the Codex Alimentarius and is also not justified by any quality or technical rationale.
- **Unjustified trade restrictions due to non-recognition of country freedom and pest free areas of EU Member States for the Citrus and Asian longhorned beetle (CLB and ALB):** This barrier is active since 2013 when Canada imposed a ban on the importation of plants with a stem that is larger than 10mm in diameter from certain EU countries because of the risk of transmitting the ALB and the CLB. According to the EU, this ban is not justified because it does not account for the strict measures that have been taken throughout the EU against these pests. Moreover, in 2019 21 EU countries did not have cases of ALB and CLB and the remaining continued with strict measures. The EU asks for the pest-free areas to be allowed to trade again as is obligatory under the WTO SPS Agreement. This barrier has been partially solved at the end of 2019 when Canada accepted to trade with the 21 EU countries that are ALB- and CLB-free.

Further information, as well as an up-to-date list of trade barriers, can be found here:

<https://trade.ec.europa.eu/access-to-markets/en/barriers/>

4.3.5 Summary of key trade barriers

Even though the EU is in a preferential trade position with Canada due to CETA, some trade barriers still exist. Besides the EU, Canada has many other free trade agreements with other countries in place and even more that are being set up. This means that the EU still faces strong competition from other countries that have preferential trade agreements with Canada and that aim to export similar agri-food products to the country. In addition, Canada maintains tariffs on dairy and poultry products from the EU.

The main trade barriers that the EU currently has with Canada are mainly related to fresh agri-food products (because of sanitary and phytosanitary measures) and alcoholic drinks. There is a problem to export fresh tomatoes from EU countries where the tomato leaf miner (*Tuta absoluta*) is present. Moreover, the EU would like to have harmonised certificates for exports of animal products to Canada, such as for all meat and not only poultry. Milk protein substances including milk protein concentrates and milk powder are not allowed to be used in the production of Canadian cheese which creates another barrier.

The biggest barriers are problems related to GI protection. Despite the equivalency agreement, Canada is reported to not sufficiently protect EU GIs and, in some cases, to take too much time to register products. Furthermore, the country applies some discriminatory practices that make it harder for EU wine and spirits producers to sell their products in Canada.

4.4 Operating in the Canadian food and beverage market

4.4.1 Logistical services and transportation infrastructure

Canada is an important destination for freight from around the world due to its prosperous consumer market and growing economy. Moreover, it offers access to the US through land, air and waterways. Canadian ports and airports are an integral part of the country's economy and let many goods from different parts of the world into the country that are then redistributed by railway and road transport.

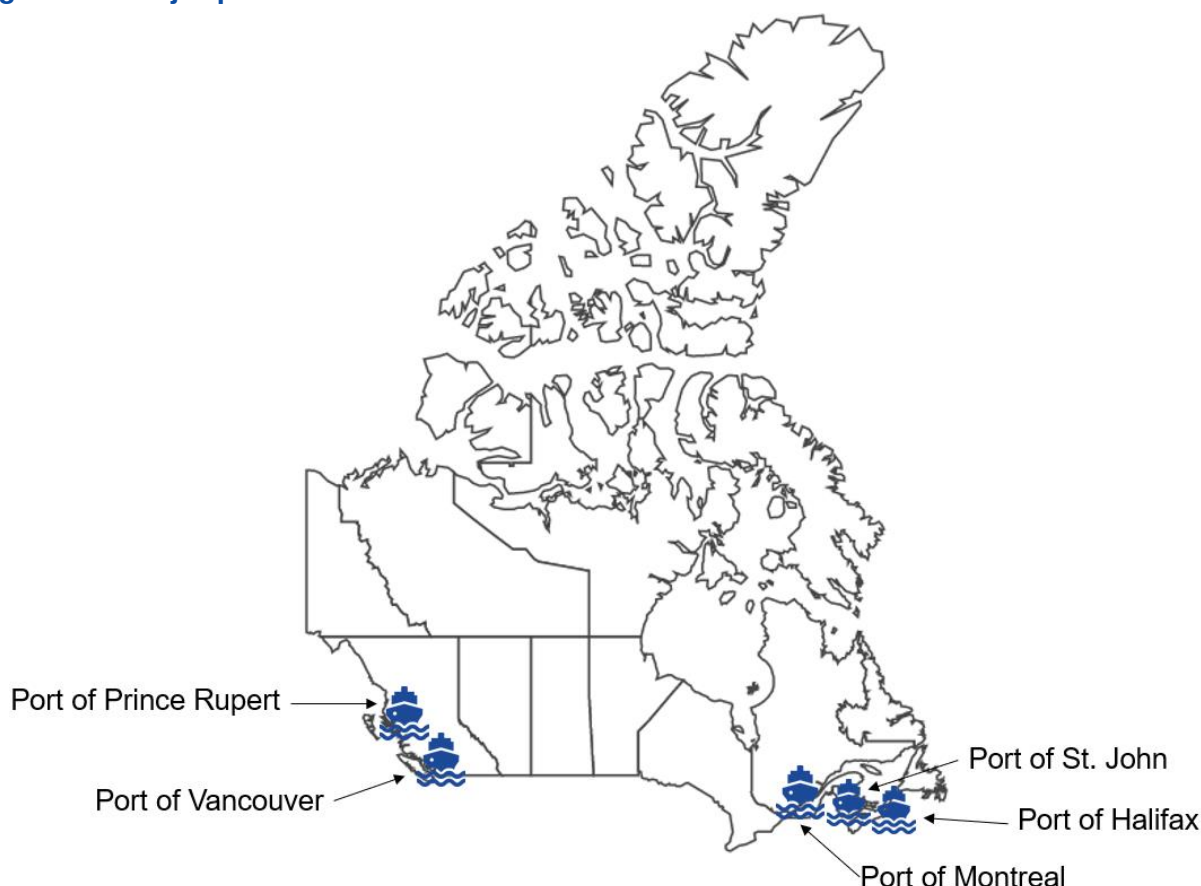
Shipping

There are many different ports for ocean freight to arrive at. All of them play an integral part in the country's supply chain. The major ports are known to be advanced and modern and are the biggest contributors in terms of the volume of freight being imported to the country through them.

The port of Vancouver is the largest ocean port in Canada and the third largest in all of North America regarding its tonnage capacity. The port of Montreal is an advanced and innovative port that is also considered to be the most expensive in Québec. It deals with approximately 10% of imports reaching Canada. This is followed by the port of Prince Rupert, which is the third biggest measured by its tonnage and container volume. It covers an area of 1.65 million acres along a 20 km waterfront. Even though port Halifax is only the fourth largest port, it offers more connections than the second largest port as it connects to more than 150 countries and is a destination of

around 1 400 vessels. The fifth-largest port, which is the Port of St. John, handles around 28 million tonnes of cargo per year and is known to be the largest port in Atlantic Canada.⁵¹

Figure 4-1: Major ports in Canada



Source: Agra CEAS based on various

Airfreight

The most important airports in Canada are located close to the major cities and metropolitan areas. When it comes to passengers the main five airports are Toronto, Vancouver, Calgary, Montreal, and Edmonton. Most of these airports handle over five million passengers per year.⁵² The list of the most important cargo airports is similar but has some differences. The main cargo airport is Toronto Pearson (YYZ) which handles around 300 000 metric tonnes of cargo freight. This was followed by Vancouver International (YVR) with more than 230 000 metric tonnes, Hamilton International (YHM) with over 120 000 metric tonnes, Montreal-Pierre Elliot Trudeau (YUL) with about 80 000 metric tonnes and Calgary International (YYC) with close to 80 000 tonnes as well.

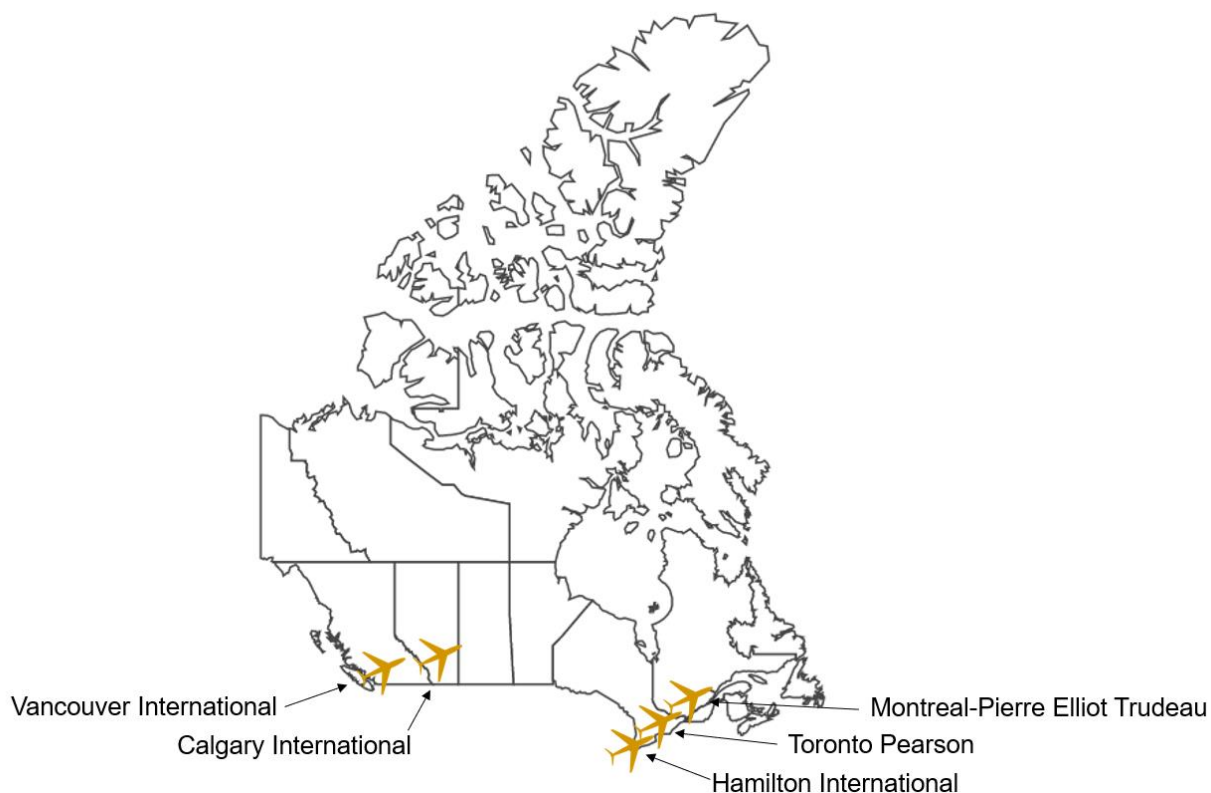
Even though Montreal is the second biggest city in the country, it ranks fourth when it comes to cargo freight, partly because of the importance of Vancouver as an entrance to the Asia-Pacific

⁵¹ 5 Largest Ports in Canada (2022), <https://www.shipafreight.com/knowledge-series/largest-ports-canada/>

⁵² Top 5: A Look At Canada's Busiest Airports By Passenger Traffic (2022), <https://simpleflying.com/canada-busiest-passenger-airports/>

region. On the other hand, Hamilton is only the country's 9th largest city but has the third most important airport for cargo freight. One reason for this might be its closeness to the Greater Toronto area and its comparatively low fees because of that further away location.⁵³

Figure 4-2: Major international cargo airports in Canada



Source: Agra CEAS based on various

Rail freight

Rail is another important means to move freight across Canada. The first railway system dates back to 1836. Today, there are over 43 000 km of tracks that connect all important areas of the country. The Canadian railway system is known to be efficient, safe and cost-effective. About 70% of the intercity surface freight and around 50% of the country's exports are transported via railway. A normal price of moving one tonne of freight for one kilometre is approximately EUR 0.025. In 2021, the railway system in Canada transported a total of 330 million tonnes of freight. This is possible because the system is connected to rail, ship and truck terminal points.⁵⁴

⁵³ What Are Canada's Top Cargo Airports? (2022), <https://simpleflying.com/canada-top-cargo-airports/#scattered-across-the-country>

⁵⁴ Canada's Freight Railways: Moving the Economy (2023), <https://www.railcan.ca/101/canadas-freight-railways-moving-the-economy/>

Figure 4-3 Major rail freight lines in Canada

Source: Agra CEAS based on various

Road Freight

There are over one million kilometres of two-lane equivalent roads going throughout Canada. The national highway system is made up of around 38 000 km of these. Transporting passengers and freight by road is the most popular mode of transportation. Local intra-city, intercity, intra-provincial transportation, as well as road transportation between Canada and the US is important in terms of value moved. Most of the highways and larger road systems are found in the south of Canada and connect the most important cities, airports and seaports.⁵⁵

4.4.2 Distribution – retail channel overview

The Canadian consumer market is focused on its major cities such as Toronto, Montreal, Vancouver, Calgary and Edmonton and their immediate hinterlands. This means that the market in Canada is quite concentrated within the south and coastal regions which is a reflection of the country's population distribution. Supermarkets and other traditional store formats are the most popular, followed by mass merchandise stores such as department stores, as well as convenience stores. The popularity of e-commerce is on the rise.

⁵⁵ Road Transportation, <https://tc.canada.ca/en/corporate-services/policies/road-transportation>

Supermarkets and hypermarkets

Canada's grocery store industry is very large. The five major supermarkets, which account for over 60% of the retail share are Loblaws (with a market share of around 27%), Sobeys, Metro, Costco, and Walmart.

Loblaws is the clear leader in the food market, with a total of 2 400 stores in British Columbia, Alberta, Manitoba, Ontario, Saskatchewan, and Quebec. Loblaws mainly sells grocery items but also some clothing, electronics and houseware items.

Sobeys has more than 1 500 outlets that are located in all ten provinces of Canada. The chain is known for its good customer service, loyalty programs and in-house design, which make it keep its place as a top retailer.

Metro is the largest franchise which has more than 400 stores in Quebec and Ontario. Moreover, 142 of them are stores under Marche Richelieu's banner and Super C's that are discount shops. In total there are 950 outlets under the Metro, Metro Plus, Super C, and other banners.

Hypermarkets are usually located on the outskirts of large towns.

Department stores

Department stores are popular because of the convenience they offer as they carry a large variety of different products. They are commonly located in shopping malls or the city centre.

Walmart is an American department store with more than 400 locations in Canada.⁵⁶ It operates regular stores and supercentres. Walmart supercentres contain complete grocery stores.

Giant Tiger is another example. It is a discount department store that operates everywhere in Canada except in British Columbia and Newfoundland. It also sells groceries.⁵⁷

Not all department stores in Canada sell groceries. Some barely offer any food products while others might offer a small variety of luxury food items that are made e.g. for gifting. Other stores include Winners, Hudson's Bay, Nordstrom, and Canada Simons.

Convenience stores

Small shops and convenience stores are located throughout Canada. Alimentation Couche-Tard Inc is the market leader based on sales value, followed by Parkland Fuel Corporation with its On the Run convenience stores, Shell Corporation Ltd, and 7-Eleven Canada. Canadian consumers like convenience stores to shop for pantry staples and private-label brands.⁵⁸

Food markets

Food markets are popular in Canada, with many Canadian cities for example having food trucks that go to different markets, festivals and other events. Several markets across Canada exclusively focus on street food and local dishes. The Richmond Night Market in Vancouver is the biggest night market in North America. Market 707 in Toronto is located in shipping containers and is known as one of the most unique street markets in Canada. The 'What the Truck?' market

⁵⁶ The Top 15 Canadian Grocery Stores Including Chains (2022), <https://icycanada.com/the-top-15-canadian-grocery-stores-including-chains/#8-canadian-tire>

⁵⁷ 8 Most Popular Canadian Department Stores (2022), <https://creditcardgenius.ca/blog/canadian-department-stores>

⁵⁸ Canadian C-Store Chain Sees Growth in Pandemic Business (2022), <https://www.convenience.org/Media/Daily/2022/Jan/18/4-Canadian-Chain-Growth-Pandemic-International>

in Edmonton is a celebration of food trucks and the culture of having food from such trucks. Besides these, there are many more interesting markets across Canada.⁵⁹

E-commerce

E-commerce has been growing rapidly during the last decade. The sector grew at a faster pace than any other traditional retail channel. The Canadian e-commerce revenue is about EUR 21 billion. The main online retailers are Walmart, Amazon, Dell, Sears, Staples, Costco and Best Buy. Even though some Canadians like to invest in national businesses a large number of consumers choose to purchase items from non-Canadian shops. Around 79% of online purchases are from other countries, most of which are from the US, China and the EU.⁶⁰

The COVID-19 pandemic gave another boost to the e-commerce industry because many consumers wanted their groceries to be delivered during times of social distancing. Now that life is going back to normal, consumers got used to this convenience and are likely to continue using e-commerce channels for grocery shopping. It is forecast that by 2025 approximately 10% of food sales in Canada will take place online. This would be almost six times more than prior to the pandemic, when around 1.7% of grocery sales were done via e-commerce.⁶¹

4.4.3 Intermediaries

Exporters from the EU are being advised to think of Canada as **five different regional markets**: Ontario, Quebec, Atlantic Canada, Prairies, and Western Canada. To do well in each region in the long-term, exporters need to come up with different strategies to enter the market. The retail and foodservice industries are already well-established in Canada, which is why new exporters need to learn about the retailers and food processors that are located in each region. Quebec is the second most populated province in Canada and the province where most French-speaking Canadians are located, whereas English is spoken more widely in the country. For this reason, it is necessary to come up with a separate marketing plan for Quebec than for the rest of Canada. Therefore, it is recommended to use multiple partners or a separate partner for French speaking provinces.

There are **no specific minimum quantity requirements** that retailers, importers, or other buyers in Canada must follow. Nevertheless, buyers often set minimum order requirements which are based on their business needs. These requirements might differ depending on the buyer, the product type, or the market in which a product will be sold. It is common practice for retailers to have different minimum order quantity requirements regarding perishable and non-perishable food products. Products that have a limited shelf life and specific storage requirements, such as fresh produce, meat, and dairy items, may require smaller order sizes. In contrast, non-perishable goods like packaged and dry items may require larger order quantities to make the shipping and handling costs worthwhile. Additionally, certain retailers may have minimum order requirements for particular food categories, such as organic, gluten-free, or specialty products.

Food distributors with specialised services in Canada offer end-to-end solutions that include international transportation, importation, and connecting with local retailers and consumers. For high-value food and beverage items that require time-sensitive delivery, air transportation is

⁵⁹ The Best Street Food Markets in Canada, <https://theculturetrip.com/north-america/canada/articles/the-best-street-food-markets-in-canada/>

⁶⁰ Top 10 eCommerce Companies in Canada, <https://www.clickpost.ai/blog/best-ecommerce-companies-in-canada>

⁶¹ What's up with e-commerce? (2022), <https://canadiangrocer.com/whats-e-comm>

typically recommended to access Canadian markets directly. On the other hand, rail transportation in Canada is mostly used for bulk commodities, although a significant amount also includes refrigerated and containerised units, as well as intermodal transfers from international shipping.

- **Brokers**

Brokers are highly important intermediaries on the Canadian market. They facilitate negotiations, shipments, and compliance with regulations between exporters and importers. They also help exporters to comply with Canadian import regulations, to manage border transactions, and to ensure that goods are released from Canadian Customs. Canadian brokers and distributors are used by retailers to discover new products, and to assist exporters with pricing, compliance, and logistics, in particular for US exporters.

In order to succeed in Canada's retail industry, it is recommended that EU producers familiarise themselves with the **Canadian broker network**. Since many EU companies are unfamiliar with doing business in Canada, they often require the additional services that a broker can provide. According to the Canadian Society of Customs Brokers, close to 80% of Canadian imports are cleared by customs brokers.

Brokers also focus on building a product's brand and managing retail account relationships. Typically, brokers handle between 10 and 25 brands at a time, unless they are a larger national firm. They work to establish distribution networks and develop new retail accounts, which makes them an ideal choice to give companies the sales attention that is necessary for long-term sales growth. It is not rare for brokers to charge a commission fee of around 5%, and it is not uncommon for a broker to require a retainer fee for new accounts, as they often spend considerable time "pioneering" the brand to new accounts. Once the sales targets are reached, brokers usually transition to commission-based fees.

Even though brokers are common in Canada other intermediaries are available as well, the most prominent ones being the following:

- **Large manufacturing companies with an importing department**

Their services involve facilitating the import of food and beverages that are either unavailable in Canada or can be sourced from foreign suppliers at a lower cost. They utilise their expertise in manufacturing and importing to help customers access the products required for their businesses. In doing so, they provide a valuable service to their customers.

- **Distributors**

Distributors purchase products from manufacturers or importers and then sell them to end-users, such as retailers and restaurants. Collaborating with a distributor can be beneficial for EU exporters as it can help them expand their customer base in Canada. While distributors may have exclusive rights to sell select brands, they typically manage several hundred SKUs and handle products with inventory that has a high turnover rate.

- **Importers**

Importers in Canada who specialise in the food and beverage industry possess valuable knowledge regarding the local market and regulatory requirements. They can also assist with logistics, warehousing, and distribution of products.

- **Wholesalers**

Wholesalers typically purchase goods in large quantities from manufacturers or distributors, and subsequently, sell them in smaller quantities to retailers, businesses, or other customers. Acting as intermediaries between manufacturers or distributors and retailers or other customers, wholesalers play a crucial role in the supply chain in Canada.

- **Independent small agents**

Independent small agents work as intermediaries that connect buyers and sellers of food and beverages. These agents function as middlemen, helping to facilitate transactions and ensuring that both buyers and sellers are content with the outcome.

Best partners for EU SMEs

It is recommended that companies carefully explore their business opportunities and thoroughly assess all potential Canadian partners before choosing one or several intermediaries to work with. For companies seeking to enter the Canadian market, it is advisable to collaborate with various intermediaries in order to maximise their reach. It is important to note that the intermediary required may differ depending on whether a product is trying to get private labelled, or to enter the market as a branded product. Thus, companies should consider all options, and try to work with several different intermediaries in order to have the best possible reach. It is also important to choose partners that are the best fit for the product to be sold and the pricing strategy.

Small and medium-sized EU companies typically can start by collaborating with an **independent agent or smaller importer** to obtain product listings in European grocery stores, delicatessen stores, and independent retailers. After establishing a sales volume and a track record of success, the importer can then attempt to secure listings in smaller retail chains and eventually supply the four major supermarket chains such as Walmart, Costco, Lobelaws, and Empire Company Limited-Sobey's. When bringing a brand to Canada, retailers expect financial support from the EU company. To protect themselves in case of brand-related issues, many retailers require certifications and accreditations for listing brands. However, if an EU company aims to penetrate the foodservice, convenience, or specialty grocery sectors where private labels are not as dominant, financial support may not be as necessary.

When choosing a Canadian importer, it is essential to consider the retail outlets they currently supply. EU exporters must understand the importer's distribution capacity and ensure that the importer can supply retail outlets that cater to the appropriate consumer base.

Business Contact Database:

A database of importers, wholesalers, retailers, and distributors can be found in section 8.5.

N.B. due diligence will have to be performed for any contacts on this database as no warranty is given as to the standing of these individuals, organisations or firms, and no corresponding responsibility or liability is accepted by the authors.

4.4.4 Business environment

Canada is known for having a resilient economy due to its regulatory banking framework. This means that Canada's financial services sector is a good environment for investment, in particular when times are tough.

The country has been supporting foreign investment for a long time already, but also needed better public management to ensure that the nation has strong ties and to be able to better the country's infrastructure. Over time Canada grew into a strong country where public intervention is not often necessary anymore compared to some decades ago.

Canada has a set of laws and regulations that aim to protect consumers, workers, investors, inventors and the environment. Foreign investment faces only minor restrictions and several other business regulations have been liberalised by the many free-trade agreements that Canada has with other countries and regions. The tax system is competitive and favourable for foreign investment. Over the years several government own companies have been privatised.

Canada is ranked as the 23rd best country in the world in the ease of doing business rating with a total score of close to 80. The fields that stand out positively are starting a business, trade across borders, and taxes.

Regarding corruption, Canada ranks eighth in the world, which shows that the country's public sector is in many ways free from corruption.

4.4.5 Key operational considerations and challenges: summary

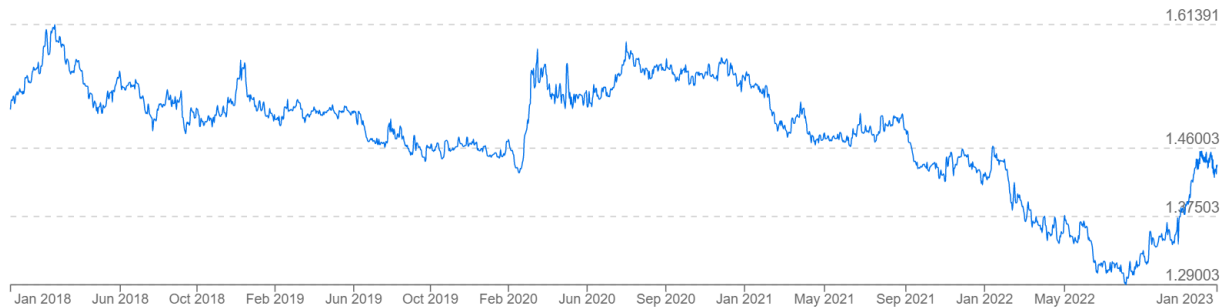
Key considerations and challenges to bear in mind when operating in the Canadian market are:

- **Robust and growing economy.** Canada's economy can handle shocks and is forecast to grow.
- **Dealing with unknown laws and regulations.** It is important to get to know the laws and regulations in Canada to be successful in the market. Noncompliance with them can lead to financial penalties which could harm a company's reputation.
- **Highly educated and expensive workforce.** Canadians are generally highly educated and skilled. They ranked eighth in the world's competitiveness of workforce index. However, a skilled workforce is expensive. The established minimum wage in Canada is relatively high as well.
- **Comparatively lowish operation costs.** Costs of conducting business in Canada are lower than in some other countries such as the US. Canada's tax rates are for example lower than in the US.
- **Social and political issues affect businesses.** It is important to keep in mind that any changes socially or politically in the country might affect companies as well. Currently, the social and political environment is stable, but this might change at some point and companies need to be able to react.
- **Establishing a new physical location.** If an exporter wishes to set up a physical location of his entity in Canada it is good to keep in mind that this process can be time consuming and bureaucratic.⁶²
- **Languages.** As Canada is a bilingual country, it might be necessary in some cases not to only speak English but also French at a good level.
- **Value of the Canadian Dollar.** The floating exchange rate between the Euro (EUR) and the Canadian Dollar (CAD) needs to be kept in mind when conducting business in Canada. Figure 4-4 below shows the EUR-CAD currency exchange rate for the past five years (beginning of 2018 – beginning of 2023). This graph highlights the high levels of fluctuation

⁶² Benefits and Challenges of Expanding to Canada (2021), <https://www.globalization-partners.com/blog/benefits-and-challenges-of-expanding-to-canada/#gref>

that occur in the currency exchange rate. During this period, the exchange rate ranged from 1 EUR = 1.29 CAD in August 2022 to 1 EUR = 1.60 CAD in March 2018. Between 2018 and 2023 the CAD decreased in its value versus the EU by 4.65%.

Figure 4-4: Five-year evolution of the EUR-CAD currency exchange rate: 2018-2025



Source: XE Currency converters: Euro to CAD exchange rate chart, available at [Euro to Canadian Dollar Exchange Rate Chart | Xe](#)

4.4.6 Other relevant information

Methods of payment in Canada

The currency of Canada is the Canadian Dollar (CAD). Most major points of entry will have a helpdesk available to transfer Euros into CAD and ATMs to get cash. However, even though cash remains an important payment method as it is low in cost, secure and commonly accepted in all kinds of stores, its popularity is declining. Most people use cash mainly only for small value purchases such as a cup of coffee. The smaller the cost of something the more likely Canadians are to use cash. Payment cards on the other hand such as debit and credit cards gain popularity and are a good alternative method of payment besides cash. Nine out of ten Canadian citizens own at least one credit card. Around 40% of retail transactions take place using credit cards. They are the preferred choice of payment in particular when a price exceeds EUR 11. Cards also make up close to 60% of the total value of goods and services that are purchased in Canada.⁶³

Travel from the EU to Canada

Citizens of the European Union do not need a visa for stays up to six months. However, they must fill in an Electronic Travel Authorisation (eTA) before taking their flights to Canada. The eTA is valid for five years or until one's passport expires (whichever one happens first). An eTA can be applied for on www.canada.ca and cost less than EUR 5. Citizens of the European Union who enter Canada by land from the US for example or sea via a cruise ship are not required to fill in the eTA.⁶⁴

⁶³ How Canadians pay for things, <https://www.bankofcanada.ca/2019/10/how-canadians-pay-for-things/#:~:text=Credit%20and%20debit%20are%20the,us%20own%20a%20credit%20card>.

⁶⁴ Canada Visa and Passport Requirements, <https://www.worldtravelguide.net/guides/north-america/canada/passport-visa/#:~:text=All%20EU%20nationals%20are%20considered,passport%20expires%2C%20whichever%20comes%20first>.

5 Market Snapshots for Selected Products

This section provides specific information for various food and beverage categories and products. This information covers three main categories:

- **Consumption:** data on the evolution of consumption; consumer profiles and any notable consumer trends;
- **Offer:** domestic production; imports and exports; the competitive landscape; relevant specific customs procedures/import considerations;
- **Distribution:** main distribution channels used; domestic and imported offer.

Furthermore, each category contains a SWOT analysis and a key takeaways message.

Fresh meat	Fresh fruit and vegetables	Dairy
Wine	Spirits	Olive oil
Chocolate confectionery	Beer	Sugar confectionery
Pasta	Processed fruit and vegetables	Processed meat
Biscuits / cereal bars	Baked goods	5.15

5.1 Fresh meat

5.1.1 SWOT analysis

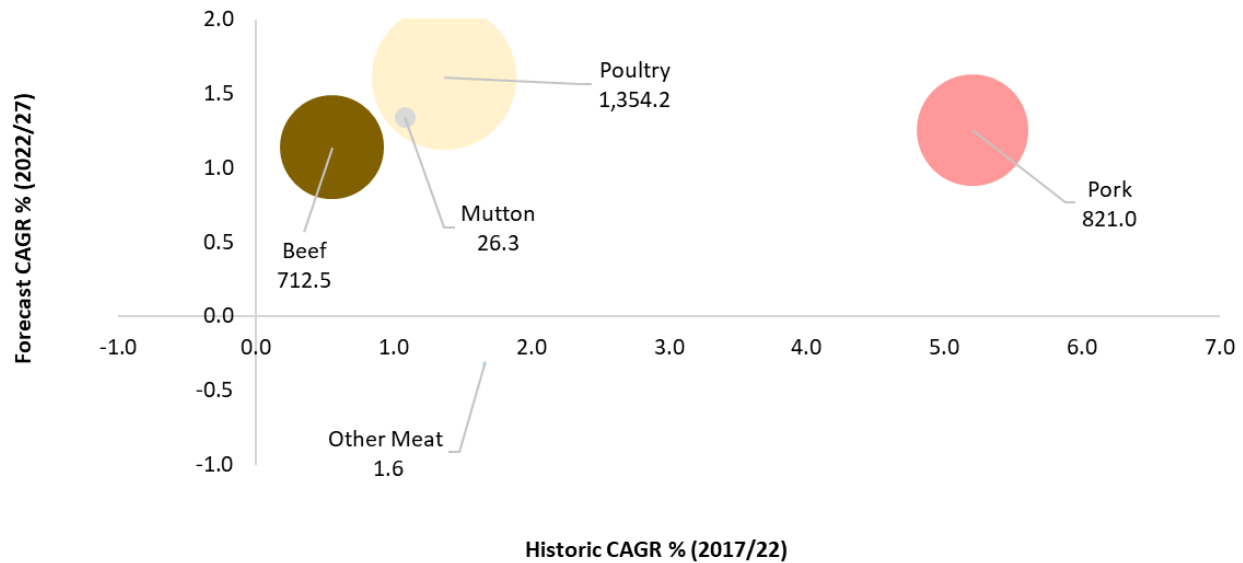
STRENGTHS (+)	WEAKNESSES (-)
▪ The fresh meat market grew in recent years and is forecast to continue to grow. ▪ Even though the EU does not lead exports, as a block it exports the second largest volume of fresh meat to Canada. ▪ Demand for cuts of meat that are produced on a large scale in EU Member States.	▪ Poultry is one of the few sectors for which CETA has not eliminated the import tariff. ▪ Younger consumers increasingly adopt a vegetarian/vegan lifestyle. ▪ Consumers increasingly aim to limit their (red) meat consumption due to health reasons, as well as animal welfare and sustainability considerations.
OPPORTUNITIES (+)	THREATS (-)
▪ Poultry is the largest category and forecast to grow at the fastest pace because it is viewed to be the healthiest meat choice. Poultry, pork and beef including veal are the most imported categories by volume. ▪ Natural, hormone-free, and fresh meat products due to the health and wellness trend but also because of sustainability concerns. ▪ Meat delivery subscriptions gain popularity which offers e-commerce a growing stage.	▪ Canada is a strong producer and net exporter of fresh meat (mainly pork and beef). ▪ Canada produces a lot of different types of meat in large volumes. ▪ The US is the largest non-EU exporter of fresh meat to Canada, followed by New Zealand and Australia.

5.1.2 Consumption

Evolution of consumption

The meat market in Canada had a total volume of 2.92 million tonnes in 2022. The market grew between 2017 and 2022 and is forecast to continue to grow although at slightly different rates. Figure 5-1 below shows that poultry is the most popular fresh meat product in Canada with a total volume of 1.35 million tonnes. Poultry is expected to grow by a CAGR of 1.6% between 2022 and 2027 and thus has the highest forecasted CAGR of all categories. Pork is the second most popular fresh meat product in Canada with a total volume of 821 000 tonnes. Pork historically grew at a fast pace, but it is now forecasted to grow by the second highest CAGR of 1.3% between 2022 and 2027. Beef ranks third with a total volume of 712 000 tonnes and a forecasted CAGR of 1.1% during 2022 to 2027. The market for mutton is quite small with a volume of 26 000 tonnes, followed by other meat with only 1 600 tonnes.

Figure 5-1: Evolution and forecast of the fresh meat market in Canada, 2022-2027; total volume (000 tonnes)



Source: Euromonitor International: Fresh Food, 2022.

Consumer profile and purchase criteria

Consumers

In general, fresh meat is consumed by all age and income groups and in all geographic locations in Canada. It is a staple food for many Canadians. Per capita consumption of meat across Canada averages around 66 kg. Chicken is the favourite meat of Canadians at over 34 kg per capita annually, an increase of around 9 kg during the last two decades. Beef consumption is lower at around 17 kg per capita and pork consumption stands at over 14kg per capita.

Health-conscious consumers aim to decrease their meat consumption, or at least choose the healthier meat option. White meat is viewed to be healthier than red meat, which is why Canadians consume a lot of poultry meat, but its lower price is also a factor. Sports and fitness enthusiasts, who prioritise their protein intake for muscle growth and recovery, are a main consumer segment of protein-rich meats such as beef, turkey, and also poultry.

Canadian households are the biggest consumers of fresh meat in the country. In addition, an important part of meat consumption takes place at schools, universities, hospitals or other state-run institutions because these usually offer various meat dishes on a daily basis. Beef, chicken and pork are common options in such institutions.

However, not everyone consumes meat in Canada. Around 2.3 million consumers are vegetarian and around one million are vegan. These numbers continue to rise. Canada ranks as the ninth most vegan friendly country in the world. Most Canadians that do not eat meat live in British Columbia. Most vegans/vegetarians tend to be from the younger generations, particularly because this lifestyle is promoted via social media channels such as Instagram and Youtube. Other parts of the population do not consume certain types of meat due to religious reasons, such

as Muslims who do not consume pork. Close to 5% of Canadians are Muslims, most of which live in Ontario and Quebec.⁶⁵

Consumers of imported fresh meat from the EU are likely to have a higher income that allows them to afford the higher price point (due to transport costs). Consumers tend to be rather passionate about high-quality foods and flavours which is why they are willing to pay for premium EU fresh meat products with distinctive flavour profiles. In addition, some consumers have certain cultural preferences for EU meat, such as consumers with family origins in certain EU countries. Some consumers who are concerned about the safety and quality of food might also tend to purchase EU fresh meats because of the strict EU regulations and quality standards.

Drivers and method of consumption

The demand for fresh meat has been driven in recent years by a number of factors such as a growing population, changing dietary habits, and an increased interest in international cuisine.

The main driver of consumption is population growth primarily due to migration. However, as the COVID-19 pandemic further heightened the health awareness of Canadian consumers the demand for some products has been affected negatively. These products include mainly pork but also beef; poultry on the other hand increased in demand because it is boosted by the health trend. Moreover, the government also promotes the reduction of meat consumption and even funds the development of plant-based protein. The number of vegetarians and vegans is growing partly due to health awareness but also because of animal welfare and sustainability concerns. COVID-19 related lockdowns also negatively affected meat consumption; however, consumption went up again with the reopening of the foodservice sector. In addition, some consumers struggle to purchase red meat in particular due to inflationary pressure as it is more expensive than other food products.⁶⁶ Meat is consumed in a very similar way to how it is consumed in the EU. It is mainly used for cooking different meals (typical Canadian dishes as well as international cuisine). Sometimes, meat is consumed fresh such as in carpaccio.

One of the key drivers of the imported meat market in Canada is demand for high-quality, premium products. Certain consumers are willing to pay a premium price for imported meat that has been produced in a sustainable and ethical way, and that has been certified as organic or free-range.

Purchase criteria

The price plays an important role in particular for lower-income consumers but also for consumers in general during a time with inflationary pressure. Beef and pork are the most expensive fresh meat products in Canada and with that comes heightened expectations surrounding the flavour and texture of these products. Chicken is cheaper. Thus, many consumers look for less expensive meat cuts, e.g. ground beef and brisket for beef or drumsticks for chicken, as well as for price promotions.

Quality and freshness are important criteria as well. Local products are often viewed to be fresher due to the shorter supply chains to the store. Taste is a significant criterion too, as most consumers prefer fresh, juicy and tender meat with a robust and satisfying flavour profile. Some consumers even pay attention to the degree of marbling, the cut of the meat, and the cooking method, as these aspects can all influence the taste. Consumers' favourite meat cuts for poultry

⁶⁵ Veganism Statistics Canada 2022 – How Many Vegans Are There? (2022), <https://trulyexperiences.com/blog/veganism-statistics-canada/#:~:text=With%202.3%20million%20people%20identifying,is%20arguably%20very%20vegan%2Dfriendly.>

⁶⁶ Canadian meat consumption, demand declines (2022), <https://www.thepigsite.com/news/2022/01/canadian-meat-consumption-demand-declines>

are chicken breasts, legs, thighs, drumsticks and wings, and for beef favourite cuts include ground beef, tenderloin and sirloin as well as ribs.

The standard of Canadian consumers regarding the safety of food is high and they only purchase fresh meat that has been produced under strict sanitary conditions. Health considerations generally are important, which is why most consumers choose chicken over red meat which is perceived to be less healthy.

Another deciding factor is the occasion. Consumers tend to cook certain dishes for certain occasions, which influences the type of fresh meat they purchase. For example, turkey is associated with Thanksgiving, and ribs are associated with the barbeque season. Convenience might play a role as well. Some consumers prefer to purchase pre-marinated or pre-seasoned fresh meat to save some time when preparing it at home.

An increasing number of Canadian consumers are concerned about the environmental impacts of meat production, which is why some consumers prefer sustainable and ethical options such as grass-fed, organic, antibiotic-free, or hormone-free meat, or free-range. Canadians, particularly younger consumers, are increasingly concerned about the welfare of the animal and will seek out products accordingly. Around 70% of Canadian consumers indicate that they are prepared to pay more for meat labelled to be coming from animals that are treated more humanely. Also, as 5% of the population is Islamic, this segment of the population will seek out halal-based fresh meat products. Cost-sensitive Canadians appreciate meat products that are domestically produced as these products tend to be cheaper than imported fresh meat products.

Fresh meat on retailers' shelves in Canada

Flexible plastic with or without plastic trays has been the dominant form of packaging for fresh meat for many years. This packaging option offers several advantages, including the ease of handling, reduced shipping costs, and an extended shelf life for the fresh meat product.

Picture below: Fresh meat shelf in a Canadian retailer depicting products in different packaging.



Lately, the popularity of thin wall plastic containers increased because these are usually resealable for convenience. This type of packaging is available in a range of pack sizes from 300-700g in Canada and is designed to protect the contents of the pack with convenient closures such as peel-off plastic. In addition, thin wall plastic containers are durable and can withstand the difficulties of shipping and handling. Thin wall plastic containers also offer

manufacturers the opportunity to distinguish themselves from other products as flexible packaging is the most popular pack type in meat.

Picture below: Fresh poultry shelf in a Canadian retailer.



Among the most popular types of imported meat in Canada are beef, pork, lamb, and poultry. These meats come from various parts of the world, and their price can vary depending on the cut and quality.

Picture below: Fresh meat counter offering unpackaged products in a Canadian retailer.



One of the most significant markets for imported meat products in Canada is the premium segment. The average price of imported meats from the EU can range from CAD 10 to CAD 30 per 500 gr for beef, CAD 5 to CAD 15 per 500 gr for pork, CAD 15 to CAD 30 per 500 gr for lamb, and CAD 4 to CAD 8 per 500 gr for chicken, depending on the cut and quality.

Picture below: Fresh meat counter offering a variety of fresh beef cuts in a Canadian retailer.



Pictures: © Agra CEAS / Euromonitor International, 2023.

Recent market trends

There has been a rise in vegetarianism/veganism in Canada in recent years, particularly amongst younger consumers. An even larger share of the population has decided to reduce their total meat consumption or to switch to meats that are perceived to be healthier and to have less of an impact on the environment; this is one of the key factors behind the rise of poultry meat consumption in Canada in recent years, together with its lower price. Going forward, poultry will be the fastest-growing fresh meat product in Canada. Natural, hormone-free, local, and fresh meat products are trending due to the health and wellness trend but also because of sustainability concerns.⁶⁷ Moreover, the e-commerce channel is growing in popularity because of the increasing offer of online meat delivery subscriptions.

Depending on the type of meat, different imported cuts are popular, generally in line with what is demanded the most. Canada imports mainly chicken breasts and wings, such as chicken wings from Hungary. Chicken wings are the most prevalent meat cut amongst large retailers in Canada. Ground beef is the most popular cut of beef, and it has more retailer exposure than sirloin and tenderloin, and ribs. Regarding pork, Canada imports high value seasonal meat cuts. The EU is a significant partner for certain seasonal pork meat cuts such as ribs and bellies. Pork ribs are the number one EU pork product exported to Canada, with Poland being a strong EU exporter, particularly during barbeque season.

5.1.3 Offer

Domestic production

Canada is a big producer of fresh meat. The country has over 12 million cattle farmed on close to 73 000 Canadian farms and ranches. Alberta is the main cattle province as it accounts for around 40% of the total inventory. In total Canada produces about 1.55 million tonnes of beef per year.⁶⁸

⁶⁷ Customized Report Service – Canadian pork meat trends (2022), <https://agriculture.canada.ca/en/international-trade/market-intelligence/reports/customized-report-service-canadian-pork-meat-trends#>

⁶⁸ How Big is the Meat Industry in Canada? (2022), <https://www.carlisletechnology.com/blog/how-big-is-the-meat-industry-in-canada-the-2022-edition>

Close to 14 million pigs are farmed on more than 7 600 farms. Canada produces around 2.3 million tonnes of pork per year. In addition, there are more than one million sheep and lambs on over 9 300 farms that are mainly located in Ontario, Quebec and Alberta. There are also more than 230 000 goats, 120 000 bison, and nearly 40 000 Canadian farm-raised elk and deer.⁶⁹ Chicken production, which is around 1.3 million tonnes per year, is mainly concentrated in Ontario and Quebec.⁷⁰

The leading brands in the meat sector in Canada are Maple Leaf with a retail value share of around 10%, followed by Schneider's with approximately 5%, and Marcangelo, and Lilydale with around 2% each.

Schneiders and Marcangelo dominate the beef market and together account for about 12% of the retail value of the market. Private label products account for 3% and the bulk of the market is made up of other non-trademark companies.

The poultry market is much more concentrated. The biggest poultry producers which are Maple Leaf, Maple Lodge, Olymel, Lilydale, and Exceldore account for approximately 60% of the retail value.

The largest pork producers are Olymel LP, Hylife Foods, and DuBreton. Olymel LP is a leader in processing and distribution of pork and poultry meat products in Canada. It processes about 1.4 million pigs and 6 million chickens every week.

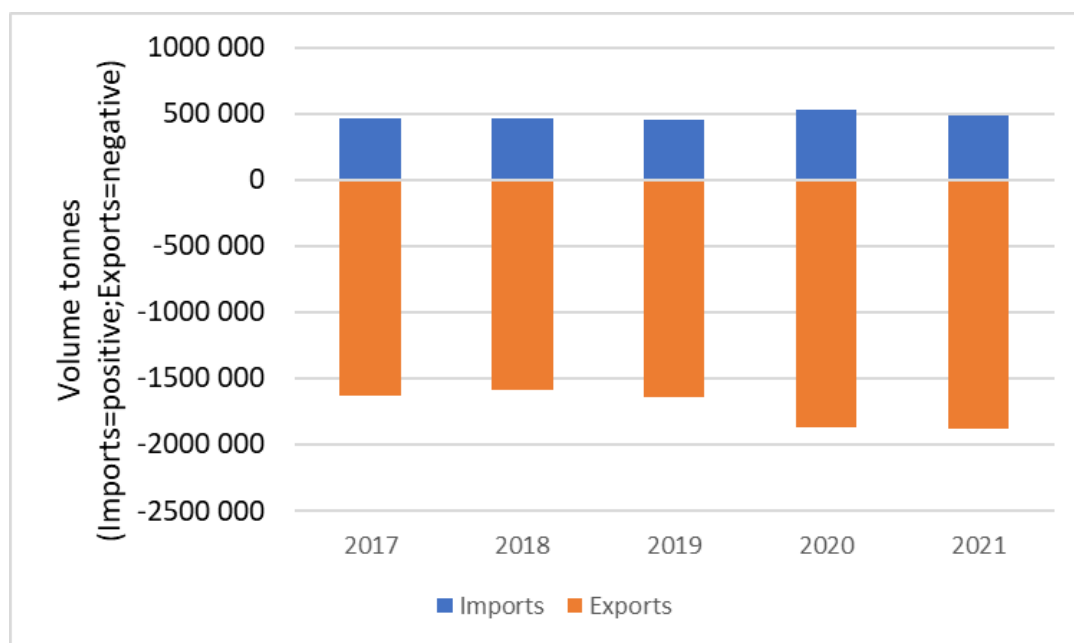
Imports and exports

Canada is a strong net exporter of fresh meat (Figure 5-2 below). The country exported close to 1.9 million tonnes of fresh meat in 2021, whereas it imported close to 490 000 tonnes. This means Canada exported close to four times more than it imported in 2021. Exports and imports overall increased since 2017.

Poultry represents the most important fresh meat product imported into Canada, with a total of 747 000 tonnes imported in 2021 (Figure 5-3 below). Pork imports follow, at 715 000 tonnes in 2021, and beef with 663 000 tonnes. Sheep and goat meat is amongst the least imported fresh meat products. Canada on the other hand mainly exports pork and beef.

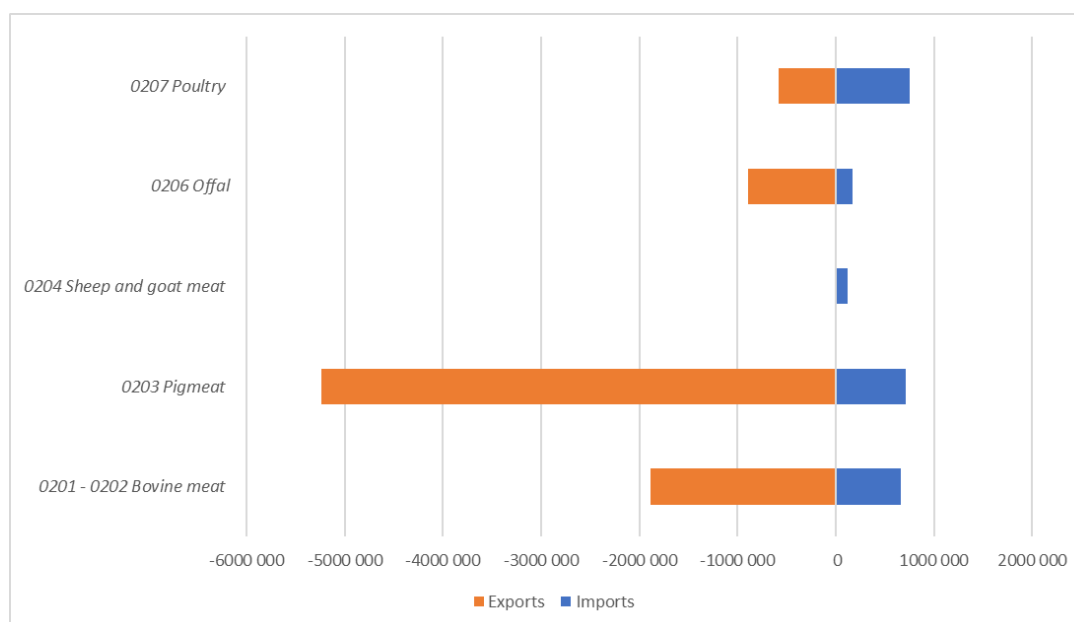
⁶⁹ Canada's red meat and livestock industry at a glance (2021), <https://agriculture.canada.ca/en/sector/animal-industry/red-meat-livestock-market-information/industry-profile>

⁷⁰ Canada's chicken industry (2021), <https://agriculture.canada.ca/en/sector/animal-industry/poultry-egg-market-information/chicken>

Figure 5-2: Trade balance (imports and exports) of fresh meat in Canada, 2017-21 (tonnes)

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN codes 0201, 0202, 0203, 0204, 0206, 0207.

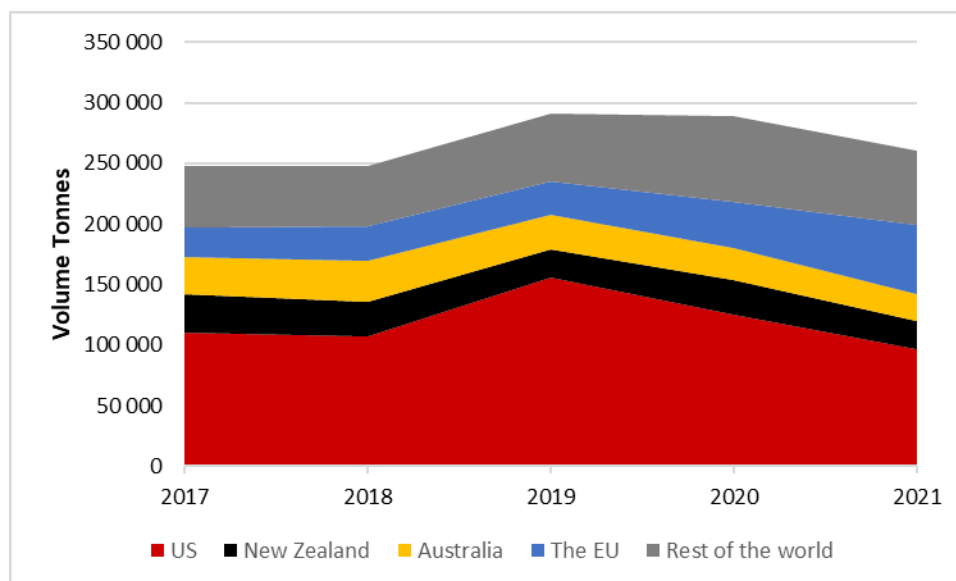
Figure 5-3: Trade balance (imports and exports) of fresh meat in Canada, by type, 2021 (tonnes)

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN codes 0201, 0202, 0203, 0204, 0206, 0207.

The US is by far the largest exporter of fresh meat to Canada (Figure 5-4). The US alone accounts for more than 20% of all fresh meat imported by Canada in 2021. However, US exports to Canada have been decreasing in the last few years. The EU in total exports less meat than the US but still a large volume, ranking the second main exporter to Canada. New Zealand ranks third, and Australia is a close fourth.

Figure 5-4: Canadian imports of fresh meat by country, 2017-21 (tonnes)



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 0201, 0202, 0203, 0204, 0206, 0207.

EU GI products

No fresh meat product from the EU is GI protected in Canada. To see the full list of protected GIs follow the link: [List of Geographical Indications](#)

Main competitors

Canada produces many different types of fresh meat domestically. It is a net exporter, with its main exported meat product being pork, followed by beef. Thus, domestic production is a strong competitor, particularly in these two meat categories. Even though the EU does not lead exports, as a block it exports the second largest volume of fresh meat to Canada, after the US which is clearly the leading competitor. Other important competitors include New Zealand and Australia.

5.1.4 Specific market entry requirements

Market access and entry

The Canadian Food Inspection Agency (CFIA) is in charge of measures concerning live animals, animal reproduction material, animal products and by-products, and animal pathogens.

For most fresh meat products originating in the EU (except poultry) there are 0% tariffs under the EU-Canada Comprehensive Economic and Trade Agreement. More information on any tariffs in force can be found through the link in the box below.

A list of standard documents required for imports into Canada, as well as an overview of the procedure is presented in section 4.2.1. These documents are listed below:

- (Potentially) EIPA File Number
- Import Licence for Foodstuffs
- CITES Permit
- (Potentially) General Import Permit for Designated Commercial Agricultural Goods
- Permit to Import Animals and Animal Products
- Request for Documentation Review
- Veterinary Health Certificate for Animal Products
- (Potentially) BSE Certificate

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link – poultry category (0207) from Germany to Canada

<https://trade.ec.europa.eu/access-to-markets/en/search?product=0207&origin=DE&destination=CA>

SPS measures, standards

As noted in section 4.3.4, there are SPS related challenges, which affect the documentation required for importing EU fresh meat products into Canada. These include:

- Absence of EU harmonised certificates for exports of animal products to Canada

Furthermore, there are challenges with the protection of EU GIs in Canada. It is recommended to consult this section for further details. It is recommended to consult this section for further details.

Labelling

As described in section 4.2.4, imported meat products must meet the labelling and packing requirements outlined in the Safe Food for Canadians Regulations (SFCR). The Industry labelling tool is a food labelling reference for all industry that outlines the requirements for food labelling and advertising. Fresh meat products need to provide the following information on the label:

- Common name
- List of ingredients
- Net quantity
- Name and principal place of business
- Country of origin
- Date markings and storage instructions
- Nutrition labelling (raw single-ingredient meats, meat by-products, poultry meats or poultry meat by-products are usually exempt from declaring a Nutrition Facts table)

All information required on a meat product label must be clearly and prominently shown in a manner that is readily discernible to any person under normal or customary conditions of purchase and use. More detailed information on the labelling of meat products can be found [here](#).

5.1.5 Distribution

The main distribution channels of fresh meat in Canada are supermarkets and hypermarkets, followed by food specialists and convenience stores.⁷¹ Supermarkets and hypermarkets had a value share of over 73% in 2020. The leading retailers in this category include: Loblaw's, Walmart, Costco, Metro/Jean Coutu, Seby's, Safeway, Real Canadian Superstore, and No Frills. However other grocery stores popular for purchasing meat also include Longo's, Farm Boy, and Whole Foods. Even though these grocery retailers are smaller, they are gaining popularity.

Besides grocery retailers, specialist butchers, which can be found extensively across most provinces, are an important distribution channel for fresh meat in Canada. Canada has a strong butchery culture because of its large domestic meat production.

E-commerce is gaining traction, which makes it another channel of growing importance for fresh meat. Many of the large retailers such as Loblaws and Walmart have online e-commerce platforms. In addition, there are several internet meat retailers in the country such as The Meat Box Company, TruLOCAL, Steaks and Game, and Naturally Raised.

5.1.6 Challenges for EU products

The main challenge for EU producers is the availability of domestic products at lower prices. The trend is going towards the reduction of (red) meat consumption, which is another challenge, particularly amongst the younger consumer base.

EU fresh meats in the Canadian market should make an effort to highlight their appreciation for the welfare of the animal, and/or their use of sustainable production practices, on the labelling of their products to resonate with more sustainable consumers in Canada.

⁷¹ Canadian meat & beef trends, <https://www.cansheep.ca/documents/CR-%20Canadian%20meat%20and%20beef%20trends%20201909.pdf>

trends, <https://www.cansheep.ca/documents/CR-%20Canadian%20meat%20and%20beef%20trends%20201909.pdf>

Market Takeaway: Fresh meat

Consumption: The meat market in Canada had a volume of 2.92 million tonnes in 2022. The market grew between 2017 and 2022 and is forecast to continue to grow although at slightly different rates. Poultry is the largest category.

Competition: Domestic production of fresh meats is the largest challenge for EU fresh meat products in the Canadian market. The US is the largest non-EU exporter of fresh meat to Canada, followed by New Zealand and Australia

Distribution: The main distribution channels of fresh meat in Canada are supermarkets and hypermarkets.

Challenges: The availability of local cheaper products. Reduction of red meat consumption, which is perceived as less healthy. The growing interest in sustainability.

Opportunities: Poultry is the largest category and forecast to grow at the fastest pace, although it is also the most protected. Poultry, pig meat, and beef are the most imported categories by volume. Natural, hormone-free, and fresh meat products, and meat delivery subscriptions present opportunities.

5.2 Fresh fruit and vegetables

5.2.1 SWOT analysis

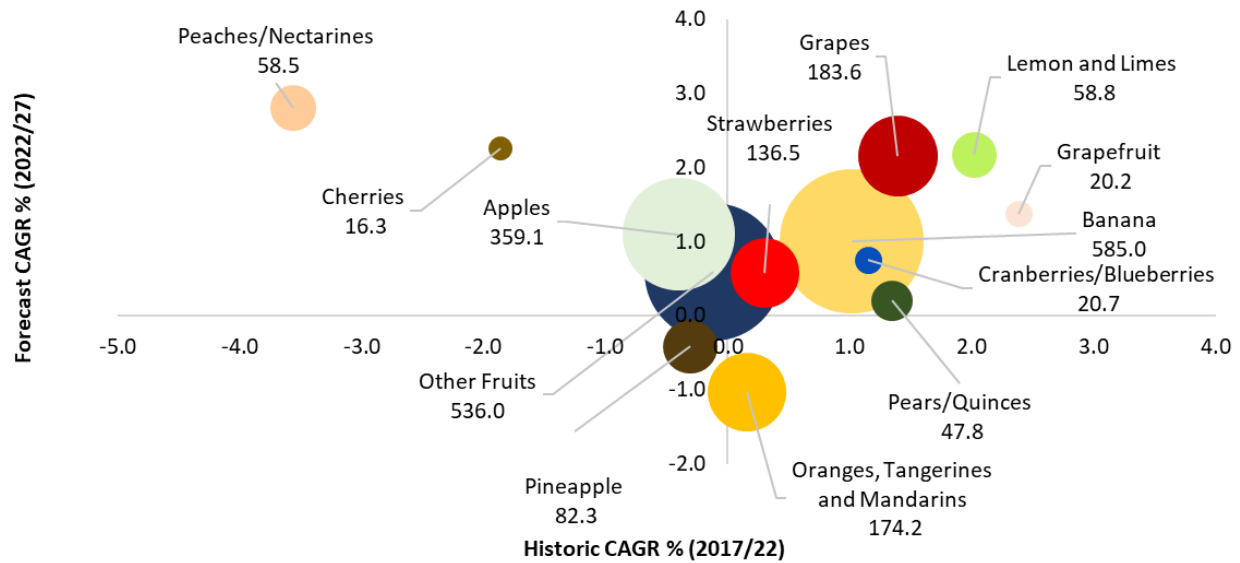
STRENGTHS (+)	WEAKNESSES (-)
▪ The fruit and vegetable market grew in recent years and is overall forecast to continue to grow. ▪ Canada's short growing season (summer) means some dependence on imports (especially winter). ▪ Canada is a net importer of fruit and imports a large volume of vegetables. ▪ Canadian consumers mainly consume fruit and vegetables commonly produced in the EU such as apples, strawberries, and onions.	▪ Canada is an important producer of both fruit and vegetables, and a net exporter of fresh vegetables. ▪ The EU accounts for only 3% of fruit imports and 2% of vegetable imports. ▪ Imported produce from the EU is often more expensive and viewed to be less fresh due to the long distance it needs to travel.
OPPORTUNITIES (+)	THREATS (-)
▪ Bananas and apples are the largest fruit categories and onions and tomatoes the largest vegetable categories (but also the other fruit and other vegetables categories). Strawberries and other berries, citrus, other vegetables, cabbages, and lettuce are the most imported products. ▪ A rise in interest in sustainability increases the demand for local and organic fruit and vegetables. ▪ Rise in health consciousness amongst the consumer base post-COVID-19.	▪ The main competitor is the neighbouring US. Other countries, such as Mexico, Chile and China, are important exporters as well. ▪ Large domestic production of fruit and vegetables during the growing season in the summer, available at competitive price. ▪ The large distance between Canada and the EU makes fresh fruit and vegetables from the US more appealing due to proximity (freshness and cost of transport).

5.2.2 Consumption

Evolution of consumption

The fresh fruit market in Canada had a total volume of 2.3 million tonnes in 2022. Figure 5-5 shows that bananas are the most popular fruit category consumed in Canada, with a total volume of 585 000 tonnes in 2022. This is followed by other fruits, which record a total volume of 536 000 tonnes, and apples with a total volume of 359 000 tonnes. Across all fruit categories with the exception of oranges, tangerines, mandarins, as well as pineapples, further growth is forecasted. The fastest-growing fruit category is expected to be peaches/nectarines, which is predicted to grow at a CAGR of 2.8% between 2022 and 2027. This is slightly ahead of the second fastest-growing fruit category which includes cherries, plums/sloes, and kiwi fruit, with a predicted CAGR of 2.3% in the same period. Bananas will remain the most popular fruit category by 2027.

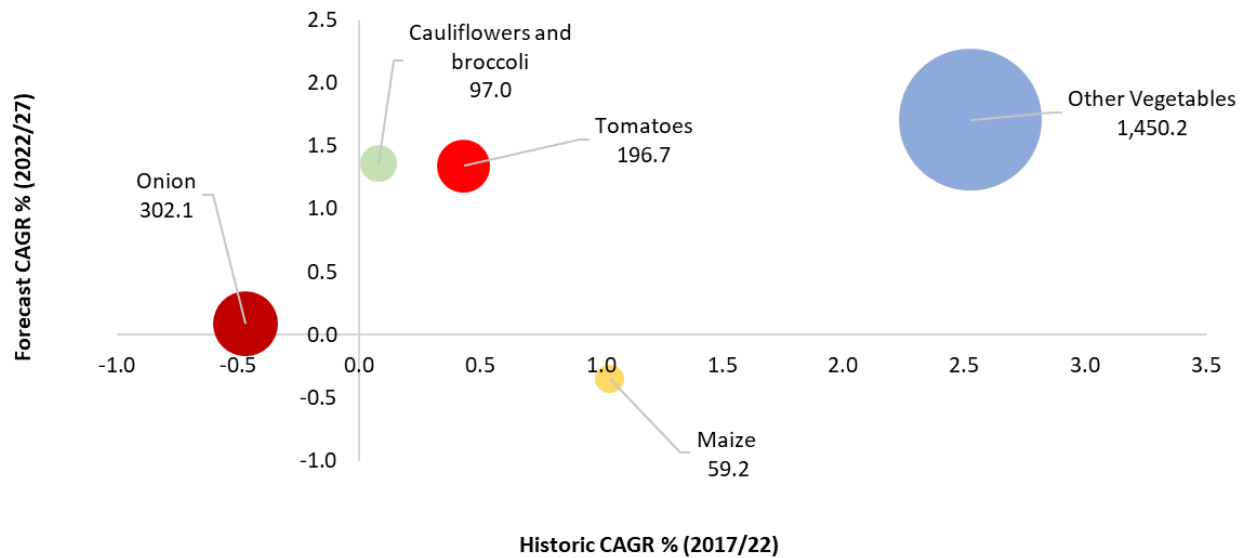
Figure 5-5: Evolution and forecast of the fruit market in Canada, 2017-2027; total volume (000 tonnes)



Source: Euromonitor International: Fresh Food, 2022.

The fresh vegetable market had a total volume of 2.1 million tonnes in 2022. The market overall grew in recent years and is forecast to continue to do so. Figure 5-6 below shows that 'other' vegetables, encompassing many diverse vegetable products, are the largest consumed vegetable category in Canada, with a total volume of 1.45 million tonnes in 2022. Onions have a total volume of 302 000 tonnes, followed by tomatoes (197 000 tonnes) and cauliflower and broccoli (97 000 tonnes). Maize, currently the smallest category with a total volume of 59 000 tonnes, is forecast to be the only category to decline between 2022 and 2027. Other vegetables, on the other hand, have the highest forecasted CAGR of 1.7%.

Figure 5-6: Evolution and forecast of the vegetable market in Canada, 2017-2027; total volume (000 tonnes)



Source: Euromonitor International: Fresh Food 2022.

Consumer profile and purchase criteria

Consumers

Per capita consumption of fresh fruit in Canada is just over 59 kg. This is higher than the consumption of fresh vegetables which stands at just over 54 kg per capita.⁷² According to dietitians, only three in 10 Canadians consume enough fruit and vegetables. Close to 90% of men and 80% of women do not consume the suggested portions of vegetables and fruit. In general, fruit and vegetables are consumed by all age groups, genders, and social groups. Most consumers, in particular health-conscious consumers, believe that a diet rich in fruit and vegetables is important for one's health and well-being. Health and nutrition-focused consumers are more likely to look for imported fruit and vegetables, including exotic varieties such as plantains, longans, starfruit, in addition to local ones. Consumers that have an interest in sustainability are more likely to eat organic and local produce. Certified organic products accounted for 3.3% of all fruit and vegetables consumed nationally in 2021. Organic products are mainly consumed by the young generation. Nearly half of weekly grocery purchases of Gen Z are organic, and in addition around 30% of that of Millennials too.

Canadian consumers from British Columbia and Ontario tend to eat the most fruit and vegetables, whereas consumption remains low in other provinces and territories. As these two provinces also produce most fruit and vegetables, which means they are easily accessible and can probably be procured at lower prices, this may be a reason why consumers living in these areas consume more fruit and vegetables.

⁷² Food availability, 2021 (2022), <https://www150.statcan.gc.ca/n1/daily-quotidien/220531/dq220531c-eng.htm>

Consumers that do not consume as much fruit and vegetables tend to have reasons such as lack of knowledge and preparation skills, confusion about health benefits and nutrition of frozen versus fresh produce. Moreover, consumers that are concerned about pesticide residues on fresh produce (in particular imported produce) are less likely to consume fresh fruit and vegetables.

Consumers who purchase imported fruit and vegetables from the EU are likely to have a higher income because products are more expensive than local ones due to shipping costs. Expats and other ethnically diverse consumers living in Canada are more likely to purchase EU fruit and vegetables because they look for a variety of products. For example, persimmon imported from Spain is an exotic fruit for Canadian consumers, whereas consumers of other ethnic origins such as those from China are accustomed to the fruit. The most multicultural provinces in Canada, hence likely to be interested in a variety of imported fruit and vegetables, are British Columbia, Alberta, and Quebec. Food enthusiasts and chefs are usually more inclined to purchase EU fruit and vegetables as they are passionate about food and seek exotic or rare fruits and vegetables to use for cooking for example.

Drivers and method of consumption

Key drivers of fruit and vegetable consumption include the demand for health products among Canadian consumers, which has become even more apparent post-COVID-19. Many Canadian consumers are well educated about the health benefits of fruit and vegetable consumption e.g. via government campaigns. It is a goal of the federal government and several provinces to invest in projects that can increase the fruit and vegetable consumption of Canadians. A key driver of vegetable consumption is its usage in traditional Canadian dishes, with notable examples being Hodge-Podge and Jiggs Dinner.

Barriers that negatively affect the demand for fruit and vegetables are diverse. Some Canadians believe that fresh produce is too expensive, whereas others think it is too complicated to prepare meals with fresh fruit and vegetables. Moreover, some consumers do not like the taste of fresh produce, do not know how to prepare it, or are not aware/convinced about the health benefits of fresh fruit and vegetables.

The seasonality of local produce paired with year-long demand for a variety of fresh fruit and vegetables is the main driver for imported produce. For example, Canada imports peppers from Belgium and the Netherlands in winter. Exotic fruit are imported all year round and used at home or in the foodservice industry.

Methods of consumption follow similar patterns to European countries which include having a variety of fruits and vegetables plated. Fruit and vegetables are often consumed as fresh snacks, but they are also used in cooking and baking. Fruits are particularly used in the preparation of desserts, while vegetables are mainly used to cook savoury meals.

Purchase criteria

There are different purchase criteria for fresh fruit and vegetables in Canada, the main ones being sensory appeal, healthiness, nutrition, convenience, and price. Due to inflation, prices increased significantly in 2022. This leads consumers to purchase fruit and vegetables when they are in price promotion, switch to less expensive types or cut down their consumption.

What kind of produce is bought also depends on where consumers are located. Typically, consumers that live in regions with strong fruit and vegetable production tend to support the local produce. On the other hand, consumers living in less fertile regions might choose their produce differently.

Seasonal and regional fruit and vegetables might also be chosen because they are perceived to be fresher than products that are out of season and imported. Local produce is perceived to be of higher quality as well and to taste better. Consumers that aim to live sustainably are likely to purchase organic fruit and vegetables because they are viewed to be more natural. Health benefits seem to motivate Canadian consumers to buy fresh fruit and vegetables. Health-conscious consumers are also more likely to purchase organic produce because they view it to be the healthier choice. Food safety concerns, in particular the level of pesticide residues, play a deciding role as well.⁷³

Canadian consumers very much rely on secondary opinions when it comes to purchasing fruit and vegetables. They are influenced by sources such as the government/UN health guidelines as well as food and cooking websites.

Convenience is another factor as many consumers get used to getting their fresh produce delivered to their homes. Consumers looking for in store convenience options are likely to choose products that are easy to consume such as Salad kits.

Fresh fruit and vegetables on retailers' shelves in Canada

In Canada, fresh produce is typically sold either loose or in flexible and rigid plastic packaging, and sometimes also in plastic bags or plastic nets. While some fresh produce is imported and then packed in Canada to meet retailer requirements, there is strong emphasis on buying locally grown produce. The market for imported fresh fruit and vegetables from the EU is generally limited to products that are not easily available in Canada or the US, such as plums and kiwis.

Fruit and vegetable gift packs are not common all year around, but they are an option for consumers, particularly during the holiday season. These packs typically contain whole fruit and vegetables packaged in combination with other kinds of food products. Pre-cut and “ready to mix” or “ready to eat” options such as curry mixes and salad mixes are seen more often on retailers' shelves in Canada as well due to their convenience for busy consumers. Some manufacturers in Canada are also taking steps to enhance the sustainability of their packaging types by switching to compostable paper bags for example.

⁷³ Charlebois, S.; Music, J.; Rupasinghe, H.P.V. Taking Stock of Fruit and Vegetable Consumption in Canada: Trends and Challenges. *Dietetics* 2023, 2, 23–33. <https://doi.org/10.3390/dietetics2010002>



Picture above: Depicts fruit in a Canadian supermarket which is sold loose, in plastic bags, plastic nets or in rigid plastic packaging.

Vegetables and fruit are either placed on refrigerated shelves to maintain freshness, or on open unrefrigerated shelves. Typically, most fruit are not refrigerated as they last longer at room temperature compared to some fresh vegetables. It is common that fruit are grouped together on shelves, as are vegetables. This makes it easier for consumers to locate the products they need. Some products are advertised as organic and local to cater to these current trends and make it easier for consumers to find such products as well.

Picture below: Fruit shelf with imported fruit such as plums from Italy, Guava from Mexico, and Kiwi from Italy, as well as nectarines and bananas.



Pictures above left and right: Vegetables on retailers' shelves in Canada in a refrigerated section. These are local and organic.

When it comes to the price of fruit and vegetables in Canada, there are a few factors to consider. In general, imported fruit and vegetables tend to be more expensive than domestic fresh produce due to transportation costs. Seasonal availability and demand can also cause fluctuations in prices. For instance, during the winter months when Canadian-grown fruit are not in season, the prices of imported fruit may be higher.

In terms of European fruit and vegetables, the average price can vary significantly depending on the type of fruit or vegetable, the country of origin, and the time of year. Consumer demand for most fruit and vegetables coming from the EU tends to be in the 'exotic' category.

Some average EU imported prices for fruit and vegetables are as follows:

- Oranges: CAD 3.38 per kilogram
- Apples: CAD 3.30 per kilogram
- Grapes: CAD 4.87 per kilogram
- Pears: CAD 3.40 per kilogram
- Strawberries: CAD 6.75 per 454 grams
- Blueberries: CAD 5.22 per 170 grams
- Tomatoes: CAD 4.10 per kilogram
- Cucumbers: CAD 2.73 per kilogram
- Peppers: CAD 4.11 per kilogram
- Mushrooms: CAD 4.94 per 227 grams
- Onions: CAD 1.89 per kilogram

Picture below: Price indicated for organic kiwi's from Greece.



Pictures: © Agra CEAS / Euromonitor International, 2023.

Recent market trends

The outbreak of COVID-19 increased the already high health-consciousness of Canadian consumers, which put fruit and vegetables in a positive light. As already stated, with the exception of oranges, tangerines, mandarins, pineapples, and maize, all other fruit and vegetable products are expected to see positive growth in demand between 2022 and 2027.

Although consumers are interested in more exotic fruit and vegetables, they mainly consume fruit and vegetables commonly produced in the EU such as apples, strawberries, and onions. In addition, sustainable and locally produced fruit and vegetables are trending because they are viewed to be healthier and more environmentally friendly. In view of this, organic fruit and vegetables are becoming more popular as well with consumers who can afford it. Supermarkets such as Metro and other retail brands such as Star Group increasingly focus on promoting domestic produce. In general, fruit and vegetables that are deemed to be safest to consume by consumers tend to be more popular. European exporters of fresh fruit and vegetables can benefit from preferential access under the CETA agreement, as well as from the perception that EU produce is of premium quality. Exporters of fresh fruit and vegetables can target European ethnicities and expats through marketing programmes such as, in the past, the 'European Flavours' and 'Delicious' programme. This EU-funded programme, aimed at large supermarkets, promoted the health benefits of fresh produce from Italy and Spain, such as watermelons, apples, citrus fruits, etc.

5.2.3 Offer

Domestic production

Canadian farmers produce many different fruit and vegetables even though the growing season is relatively short.

Fruit grown in Canada include apples, tender fruit such as peaches, nectarines, pears, plums, prunes, and cherries, as well as grapes, blueberries, cranberries, strawberries and raspberries. In fact, Canada is the second-biggest producer of blueberries in the world and the biggest producer of organic cranberries. Most fruit are grown in Ontario, British Columbia, and Quebec as these provinces have around 180 frost-free days per year. Together these provinces account for close to 90% of the country's fruit production by volume. Nova Scotia, New Brunswick and Prince Edward Island make up the remaining 10%. The number of fruit farms has been decreasing and is likely to continue to decrease. Currently, there are around 7 840 fruit, berry and nut farms. The total farmed area on the other hand increased and reached close to 140 000 hectares in 2021.⁷⁴

The main vegetables by volume grown in Canada are tomatoes, followed by carrots and onions. By value however carrots rank first, followed by onions, tomatoes, cabbage, peppers, lettuce, sweet corn, and broccoli. The number of vegetable farms is decreasing as well. There were a total of around 4 120 vegetable farms in Canada in 2021. The planted area also slightly decreased in recent years and is around 106 000 hectares. Ontario is the main producer of vegetables as it accounts for over 55% of the country's total vegetable production. Quebec is the second largest

⁷⁴ Statistical Overview of the Canadian Fruit Industry 2021, <https://agriculture.canada.ca/en/sector/horticulture/reports/statistical-overview-canadian-fruit-industry-2021>

producer with over 30%. Nova Scotia, British Columbia and Alberta each contributed around 3%, whereas the production of the remaining provinces was even lower.⁷⁵

Even though Canada is a large producer of fruit and vegetables it is dependent on imports due to its short growing season. Imports are mainly needed in winter. Another interesting fact is that around 1% of Canadians grow their own fruit and vegetables.

Imports and exports

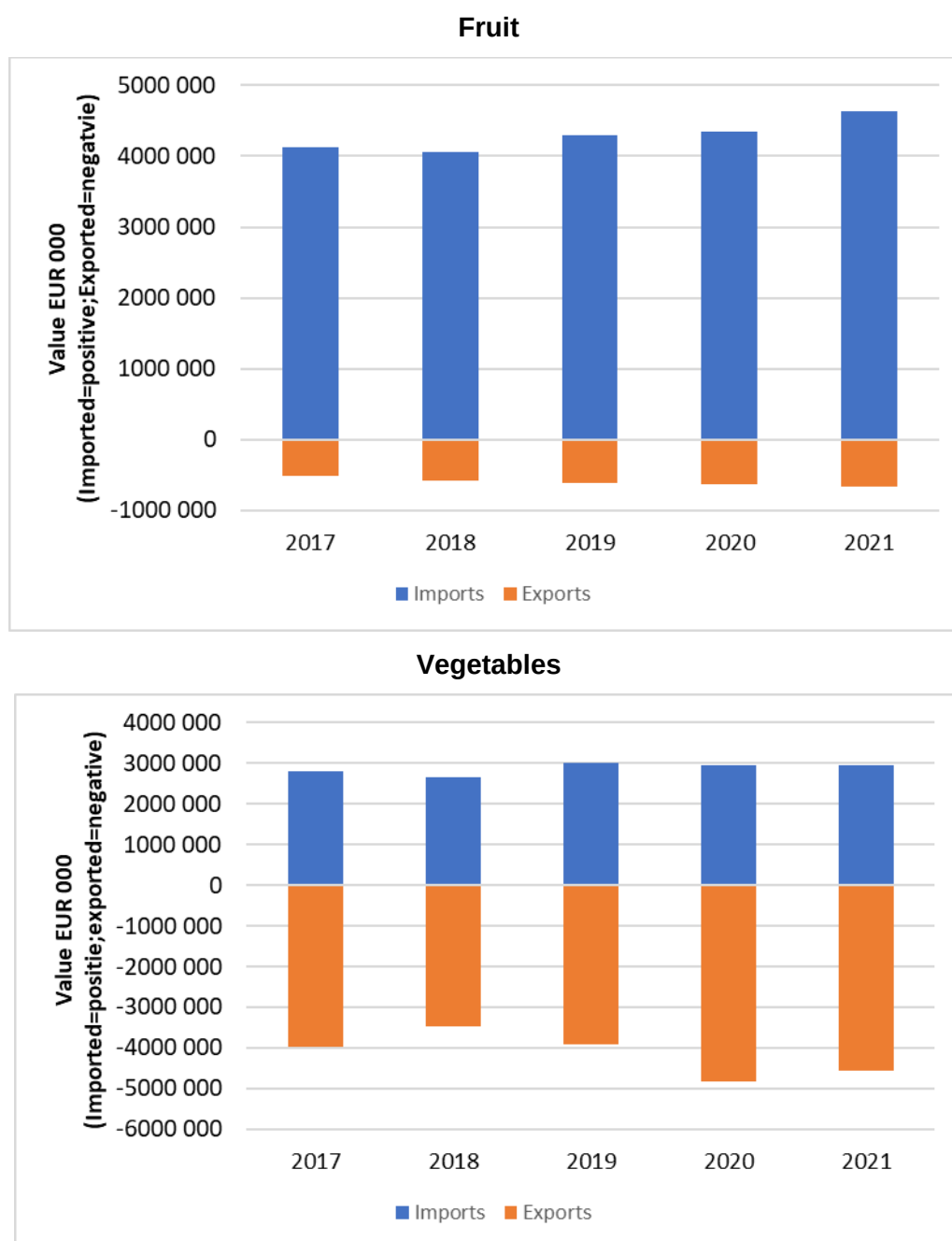
As Figure 5-7 shows, Canada is by far a net importer of fresh fruit. However, the country is a net exporter of fresh vegetables. This reflects the small domestic production of fruit in the country which falls short of satisfying domestic demand; and the fact that many fruit varieties cannot grow in the Canadian climate and need to be imported. Canada imported EUR 2.96 billion worth of vegetables in 2021, whereas it exported a value of approximately EUR 4.57 billion. This means Canada exported about 1.5 times as many vegetables by value than it imported. Fruit imports are higher in value, with Canada importing EUR 4.63 billion worth of fruit in 2021. Total exports of fruit were around EUR 669 million.

Figure 5-8 shows which fruit and vegetables are predominantly imported and exported by Canada. As observed, strawberries and other berries are the most imported fruit product in Canada, with total imports reaching a value of EUR 1.07 billion in 2021. This is followed by citrus with a total import value of EUR 555 million. In terms of vegetable imports, the highest-valued vegetable imports were other vegetables with an import value of EUR 765 million in 2021. Cabbages were the second highest, with an import value of EUR 435 million, followed by lettuce with an import value of EUR 384 million.

In terms of origin (Figure 5-9), the US is the largest exporter of fruit to Canada, followed by Mexico and Chile. The largest EU exporter is Spain which only ranks 12th. In total, the EU accounts for close to 3% of all fruit imported by Canada. The US is also the largest exporter of vegetables to Canada, followed by Mexico and China. Spain and Belgium are the main EU exporters of vegetables to Canada. The EU in total accounts for over 2% of vegetable exports to Canada.

⁷⁵ Statistical Overview of the Canadian Field Vegetable Industry, 2021, <https://agriculture.canada.ca/en/sector/horticulture/reports/statistical-overview-canadian-field-vegetable-industry-2021>

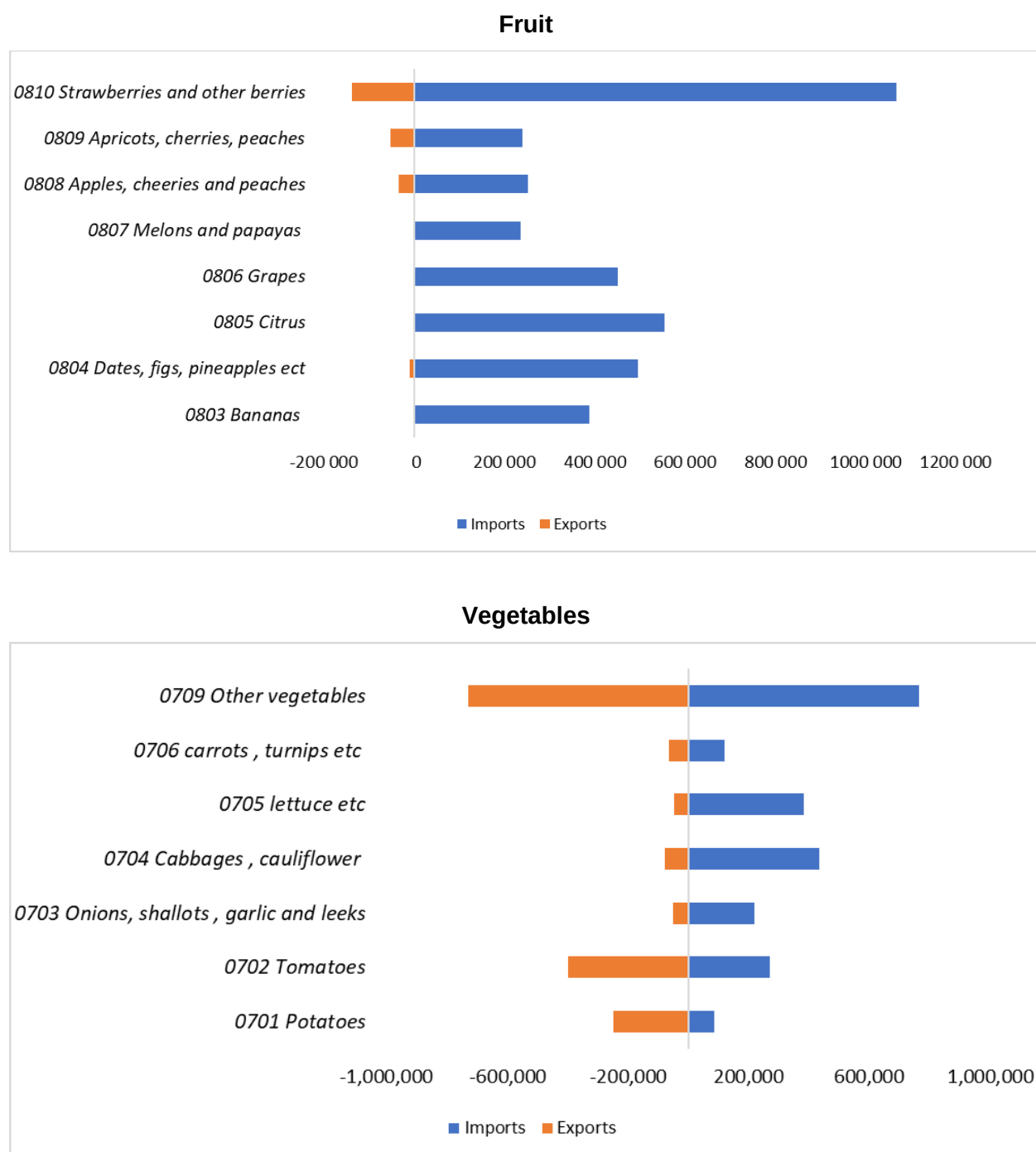
Figure 5-7: Trade balance (imports and exports) of fruit and vegetables in Canada 2017-21 (000 EUR)



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN codes 07 and 08.

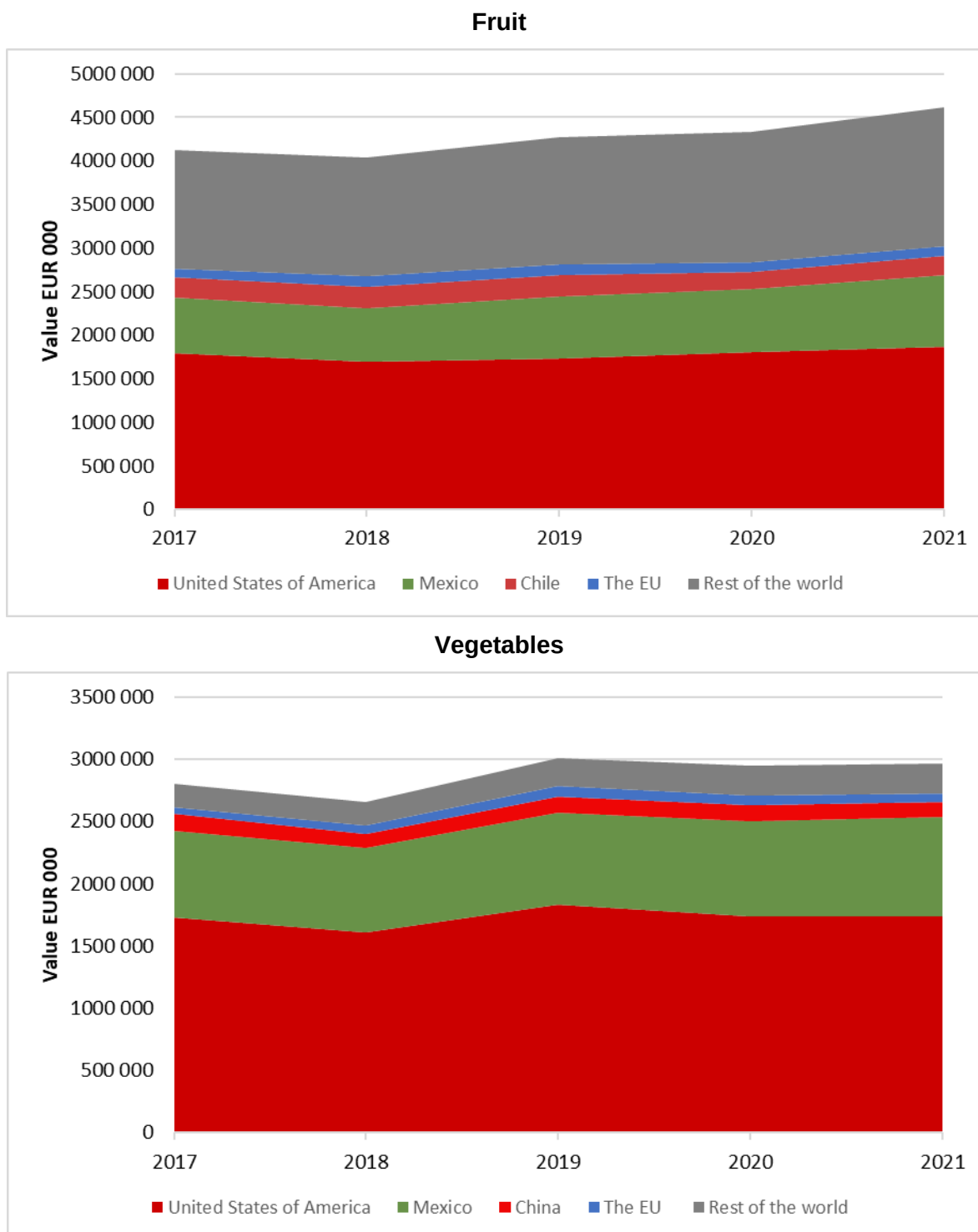
Figure 5-8: Canadian trade balance of fruit and vegetables by type, 2021 (000 EUR; selected types only)



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Note: names for CN codes are abbreviated in most cases.

Only indicated CN codes are presented in these figures. 6 codes for fruit and 7 codes for vegetables are missing, which is why individual figures do not add up to totals in previous graphs.

Figure 5-9: Canadian imports of fruit and vegetables by country, 2017-21 (000 EUR)

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 07 and 08.

EU GI products

Several fresh and processed fruits and vegetables from different EU countries are protected in Canada under CETA. More information can be found in section 4.2.4. To see the full list of protected GIs follow the link: [List of Geographical Indications](#).

Germany:

- Spreewälder Gurken

Greece:

- Elia Kalamatas (Ελιά Καλαμάτας)
- Fassolia Gigantes Elefantas Kastorias (Φασόλια Γίγαντες Ελέφαντες Καστοριάς)
- Fassolia Gigantes Elefantas Prespon Florinas (Φασόλια Γίγαντες Ελέφαντες Πρεσπών Φλώρινας)
- Konservolia Amfissis (Κονσερβολιά Αμφίσσης)

Spain:

- Cítricos Valencianos
- Cítricos Valencians

France:

- Pruneaux d'Agen
- Pruneaux d'Agen mi-cuits
- Lentille verte du Puy

Italy:

- Arancia Rossa di Sicilia
- Cappero di Pantelleria
- Kiwi Latina
- Lenticchia di Castelluccio di Norcia
- Mela Alto Adige
- Südtiroler Apfel
- Pesca e nettarina di Romagna
- Pomodoro di Pachino
- Radicchio Rosso di Treviso

Austria:

- Steirischer Kren

Portugal:

- Pêra Rocha do Oeste
- Ameixa d'Elvas
- Ananás dos Açores / S. Miguel

Romania

- Magiun de prune Topoloveni

Main competitors

Canada is a net exporter of vegetables because of its strong seasonal domestic vegetable production. However, the country still needs to import certain types of vegetables during the growing season and generally a lot of vegetables during winter to meet domestic demand. Canada is a net importer of fruit. Even though the country produces fruit during the summer months it cannot fully meet demand. In addition, certain types of fruit cannot be grown in the country due to its geographic location. The main non-EU fruit and vegetable exporting country is Canada's neighbour the US. However, Mexico is also a strong competitor, followed by Chile (for fruit) and China (for vegetables).

5.2.4 Specific market entry requirements

Market access and entry

The Canadian Food Inspection Agency (CFIA) regulates the import of fresh fruit and vegetables into Canada. Certain imported fruits or vegetables could have additional requirements from other Canadian regulations such as the Plant Protection Act and Regulations, where a phytosanitary certification or an import permit may be required.

For fresh fruit and vegetable products imported from the EU there are 0% tariffs under the EU-Canada Comprehensive Economic and Trade Agreement.

A list of standard documents required for imports into Canada, as well as an overview of the procedure is presented in section 4.2.1. To ship fresh fruit and vegetables to Canada additional documents are required. Specific market entry requirements, depending on the product may include:

- Import Licence for Foodstuffs
- Import License for Fresh Fruits and Vegetables
- Import Permit for Designated Plants and Plant Products
- (Potentially) Import Declaration for Certain Agricultural Commodities
- Request for Documentation Review
- Phytosanitary Certificate

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link – tomatoes (0702) from Spain to Canada

<https://trade.ec.europa.eu/access-to-markets/en/search?product=0702&origin=ES&destination=CA>

SPS measures, standards

As noted in section 4.3.4, there are SPS related challenges which affect the documentation required for importing EU fresh fruit and vegetables into Canada. These include:

- Phytosanitary import conditions for fresh tomatoes
- Unjustified trade restrictions due to a non-recognition of country freedom and pest free areas of EU Member States for the Citrus and Asian longhorned beetle

Furthermore, there are challenges with the protection of EU GIs in Canada. It is recommended to consult this section for further details. It is recommended to consult this section for further details.

Labelling

As described in section 4.2.4, the labelling of imported fresh fruits or vegetables is subject to the provisions of the Safe Food for Canadians Act (SFCA), Safe Food for Canadians Regulations (SFCR), Food and Drugs Act (FDA), and the Food and Drug Regulations (FDR). When sold interprovincially, fresh fruits or vegetables are subject to the labelling requirements under the FDA and FDR, as well as specific requirements of the SFCA and SFCR that apply to pre-packaged foods sold in Canada.

The Industry labelling tool is a food labelling reference for all industry that outlines the requirement for food labelling and advertising. Fresh fruit and vegetable products need to provide the following information on the label:

- Bilingual labelling (English and French)
- Common name
- Net quantity
- Name and principal place of business
- Country of origin

In addition, there are some specific requirements for apples as well as the need for size designations for certain fresh vegetables. More detailed information on the labelling of fresh fruit and vegetables can be found [here](#).

5.2.5 Distribution

The retail sector accounts for the majority of sales of fresh fruit and vegetables. Canadian consumers can choose between many different retail outlets ranging from independent speciality stores to large national grocery chains. Farmers' markets are also a common sight in the country and provide consumers with access to locally grown fresh produce.

Domestic wholesalers account for over 60% of the total value of fruit and vegetables sales. Supermarkets and hypermarkets typically offer a mix of locally grown and imported fresh fruit and vegetables. However, they tend to cooperate with local farmers to promote domestic produce. Traditional grocery stores are popular with consumers who seek convenience. The reach of online grocery shopping continues to grow.

Supermarket chains like Metro and Sobeys operate on a hybrid model, which means they also offer online services. Farmers' markets explore opportunities in the online space to expand their reach and provide buyers with the convenience they seek as well. In addition, some pure online fresh produce sellers such as Spud, or Fresh city farms do exist, and their presence is growing.

5.2.6 Challenges for EU products

Currently, the EU only accounts for about 2-3% of fruit and vegetable imports into Canada, which means it barely has a presence in the market at all. Domestic fruit and vegetable production poses a challenge as Canada does not need to import as much during the summer. Moreover, local products are cheaper than imports from the EU. The preference for local produce is also fostered by growing consumer awareness about the broader benefits of supporting local production, such as a reduced carbon footprint and support to the local economy. The freshness of fruit and vegetables is another key challenge, due to the distance between Canada and the EU and associated transport time and costs. Consumers might perceive local fruit and vegetables or produce from neighbouring US as fresher. There is strong competition from other major exporters in the region, including Mexico and Chile, but also from further afield such as China (vegetables).

Market Takeaway: Fresh fruit and vegetables

Consumption: The fresh vegetable market had a total volume of 2.1 million tonnes in 2022 and the fresh fruit market was 2.3 million tonnes. Both markets are forecast to continue to grow. Bananas and apples are the most popular fruit, and onions and tomatoes are the most popular vegetables.

Competition: Domestic production of fruit and vegetables during the growing season in the summer. The main competitor is neighbouring US. However, other countries such as Mexico, China, and Chile are important exporters as well.

Distribution: The retail sector accounts for the majority of sales of both fresh fruit and vegetables.

Challenges: Low market penetration of products from the EU. Domestic production mainly during the summer months offers cheaper produce. EU fruit and vegetables are viewed to be less fresh than local products due to the distance they need to travel, which also increases their price.

Opportunities: Bananas and apples are the largest fruit categories, and onions and tomatoes the largest vegetable categories. Strawberries and other berries, citrus, cabbages, lettuce, and other vegetables are the most imported products. Interest in sustainability and health increases demand for local and organic fruit and vegetables.

5.3 Dairy

5.3.1 SWOT analysis

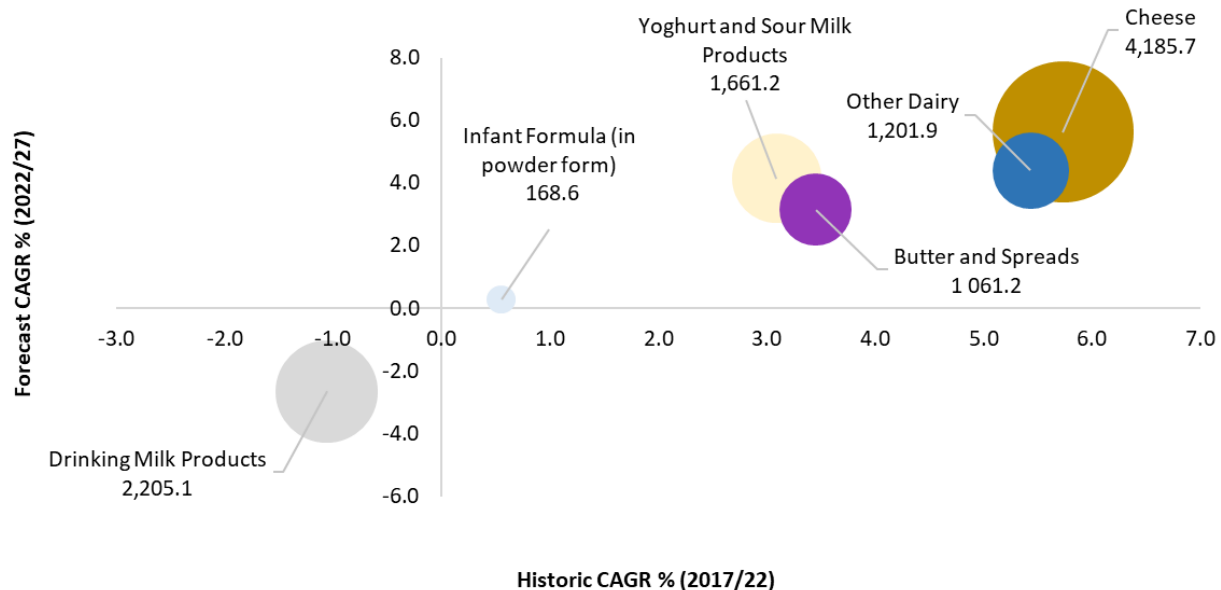
STRENGTHS (+)	WEAKNESSES (-)
▪ The dairy market is large and forecast to grow at good rates. ▪ Canada is a net importer of dairy products, with cheese being the main import from the EU. ▪ The EU accounts for 62% of cheese imports to Canada by value, which makes it the strongest export category for the EU. ▪ Canada is a high-income country with high disposable incomes.	▪ The consumption of drinking milk products has been declining in recent years and is forecast to decline further. ▪ Canada is a net exporter of milk / cream sweetened or concentrated, buttermilk / curdled milk and cream / yoghurt, and whey / natural milk constituents. ▪ Canada protects its dairy market through import tariffs, except for milk protein concentrates which are liberalised and the cheese TRQ for EU exporters under CETA. ▪ The EU is not a large exporter in any category, except for cheese. ▪ Domestic production of similar products as in the EU, due to cultural British and French influences.
OPPORTUNITIES (+)	THREATS (-)
▪ Cheese offers opportunities because it is the largest category by far and is forecast to grow at the highest rate of all categories. ▪ Per capita consumption of cheese is still relatively low compared with many EU countries, which offers growth opportunities. ▪ Healthy, premium, functional, and plant-based products gain popularity such as e.g. butter (healthy fat), plant-based spreads, plain yoghurt with probiotics, sugar-free products. ▪ The e-commerce channel, although currently niche, is growing and thus offers new opportunities for EU exporters to sell their products online.	▪ The Canadian dairy market is dominated by domestic and international companies such as Saputo Inc, Agropur Cooperative Ltd, Lactalis Canada Inc. ▪ The US is the main exporter of dairy to Canada. It is dominating exports in most dairy sectors, except cheese. ▪ Canada has a large and modern domestic dairy industry. ▪ The ongoing inflation, due to various geopolitical factors, might decrease consumer willingness to pay for higher quality products in the future.

5.3.2 Consumption

Evolution of consumption

Figure 5-10 below shows the retail value for various dairy products in Canada. The dairy market had a size of EUR 10.48 billion in 2022. Cheese is the largest dairy product, with a market value of EUR 4.19 billion. Cheese grew by a CAGR of 5.7% between 2017 and 2022, and the market is expected to grow by a slightly lower 5.6% per year between 2022 and 2027. Drinking milk products is the second-largest market with a retail value of close to EUR 2.21 billion; this is the only dairy segment forecasted to decline between 2022 and 2027, at a CAGR of -2.7%. Yoghurt and sour milk products are valued at EUR 1.66 billion, while 'other dairy' products are valued at EUR 1.20 billion, butter and spreads at EUR 1.06 billion and finally infant formula (in powder form) at EUR 169 million. All these dairy products are expected to increase in retail value between 2022 and 2027. Cheese has the highest forecasted growth rate, followed by 'other dairy', yoghurt and sour milk products, and then butter and spreads.

Figure 5-10: Evolution and forecast of the dairy market in Canada, 2017-2027; retail value (EUR million)



Source: Euromonitor International: Packaged Food, 2022.

Consumer profile and purchase criteria

Consumers

Consumers from all parts of society and all regions consume dairy products in Canada. As there are various dairy products present and consumed in Canada, more specific consumer profiles can best be described by subcategories of products:

- Milk:** The consumption of cow's milk is common in Canada, however, it has been declining in recent years and currently stands at below 55 kg per capita. The ageing population in the country is continuously less interested in milk, and consumers with special dietary needs such as lactose intolerance switch to milk that fits their needs or they consume different products e.g. milk alternatives. Consumers are generally accepting to pay for premium products if that means their specific needs can be met such as with lactose-free milk. Children particularly enjoy flavoured milk, and the younger generation generally favours products that are healthier and produced sustainably. The younger generations are more likely to consume plant-based milk alternatives, such as soy, almond, and oat.
- Cheese:** The per capita cheese consumption of Canadians stands at around 10 kg and is forecasted to reach more than 11 kg per capita in 2026. Cheese is a common part of the Canadian diet; however, the per capita consumption remains below that of most EU countries. Everyone regardless of gender, age, or income class consumes cheese in the country. Children enjoy simple cheeses such as cheddar, in particular when it is cubed or cheese strings because these formats are more fun to eat. Canadian young adults tend to consume cheeses such as cheddar, mozzarella, feta and brie. Feta is particularly popular with health-conscious young adults because it is lower in fat and calories than some other types. Affluent middle-aged consumers located in urban areas typically enjoy premium cheese as well as imported cheese such as Gouda Holland and Edam Holland from the Netherlands, Gruyère, Parmigiano Reggiano from Italy, etc. EU cheeses are

popular amongst consumers living in Quebec due to the high number of Canadians of European descent living in the province. Wine connoisseurs and cheese enthusiasts also enjoy exploring various imported cheese varieties. Nevertheless, particularly younger consumers, who are interested in animal welfare and healthier food options might replace cheese with other products.

- **Yoghurt:** Yoghurt is also commonly consumed in Canada by all parts of society. Plain yoghurt is particularly popular with health-conscious consumers, whereas less health-conscious consumers enjoy flavoured yoghurt for taste reasons. In particular children have a preference for flavoured yoghurts. Higher income consumers tend to prefer premium and indulgent products; for example, they are more likely to consume Greek yoghurts or yoghurts with added nutritional benefits.
- **Butter and spreads:** Butter and spreads are consumed by all parts of society, genders, income and age groups as they are a staple in the Canadian diet. Butter consumption is on the rise in Canada. On average, per year, consumers consume 3.3 kg per capita whereas it has been only 2.8 kg a decade ago. Health-conscious consumers as well as consumers who pay attention to animal welfare, and price conscious consumers are more likely to choose spreads. Consumers of butter and spreads are also more likely to value home cooking.
- **Other dairy:** The other dairy product category appeals to consumers of coffee and other food and beverages which incorporate cream, or sweet desserts. Younger consumers might prefer other dairy products that are in line with their values such as sustainable and/or healthy products.

Drivers and method of consumption

Positive drivers of dairy consumption that stand out in general are the demand for healthy and sustainable products and the desire for quick and convenient food products. Negative drivers include inflationary pressures on the price of dairy products; and, the Food Guide by Health Canada which no longer recommends consuming dairy products on a daily basis. A further breakdown of drivers and methods of consumption by dairy subcategories is shown below.

- **Milk:** The consumption of drinking milk is declining, potentially due to an already high penetration rate and because this sector is lacking innovation. The number of people who demand products suited to specific dietary needs is expanding because awareness of milk allergies as well as lactose intolerance or sensitivity is growing. Due to this, a growing number of consumers switch from drinking milk to dairy-free alternatives. Another reason for the decline is inflation, which has been a result of several factors including the COVID-19 pandemic and related lockdowns, the unstable political situation due to the war in Ukraine, and other economic and geopolitical factors. Thus, the price of milk has increased a lot, which deters certain consumers from purchasing the product. Also, factors that have a negative impact on milk consumption are sales in the foodservice sector which are forecast to increase and even exceed pre-COVID-19 pandemic levels; and, the consumption of plant-based drinks which is forecast to increase in general in the coming years. However, milk continues to be frequently consumed at home such as for breakfast with cornflakes. Moreover, it is an ingredient for baking and cooking. Flavoured milk in small packs on the other hand is mainly consumed on-the-go or by children at school.
- **Cheese:** Cheese consumption profited from the COVID-19 pandemic and related lockdowns, however, is forecast to stabilise now that the economy reopened, and

consumers spend less time at home cooking and snacking. Thus, foodservice sales increase again because consumers eat out more frequently. Nevertheless, retail value sales are expected to increase because of increasing prices due to inflation. Cheese consumption is forecast to continue to grow at the pre-COVID-19 pandemic level. In general, cheese is consumed throughout the day. It is eaten for breakfast, lunch, dinner or as a snack. Consumers still spend more time at home than prior to the pandemic which means home snacking remains popular, with cheese being a common snack in Canada. The demand for cheese used in cooking such as spreadable cheese, sliced cheese or grated cheese is also on the rise. Mozzarella and cheese strings on the other hand are a common snack in children's lunchboxes.

- **Yoghurt:** Yoghurt consumption was high during the COVID-19 pandemic and stabilised when conditions returned to normal. The consumption was high because yoghurt is a common snack or cooking ingredient in Canada. Yoghurt is one of the most popular snacks in Canada. It is also eaten at breakfast, or as a dessert after lunch or dinner. As consumers continue to spend more time at home than previously yoghurt consumption is forecast to grow. At the same time, consumers eat out and travel more than during the COVID-19 pandemic. This boosts the demand for on-the-go yoghurt products again. Yoghurt consumption is also increasing due to health and wellness trends. In particular value-added products such as drinking yoghurt containing probiotics are in demand.
- **Butter and spreads:** Foodservice sales of butter and spreads are recovering, and retail sales reached pre-COVID-19 pandemic levels. With everything going back to normal, consumers spend more time outside the home and bake less than during the COVID-19 pandemic. Butter and spreads are also used on bread and are consumed throughout the day. One reason for retail value growth recently has been inflation. Canadian consumers are increasingly paying attention to their health, which means many of them aim to limit the amount of fat in their diet. Consumers that do consume fat usually purchase natural products such as butter, even though butter is commonly more expensive than spreads. Butter consumption is driven by the growing belief that it is a healthy fat. Even though consumers want to eat less fat, they want to eat better. The category was also boosted by new offerings in dairy butter and plant-based alternatives that fit the new dietary demands of consumers.
- **Other dairy:** This category profited from the COVID-19 pandemic as people spent much more time at home and thus consumed other dairy products more than usual. With everything going back to normal, the growth stabilised. The number one growth factor is Canadians' strong consumption of coffee, which also favours the consumption of cream and coffee whiteners. Canadians consume coffee throughout the day. As not all fats including cream and coffee whiteners are viewed to be bad for health anymore, the demand for cream is growing. The demand for plant-based products is growing too. The health awareness of Canadian consumers has a negative effect however on chilled and shelf stable desserts as these processed products are viewed to be less healthy than e.g. yoghurt. The new front of pack labelling regulation that makes it compulsory for products with high fat, sugar and sodium to be labelled as such is likely to further impact negatively desserts in the coming years.

Purchase criteria

In line with the general situation for dairy in Canada, price, quality, type, taste, occasion, convenience, and healthiness are frequent considerations for consumers of dairy products. Looking more specifically on a product-by-product basis:

- **Milk:** The type of milk is an important purchase criterion in Canada. The most bought type by volume is fresh milk, in particular semi skimmed fresh milk followed by full fat fresh milk. Flavoured drinks are less popular than fresh milk. It is clear that Canadian consumers do not like shelf stable milk a lot, but rather choose chilled milk as they perceive this type of milk to be fresher and healthier. Organic shelf stable milk is not yet highly demanded. Healthy consumers are likely to opt for variants with added value. Cow's milk is by far the most popular choice, however, the demand for plant-based milk alternatives and goat milk is increasing. Even though the price is important for consumers especially in times of inflation, they often prefer to pay a bit more for higher quality products. Value for money is important. Nonetheless, some low-income consumers might pay more attention to the price than to quality or freshness.
- **Cheese:** The type of cheese is an important purchase criterion. Hard cheese such as cheddar is the most popular type followed by soft cheese including brie, camembert and mozzarella. Spreadable cheese ranks third with varieties such as cream cheese and reconstituted cheese. This is followed by processed cheese which is not spreadable. Another important factor is the occasion. Different types of cheese are consumed on different occasions and are prepared differently. Some are eaten as a snack, while other cheeses are used in cooking. Even cheese gift boxes exist that consumers might get for someone for a special occasion. With the growing health awareness of consumers, health becomes an important deciding factor as well. Hard cheese and soft cheese are viewed to be healthier choices than processed cheese for example. Sometimes cheese products also purchased according to convenience. Grated and sliced cheese make cooking easier for example. Price and quality also are important purchase criteria as, depending on the type and quality, cheese can get very expensive. Not all consumers are willing to pay high prices for cheese, although most of them appreciate high-quality products and are generally willing to pay a bit more for it.
- **Yoghurt:** As with most other dairy products the price plays a role, however, Canadian consumers generally value quality more than a low price point and thus are willing to pay more, if their budget allows it. One of the main purchase criteria is the type of yoghurt, which is chosen according to taste preferences and use (e.g. eating with muesli or plain). Flavoured yoghurt is the most common choice of consumers, with flavours such as vanilla, strawberry, raspberry, blueberry, peach, cherry, banana, mango, coconut, and lemon being the most popular. Health-conscious consumers often opt for plain yoghurt as these products do not contain added sugar or sweeteners and also can be used for cooking. The packaging plays a role as well. Consumers who want an on-the-go snack opt for small and easy-to-eat options.
- **Butter and spreads:** Canadian consumers want value for money. The price is important but so is the quality of a product. With increasing inflation, the price might become increasingly important to lower income consumers whereas higher income consumers continue to be likely to purchase high quality products. The most chosen products by volume are margarine and spreads, followed by butter and then cooking fats. Butter is the primary choice of health-conscious and higher income consumers as it is viewed to be a natural product. However, plant-based products are also increasingly chosen by

sustainable consumers and consumers who value animal welfare. Consumers tend to prefer domestic products or products from the neighbouring US. There are only a few EU butter brands available in the market such as President (France), Lurpak (Denmark), Beurremont (France), and Kerrygold (Irish). This is mainly because domestic butter and spreads are typically widely available, have a good quality and are competitively priced.

- **Other dairy:** The price is an important purchase criterion for other dairy products but so is quality. Consumers want to get the best value for their money and are likely to spend a bit more if that means the products they purchase will be of better quality. This category includes very different products, which means one important criterion is the use. Most consumers purchase cream, followed by fromage frais and quark, and shelf stable or chilled dairy desserts, coffee whiteners, and condensed and evaporated milk.

Dairy on retailers' shelves in Canada

The packaging material and sizes of dairy products vary depending on the product. For drinking milk products, such as milk and milk alternatives, the most popular pack type is the gable top liquid carton. These cartons are not only easy to store and reseal, but they are also considered eco-friendly since they are easily recyclable.

Picture below: Drinking milk products and alternatives in different packaging on a refrigerated shelf.



Picture below: Butter on an open refrigerated shelf in a Canadian retailer.



On the other hand, yoghurt and cheese are mostly packed in thin wall plastic containers and flexible plastic. Lately, there has been a growing trend in cheese brands offering multipack small cheese balls in snack packs, typically 20g or 25g per portion, that are wrapped in mesh-like packaging. This packaging is particularly popular among imported brands such as Coeur de Lion and Applewood. In addition, cheese sticks and bars are also becoming a more common sight on retailers' shelves in Canada. With the increasing competition in the industry, the use of innovative packaging design will continue to be a key differentiator for dairy brands.

Picture below: Different types of cheese in different packaging on an open refrigerated shelf, some with price promotions (e.g. sales, general low price, and rewards for loyalty card holders).



Dairy products are usually displayed in open refrigerated sections in retailers in Canada. Different dairy products are usually grouped together such as cheese, butter, and yoghurt. In addition, some products such as cheese are sometimes grouped together on shelves with other products that they are likely to be consumed with. The market for imported butter in Canada is relatively small compared to domestic production, which means EU butter products are not a common sight on retailers' shelves in the country.



Picture above: Cheese grouped together on a shelf with processed meat products and jams e.g. for consumers who are planning to prepare a charcuterie/cheese board.

The premium and super-premium cheese segments in Canada offer opportunities for EU cheese brands to position themselves as high-quality and artisanal products. By targeting this segment, EU cheese brands can offer their products at a higher price point, for those Canadian consumers willing to pay for the quality and uniqueness of these cheeses. Price promotions are commonly seen in retailers.

Some examples of different prices for EU cheese products are as follows:

- Swiss cheese: about CAD 20 per kilogram
- Cheddar: about CAD 19 per kilogram
- Blue cheese: about CAD 26 per kilogram
- Brie: about CAD 29 per kilogram
- Parmesan and the like: about CAD 31 per kilogram
- Gouda: about CAD 20 per kilogram



Picture above: Cheese shelf in a Canadian retailer depicting Canadian cheese being promoted (green tag) on the top of the shelf.

Pictures: © Agra CEAS / Euromonitor International, 2023.

Recent market trends

The most popular trends on the market per category are set out below:

- Milk:** Rebranding has been important for some market leaders to keep their shares. Lactalis Canada for example exchanged its Parmalat brand with Lactantia and included their EverFresh and Bfit products under its Beatrice brand. Local production has been trending too. Coca Cola for example set up a manufacturing plant which only uses local products such as 100% Canadian milk for their acquired Fairlife brand. Products that feed into the health and wellness trend have been doing well such as organic milk or high protein milk as there are viewed to be fresh and healthy. Overall organic and premium products are trending due to changing consumer preferences. In the coming years, the super premium segment is forecast to grow which includes products such as milk from grass-fed cows and A2 milk. Even though this segment is forecast to grow it has not been doing well in previous years when companies had to take their fortified/functional milk (e.g. products containing omega-3 or calcium) off the market due to low demand. This shows that continuous innovation is highly important in the market. Milk alternatives are trending too, even though total consumption remains limited.
- Cheese:** The snacking culture is developing in Canada, with cheese being one of the main snacks. Due to this, cheese producers introduce different cheese varieties for snacking

into the market. This is true even for smaller brands such as Mountain Munchies which introduced its Enercheez snack, a crunchy cheese high in protein without any preservatives and carbohydrates that does not need refrigeration and can be taken everywhere. Consumers like the convenience of this type of cheese snacks. Other offerings include Bothwell Sharp Cheddar Snack'rs, which are ready-to-eat cheese cubes and Agropur's 100% mozzarella cheese rolls for children. Many large-scale companies invest in product development and marketing to remain popular. Goat cheese for example has been an area of new product development recently. Woolwich Dairy launched different types of goat cheese including goat brie and goat cheese logs. Products specifically targeted at consumers with lactose sensitivity or intolerance are trending as well. Thus, larger companies follow smaller ones into these niches. The company Leaders has been ahead of many other producers when it comes to product development, which has been profitable for the company. It introduced a smoky cheese that won an award at the Canadian Grand Prix New Product Awards, and launched premium cheese, and cheese boxes for gifting. Lactalis on the other hand introduced an online speciality cheese store (cheeseworld.ca) which offers rare cheeses from all over the world. E-commerce is forecast to grow. The health and wellness trend also influenced cheese as companies increasingly pay attention to using cleaner ingredients, and no artificial colours, flavours or preservatives. Sustainable production is increasing as well. Specific opportunities for EU exporters stand out in the artisanal cheese category, as high-income consumers and connoisseurs have a growing interest in specialty and artisanal cheeses made with traditional methods. This trend can for example be utilised by EU exporters of brie, camembert, gouda, and cheddar. Consumer awareness regarding EU PDO/PGI cheeses is increasing and offers further opportunities because these labels are associated with high quality and unique, traditional products. Canadians, in particular food enthusiasts and chefs, are interested in learning about the cultural and historical significance of these products; some Canadian chefs and food bloggers have even highlighted the importance of PDO/PGI products in their cooking and recipes. In addition, organic and natural products start to stand out as their demand increases, particularly amongst young adults who are concerned about different aspects of cheese production such as its effects on the environment and animal welfare. Some consumers also watch out for sustainable packaging.

- **Yoghurt:** The health and wellbeing trend is shaping the yoghurt market. Natural products with functional benefits and a healthy image do very well. Astro from Lactalis Canada for example introduced a kefir probiotic yoghurt and protein & fibre yoghurt. Free-from products are trending as well such as offerings that are free from preservatives and artificial ingredients. Agropur for example launched Yoplait YOP without any added sugar. The snacking trend also positively affected yoghurt as it is a popular snack in Canada. Speciality yoghurts which include plant-based products and ethnically-inspired ones such as Skyr are doing well too; however, the popularity of the Greek type of yoghurt has been decreasing. Marketing and new launches play a key role in all these areas. Staying up to date with flavours is essential as well, with new and unique flavours being popular. Sheep milk yoghurt is interesting as well in particular for consumers with lactose intolerance.
- **Butter and spreads:** Butter is trending because it is viewed to be the most natural fat. In addition, butter is keto- and paleo-friendly which makes it particularly popular with consumers who follow these diets. A ketogenic diet is high in fat and low in carbohydrates and a paleo diet is based on foods that presumably have been eaten by early humans. New products that were added to the market include flavoured butter, butter based on goat milk, organic butter, and lactose-free butter. The image of margarine as a plant-based

product has increased its value: several manufacturers rebranded their margarine products to being plant-based to increase revenue. Some butter producers also launched vegan options, which depicts the popularity of plant-based products. Examples of EU producers of organic butter include Kerrygold, which is an Irish dairy company that produces a range of butter products. Plant-based butter is forecast to grow at the fastest pace in the coming years. Marketing plays a strong role. Harvest Market for example introduced a butter churning station to one of its stores, which has been so successful that they will include them in other stores as well. Becel launched an advertising campaign that spans TV, digital, social media and in-store ads to promote its new logo, packaging, and products. Smaller players are in a good position due to their speciality products that are more and more in demand.

- **Other dairy:** In the other dairy category similar trends exist. New product launches are plant-based, natural, clean label and have functional benefits. Lactalis Canada for example launched a new coffee cream that is made with only six ingredients including real milk and cream, which makes it a more natural option. Due to the strong coffee culture in Canada, coffee whiteners and cream in general are trending. Products in the plant-based area such as silk coconut or almond-based alternatives are trending as well because of the growing importance of sustainability and as these products are perceived by Canadian consumers as being more sustainable. New flavours are another trend as consumers want to experience something new once in a while.

Overall, EU companies can benefit from having manufacturing plants in Canada or the US where they can manufacture locally from EU imported ingredients. This also gives an advantage when it comes to labelling, since these producers are allowed to use the 'product of Canada' label and thus appeal to more consumers. This tactic is particularly interesting for perishable dairy products such as milk and yoghurt.

To be successful, SMEs from the EU can focus on promoting the unique characteristics of their products and production methods. They can also consider targeting niche markets such as online retailers or speciality food stores to get a hold in the Canadian market. For example, The Cheese Boutique, which is based in Toronto offers numerous types of cheese imported from the EU. Another possibility is to target organic and healthy food stores to offer dairy products that align with the different dietary needs of consumers, or to stand out by offering unique and innovative products.

5.3.3 Offer

Domestic production

Today, dairy farming is one of the biggest agricultural sectors in Canada and is present in all provinces of the country. It ranks second in terms of on-farm cash receipts just after red meat. In 2021 the total net farm cash receipt from dairy farms was around EUR 5 billion. In the same year, Canada had a dairy herd size of more than 1.4 million head and close to 10 000 farms. In total Canada produced 95 million hectolitres of milk and 1.5 million hectolitres of organic milk. Moreover, Canada was able to utilise 480 milk processing plants. The dairy manufacturing sector offered nearly 27 000 jobs whereas the dairy farm operations offered close to 17 000 jobs.

Dairy is a top agricultural commodity in seven out of the 10 provinces, in particular, Quebec and Ontario which account for around 70% of total milk production in Canada. There are over 5 100 dairy farms in Quebec and more than 3 500 in Ontario. Canadian dairy products have a good reputation around the world and are known for their good quality.

The sector uses a supply management system which is based on planned domestic production, as well as on administered pricing and import controls of dairy products. Strict quality standards are implemented to keep up the quality of production. Canada also is committed to a good standard of animal welfare practices and environmental sustainability.⁷⁶

Around two-thirds of milk production is sold as fluid milk, and the remaining one-third is processed into products such as drinking milk, cheese and butter. Canada is one of the top 10 cheese producers in the world. Cheese has been produced since the first dairy herds arrived in the country by the French at the beginning of the 16th century, and the first cheeses produced were similar to the cheese in France. When British settlers arrived, British-style cheeses such as cheddar were introduced as well. Until today, Canadian cheeses are similar to British and French cheese. Canada's bleu l'ermite for example is a blue cheese and brise du matin a brie-style one.⁷⁷

Canada produces around 200 000 metric tonnes of butter each year, which limits possibilities for imports. Canadian butter went viral on social media in 2021 due to the so-called "buttergate", when consumers realised that the butter does not soften anymore at room temperature. One reason for this might have been the use of palm fat in cow feed.⁷⁸

There are some strong domestic as well as international players in the dairy market in Canada. For example, Saputo Inc, a domestic company headquartered in Montreal, is dominating drinking milk, cheese and other dairy with brands such as Dairyland and Saputo. Saputo Inc has been founded in 1954 by the Saputo family and today is one of the top ten dairy processors in the world.⁷⁹ Agropur Cooperative Ltd, also a domestic company headquartered in Saint-Hubert (Quebec) and founded in 1938⁸⁰, ranks second in drinking milk, cheese and other dairy. French multinational dairy Lactalis Canada Inc ranks third in the same three categories; this is the second largest food products group in France just after Danone.⁸¹ Lactalis also ranks second in butter and spreads, while the leader of the category is Upfield Canada Inc (22%) due to for example its Becel brand. Loblaw Cos Ltd ranks third in butter and spreads due to its private label products such as President's Choice. The yoghurt and sour milk category is led by multinational Danone Canada Inc with brands such as Activia. Ultima Foods Ltd ranks second (e.g. due to its logo brand) and General Mills Canada Corp third partly because of its Yoplait brand.

Imports and exports

Despite its significant dairy production, Canada overall is a net importer of dairy products. Canada imported 2.3 times more dairy products than it exported by value (Figure 5-11). The country imported around EUR 557 million worth of dairy products in 2021, whereas it exported close to EUR 242 million in 2021. In particular, Canada is a net importer of milk / cream (unsweetened and unconcentrated), butter and other dairy spreads, as well as cheese. Cheese imports to Canada account for over 60% of the whole dairy net import market value, with butter and other dairy spreads being the second most important category. Canada, however, also is a net exporter

⁷⁶ Canada's dairy industry at a glance (2021), <https://agriculture.canada.ca/en/sector/animal-industry/canadian-dairy-information-centre/dairy-industry>

⁷⁷ 10 most popular Canadian cheeses (2023), <https://www.tasteatlas.com/most-popular-cheeses-in-canada>

⁷⁸ Buttergate: Why are Canadians complaining about hard butter? (2021), <https://www.bbc.com/news/world-us-canada-56175784>

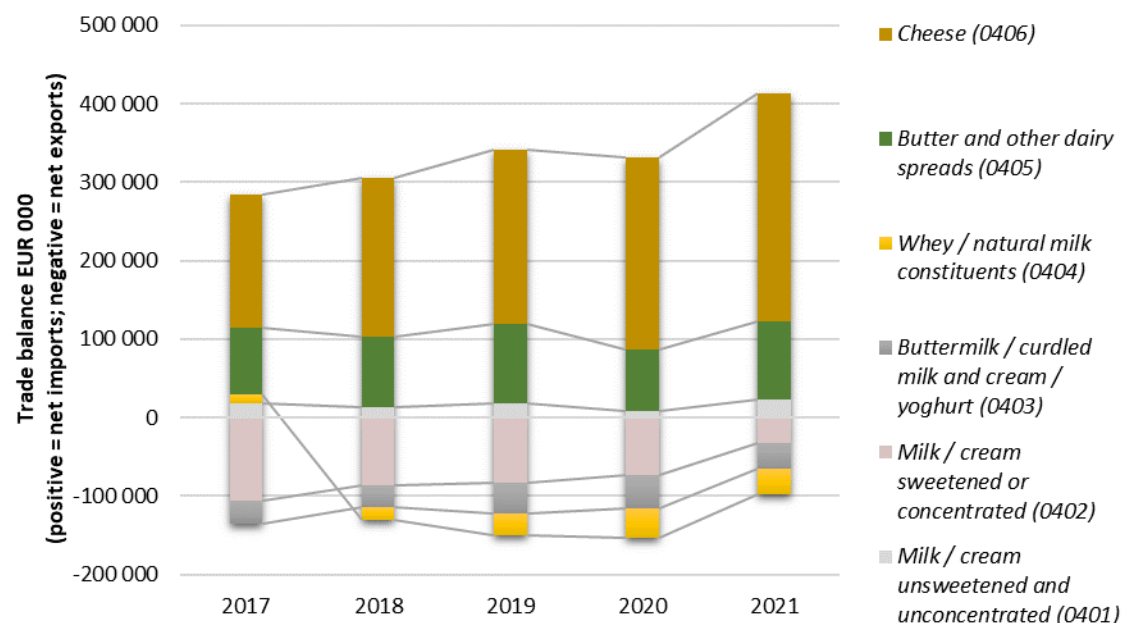
⁷⁹ Saputo Inc, <https://www.saputo.com/>

⁸⁰ Agropur, <https://www.agropur.com/>

⁸¹ Lactalis, <https://www.lactalis.fr/>

of the following dairy categories: sweetened or concentrated milk / cream, buttermilk / curdled milk and cream / yoghurt, and whey / natural milk constituents.

Figure 5-11: Trade balance (imports and exports) of dairy in Canada, 2017-21 (EUR 000)

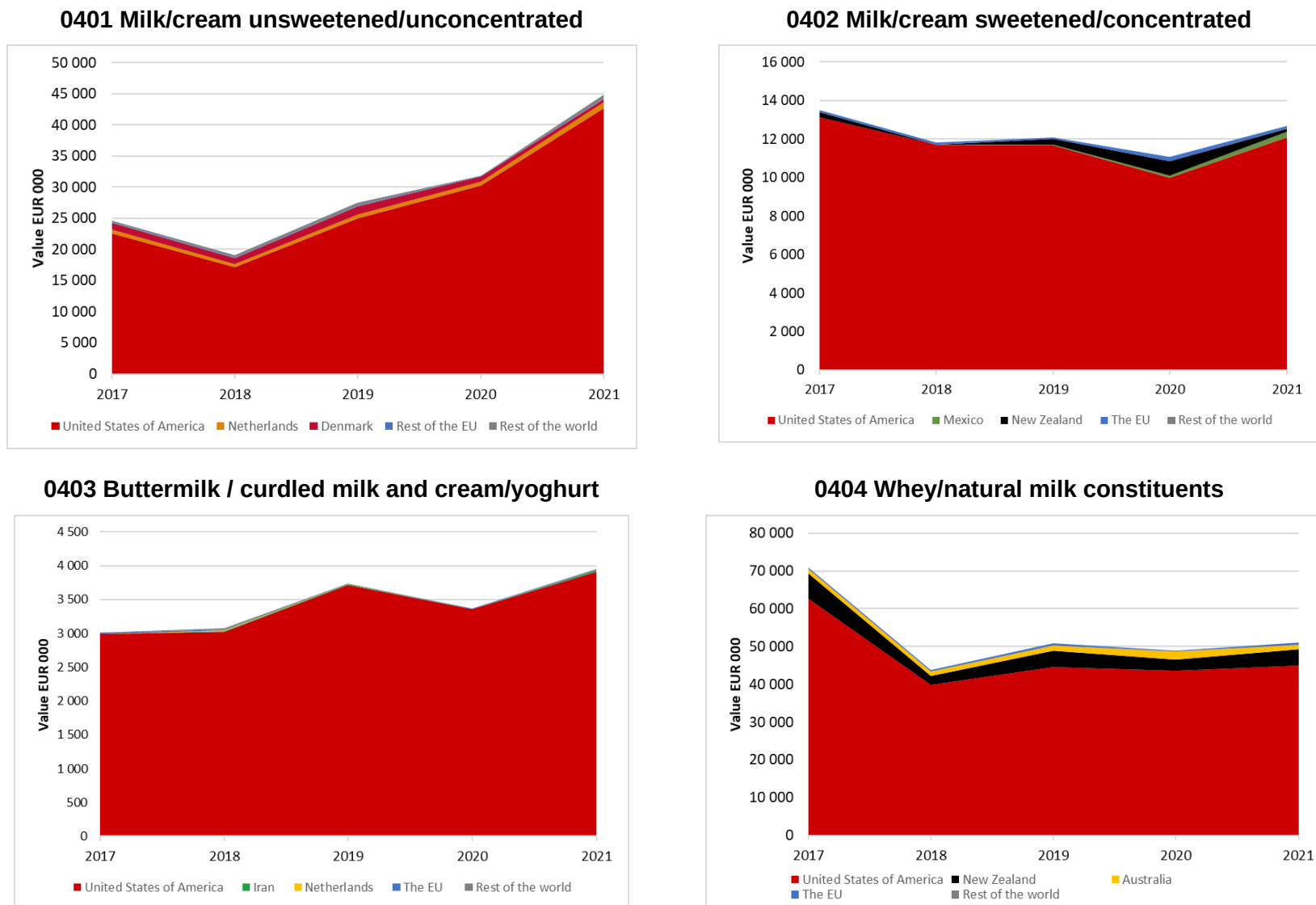


Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

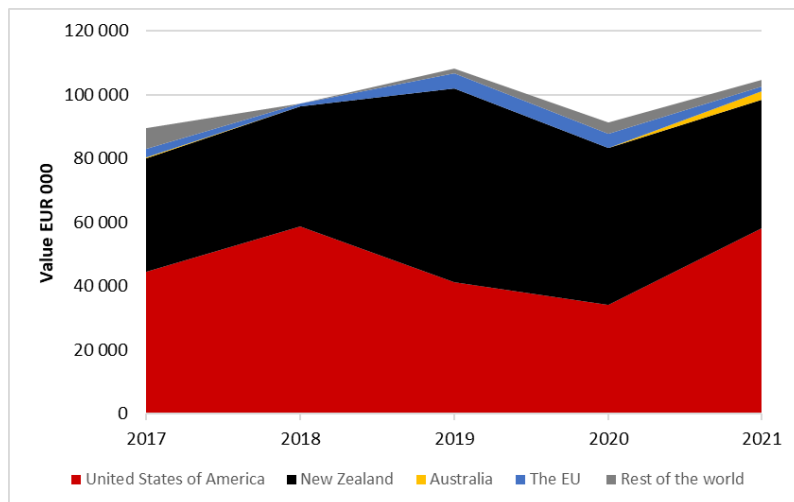
CN codes in brackets.

In terms of the origins of imports, the US clearly dominates the market. However, the EU dominates the most important category, cheese. More specifically, as shown in Figure 5-12:

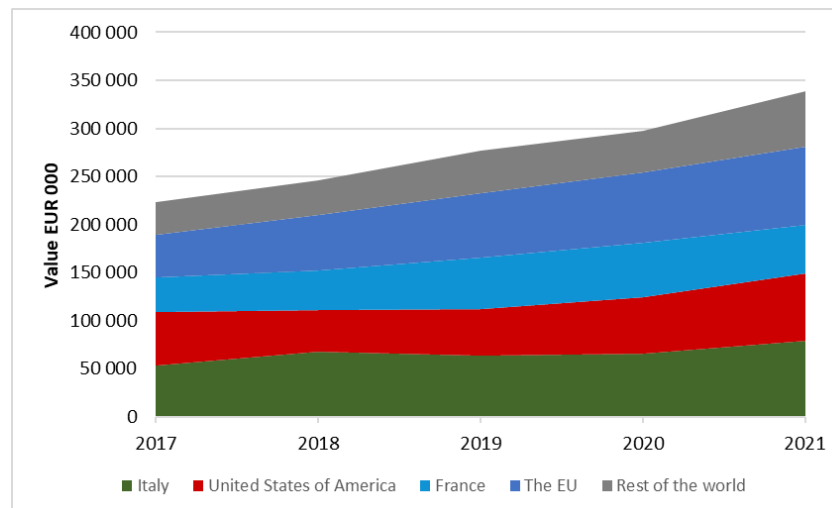
- **Unsweetened/unconcentrated milk/cream:** The main exporter by far is the US which accounts for 95% of exported value. The main EU exporters, Netherlands and Denmark, account for only around 3%.
- **Sweetened/concentrated milk/cream:** The main exporter which accounts for more than 95% of the exported value is the US. The US is followed by Mexico and New Zealand.
- **Buttermilk, curdled milk and yoghurt:** The US accounts for nearly all exports. There are no other important exporters.
- **Whey and natural milk constituents:** The main exporter is the US which accounts for close to 88% of exports. The US is followed by New Zealand and Australia.
- **Butter/dairy spreads:** The US is the main exporter and accounts for approximately 56% of exports. New Zealand ranks second and accounts for 38% of exports, followed by Australia with 3%.
- **Cheese:** The main exporters are Italy (23%), the US (21%) and France (15%). Six of the top ten exporters are from the EU. In total, the EU accounts for around 62% of cheese exports to Canada.

Figure 5-12: Canadian imports of different dairy categories by country, 2017-21 (EUR 000)

0405 Butter/dairy spreads



0406 Cheese



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

CN codes are indicated above graphs.

EU GI products

Many cheese GIs from eight different EU countries are protected in Canada. More information can be found in section 4.2.4. To see the full list of protected GIs follow the link: [List of Geographical Indications](#).

Germany:

- Hessischer Handkäse / Hessischer Handkäs

Denmark:

- Danablu

Greece:

- Φέτα (Feta)
- Κεφαλογραβιέρα (Kefalograviera)
- Γραβιέρα Κρήτης (Graviera Kritis)
- Γραβιέρα Νάξου (Graviera Naxou)
- Μανούρι (Manouri)
- Κασέρι (Kasseri)

Spain:

- Mahón-Menorca
- Queso Manchego

France:

- Comté
- Reblochon / Reblochon de Savoie
- Roquefort
- Camembert de Normandie
- Brie de Meaux
- Emmental de Savoie
- Morbier
- Epoisses
- Beaufort
- Maroilles / Marolles
- Munster / Munster Géromé
- Fourme d'Ambert
- Abondance
- Bleu d'Auvergne
- Livarot
- Cantal / Fourme de Cantal / Cantalet / Petit Cantal
- Tomme de Savoie
- Pont - L'Evêque
- Neufchâtel
- Chabichou du Poitou
- Crottin de Chavignol
- Saint-Nectaire

Italy:

- Provolone Valpadana
- Taleggio

- Asiago
- Fontina
- Gorgonzola
- Grana Padano
- Mozzarella di Bufala Campana
- Parmigiano Reggiano
- Pecorino Romano
- Pecorino Sardo
- Pecorino Toscano
- Stelvio / Stilfser
- Piave

Portugal:

- Queijo S. Jorge
- Queijo Serra da Estrela
- Queijos da Beira Baixa / Queijo de Castelo Branco / Queijo Amarelo da Beira Baixa / Queijo Picante da Beira Baixa

Netherlands:

- Gouda Holland
- Edam Holland

Main competitors

By far the main competition comes from domestic and international companies that dominate the market. Saputo Inc, Agropur Cooperative Ltd, Lactalis Canada Inc are the biggest competitors in drinking milk, cheese and other dairy categories. The butter and spreads category is led by Upfield Canada Inc, Lactalis Canada Inc, and Loblaw Cos Ltd, whereas yoghurt is dominated by Danone Canada Inc, Ultima Foods Ltd, and General Mills Canada Corp.

Overall, the EU is not a strong exporter of most dairy product categories with the notable exception of cheese, which means competition in the import market is very strong. The US is by far the largest non-EU exporter to Canada. In some categories New Zealand, Australia and Mexico play a role as well. The EU only has a strong position in cheese. It also is present in butter, but does not dominate the category.

Competition also comes from plant-based producers of alternatives to dairy products, as these products grow in popularity due to their perceived health and sustainability image.

5.3.4 Specific market entry requirements

Market access and entry

The Canadian Food Inspection Agency (CFIA) is in charge of measures concerning live animals, animal reproduction material, animal products and by-products, and animal pathogens.

Tariffs under the EU-Canada Comprehensive Economic and Trade Agreement are variable, depending on the dairy product. Tariffs for milk/cream unsweetened/unconcentrated (0401) within access commitment are 0% and over access commitment range between 241% - 292.5% of FOB value. Tariffs for milk/cream sweetened/concentrated (0402) within access commitment are 0% and over access commitment range between 201.5% - 295.5% of FOB value. Tariffs for buttermilk / curdled milk and cream/yoghurt (0403) within access commitment are 0% and over access commitment range between 208% - 250.5% of FOB value. Tariffs for whey/natural milk

constituents (0404) are 0% within access commitment, and 208%- 270% of FOB value over access commitment. Tariffs for butter/dairy spreads (0405) are 0% within access commitment, and between 274.5% - 298.5% of FOB value over access commitment. Tariffs for cheese (0406) within access commitment are 0%. This rate is applicable within a tariff quota of 16 000 tonnes for cheese and 1 700 tonnes for industrial cheese, applicable from 1 January to 31 December each year. For cheese products over the access commitment 245.5% of FOB value need to be paid. Please consult the link in box below for more details.

A list of standard documents required for imports into Canada, as well as an overview of the procedure is presented in section 4.2.1. It should be noted though that importing dairy products might require providing additional documentation concerning animal quarantine inspection. As a general rule, documents on the exporter side can be in English or French.

Documentation related to the import of dairy products may include:

- EIPA File
- Import Licence for Foodstuffs
- General Import Permit for Designated Commercial Agricultural Goods
- Permit to Import Animals and Animal Products
- Import Declaration for Certain Agricultural Commodities
- Request for Documentation Review
- Veterinary Health Certificate for Animal Products
- (Potentially) BSE Certificate

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link – general cheese category (0406) from France to Canada

<https://trade.ec.europa.eu/access-to-markets/en/search?product=0406&origin=FR&destination=CA>

SPS measures, standards

As noted in section 4.3.4, there are SPS related challenges which affect the documentation required for importing EU dairy products into Canada. These include:

- Compositional cheese standards

Furthermore, there are challenges with the protection of EU GIs in Canada. It is recommended to consult this section for further details. It is recommended to consult this section for further details.

Labelling

As described in section 4.2.4, dairy products are covered by labelling requirements laid down in the Safe Food for Canadians Regulations (SFCR) or the Food and Drug Regulations (FDR). Dairy products need to provide the following information on the label:

- Common name
- Additional terms: in some cases, additional terms must be included on the principal display panel (PDP) of pre-packaged dairy products – as follows:

- powder: percent (%) of skim milk and whey powder
- cheese: firmness, ripening and other descriptions for consumer pre-packaged cheese
- List of ingredients
- Net quantity
- Name and principal place of business
- Country of origin
- Percent (%) of milk fat and moisture declarations (for certain dairy products)
- Date markings and storage instructions
- Nutrition labelling (exempt are repackaged individual portions of dairy products that are solely intended to be served by a restaurant or other commercial enterprise with meals or snacks, and some milk products sold in refillable glass containers)

All information required on a dairy product label must be clearly and prominently shown in a manner that is readily discernible to any person under normal or customary conditions of purchase and use. More detailed information on the labelling of dairy products can be found [here](#).

5.3.5 Distribution

Offline retail accounts for 98.3% of sales, whereas online retail accounts for 1.7%. Online retail increased by 1.4% between 2018 and 2022 and is forecast to continue to grow at a fast pace. Supermarkets remain by far the most used channel with 56.9% of sales, followed by hypermarkets with 19.4%, and small local grocers with close to 9.7% as shown below in Figure 5-13. Between 2018 and 2022 sales of grocery retailers decreased.

However, this overarching picture for dairy masks significant differences between products, based on their shelf stability/chilling requirements and the consumers who purchase the product (which is impacted by the former factor). More specifically:

- **Milk:** Offline retail accounts for 98.1% of sales, while e-commerce accounts for 1.9% of sales. Even though e-commerce remains a niche it is growing at a fast pace. The most popular offline retail channels are supermarkets with 57%, followed by hypermarkets with 20%, and small local grocers with 6%.
- **Cheese:** Offline retail accounts for 98.8% of sales, whereas online retail accounts for 1.2%. Online retail is forecast to continue to grow at a fast pace. However, supermarkets remain by far the most used channel with 58% of sales, followed by hypermarkets with 21%, and small local grocers with close to 10%.
- **Yoghurt:** Offline retail accounts for 97.9% of sales, whereas online retail accounts for 2.1%. Online retail is forecast to continue to grow at a fast pace. However, supermarkets remain by far the most used channel with 55% of sales, followed by hypermarkets with 18%, and small local grocers with over 11.4%.
- **Butter and spreads:** Offline retail accounts for 98.3% of sales, whereas online retail accounts for 1.7%. Online retail is forecast to continue to grow at a fast pace. However, supermarkets remain by far the most used channel with 62% of sales, followed by hypermarkets with 17%, and small local grocers with close to 10%.
- **Other dairy:** Offline retail accounts for 97.8% of sales, whereas online retail accounts for 2.2%. Supermarkets remain by far the most used channel with 53% of sales, followed by hypermarkets with 19%, and small local grocers with close to 13%.

Figure 5-13: Distribution channel overview of dairy in Canada (2022); all dairy products; retail value share (%)



Source: Euromonitor International: Packaged Food, 2022.

5.3.6 Challenges for EU products

Canadian consumption of dairy products continues to decline in recent years, with the exception of cheese. Even though Canada is a net importer of dairy products, the market offers limited opportunities for the EU, mainly because of the strong dominance of domestically producing companies and the US being the main exporter. The main three producers account for one-third of the market in retail value sales. Thus, it is not easy for EU products to successfully enter the market because of the strong product availability in Canada and potentially cheaper exports from the neighbouring US.

Although the EU is a strong exporter of cheese, the existing quotas on EU cheese imports might limit competitiveness as high import duties apply when the quotas are exceeded. Moreover, inflation might negatively affect the ability of lower income consumers to purchase premium dairy products such as premium cheeses in the coming years. Canadians' overall willingness to pay for premium EU products and the price gap with domestically produced dairy products are major concerns for EU exporters.

Lastly, consumers' interest in health, wellbeing and sustainability is challenging for certain product groups such as cream, flavoured yoghurts and milk drinks. Nevertheless, the current mindset change regarding the healthiness of natural fats is helpful. In line with these trends, the demand for dairy alternative products is challenging as well. However, these trends can also be utilised as opportunities.

Market Takeaway: Dairy

Consumption: *The dairy market had a size of EUR 10.48 billion in 2022. Cheese is the largest dairy product, with a market value of EUR 4.19 billion. This is followed by drinking milk, yoghurt, other dairy, and butter and spreads. Overall, the dairy market is forecast to grow.*

Competition: *Domestic and international producers Saputo Inc, Agropur Cooperative Ltd, Lactalis Canada Inc. dominate the market. The US dominates dairy imports by far, with the EU only being significant in cheese.*

Distribution: *Dairy products are largely distributed through offline retail such as through supermarkets and hypermarkets. E-commerce remains niche across all dairy product categories but is forecast to grow at a faster pace.*

Challenges: *Due to inflation the ability of lower income consumers might be negatively affected. Consumers' interest in health, wellbeing and sustainability is challenging for certain product groups, and so is the trend for alternative plant-based products.*

Opportunities: *Healthy, premium, functional, and plant-based products are popular. Cheese is the largest category by value, and it is forecast to grow at the fastest rate. The growing e-commerce channel offers new opportunities.*

5.4 Wine

5.4.1 SWOT analysis

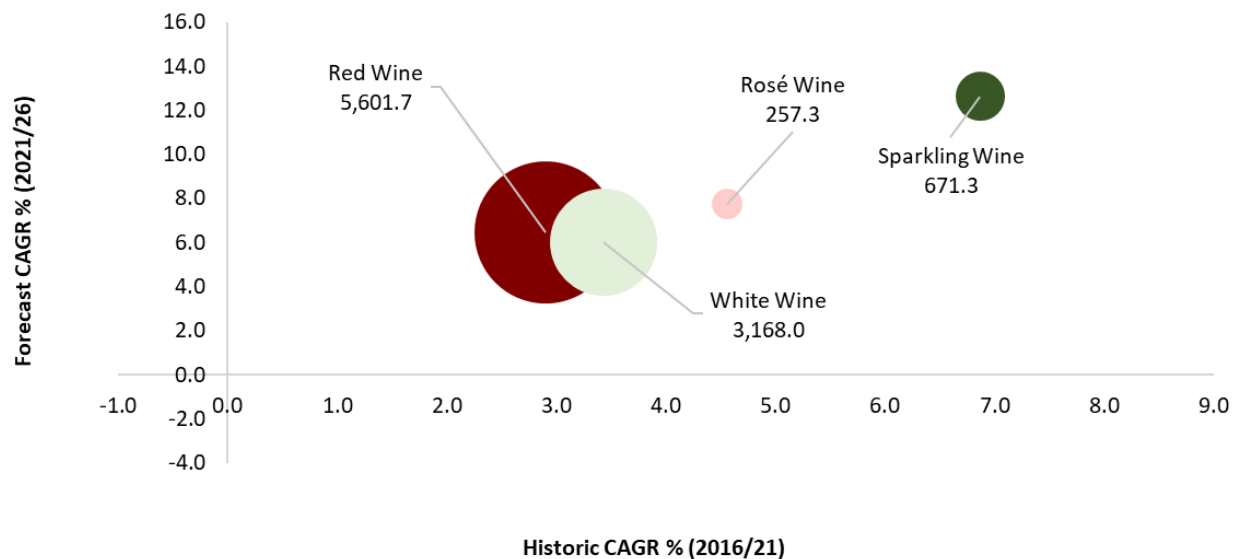
STRENGTHS (+)	WEAKNESSES (-)
▪ The wine market has been growing in recent years and is forecast to continue to grow at an even faster pace. ▪ Canada is a large net importer of wine, with imports having grown during the last few years. ▪ EU exports in total account for about 58% of the total import market value. The main EU exporters are France and Italy.	▪ The strong alcohol regulations of certain provinces and the monopolistic position of the provincial liquor boards. ▪ With growing health consciousness, Canadians increasingly pay attention to how much alcohol they consume. ▪ Interest in online sales of wine is growing but from a small base. ▪ Wine is not viewed to be a stylish beverage by all consumers, especially the younger generations.
OPPORTUNITIES (+)	THREATS (-)
▪ Red wine stands out because it is by far the biggest market. Sparkling wine is forecast to grow at the fastest pace. ▪ Health-conscious products such as sugar free, low calorie and non-alcoholic wines, as well as organic and natural wine, and premium products. ▪ E-commerce, although currently niche, is growing and offers opportunities.	▪ The main non-EU wine exporting country is the US. However, Australia and New Zealand are a threat as well. ▪ A handful of companies dominate the market in specific wine segments: Arterra Wines Canada Inc, Andrew Peller (still light grape wine), LVMH Moët Hennessy, Pernod Ricard Groupe (Champagne), Oetker-Gruppe, and Andrew Peller Ltd (other sparkling wine). ▪ Canadian wine production, even though it is low, is increasing. Canada already is the world's leader in ice wine production.

5.4.2 Consumption

Evolution of consumption

In 2021 the total wine market in Canada was worth close to EUR 9.70 billion. As shown in Figure 5-14, red wine is leading the market with more than half of the total market size. In 2021, the red wine market was worth about EUR 5.60 billion. This was followed by white wine with close to EUR 3.17 billion, sparkling wine which accounted for approximately EUR 671 million, and rosé wine with close to EUR 257 million. Historically, between 2016 and 2021, the markets for all wine categories were growing. Sparkling wine had the highest CAGR of about 6.9% followed by rosé wine at 4.6%, white wine at 3.4% and red wine at 2.9%. The markets of all wine categories are forecasted to continue to grow at a faster pace between 2021 and 2026. The sparkling wine market is forecasted to grow at the fastest pace of all categories, at about 12.6%. Rosé wine is forecasted to grow at about 7.7%, followed by red wine at 6.5% and white wine at 6.0%.

Figure 5-14: Evolution and forecast of the wine market in Canada, 2016-2026; total value (million Euro)



Source: Euromonitor International: Alcoholic Drinks, 2022.

Consumer profile and purchase criteria

Consumers

Although average per capita wine consumption in Canada stands at 16.8 litres, it differs amongst the provinces. Generally, wine consumption tends to be higher in highly populated provinces such as Ontario, where per capita consumption averages around 23.8 litres. Per capita consumption in British Columbia stands at 17.3 litres. On the other hand, consumption is lower in the Prairie provinces and the Atlantic provinces.

Wine consumption typically is highest among middle-aged and older adults in Canada, in particular those with higher education and income levels. These groups are also more likely to purchase imported wines from the EU. The younger generations (19 to 24 years old) seem to be not as interested in wine. Some years ago, young adults accounted for around 9% of all wine drinkers, whereas this share now is down to 5%. This downward trend is in particular seen in the French speaking areas of Canada such as Quebec where the proportion has decreased from 10% to only 3% of the overall wine drinkers. However, Generation Z is interested in wine and believes that it is a fashionable and sophisticated drink. At the same time, Generation Z believes that wine is too expensive, which is why only around 40% of them purchase wine one to three times a month. The younger generation is more likely to be consumers of organic and natural wine as these types align with their values. Around 25% of Generation Z purchased organic or natural wine in the past year. Millennials are particularly fond of sparkling wine. Consumers of high-quality wine tend to be more knowledgeable about wine and appreciate different varieties. In addition, they are more likely to have a decent disposable income.

Imported wine from the EU is particularly enjoyed by women. Generation X (39 to 54 years old) stands out as the age group that most commonly purchases EU wines as they tend to have more

disposable income and is knowledgeable about different wines. Overall, EU imported wine consumption is correlated to affluent consumers and wine connoisseurs as EU wines commonly are premium products. Educated higher income consumers usually appreciate Old World wines such as from France, Italy, and Spain, because these wines are commonly associated with tradition and quality.

Although awareness among Canadian consumers of PDO/PGI wines is not widespread, in particular consumers that actively seek information about wine regions, grape varieties, and production methods are more likely to be familiar with PDO/PGI wines. Even though knowledge remains limited it continues to spread.

Drivers and method of consumption

Wine consumption has been increasing in recent years. The demand for at home wine consumption increased while consumers self-isolated at home and wanted to treat themselves during the COVID-19 pandemic. The pandemic related restrictions led the way to an innovative approach to wine-drinking occasions amongst committed drinker groups. As a result, new wine consumption occasions such as lunchtime drinking have emerged after the pandemic, although its popularity has subsequently receded; instead, consumers now appear to enjoy 'wine o'clock' which is during late afternoon. The foodservice sector however was affected by the COVID-19 pandemic measures. With the reopening of the foodservice sector and consumers going back to spending more time outside, the foodservice sector is recovering. Wine is commonly paired with a meal in restaurants or is drunk as a drink on its own in bars.

Champagne was particularly badly impacted by the COVID-19 pandemic because its consumption is bound to social gatherings such as celebrations and parties. With consumers being more social again it also recovers. In fact, sparkling wine is positively driven by the resuming social life, as consumers are eager to reunite and celebrate together with family and friends after the time of separation. The consumption of premium products like champagne will be driven by the demand for premium wines.

Sparkling wine has typically been enjoyed in formal settings; however, this is changing and consumers now also drink sparkling wine in more relaxed environments. Thus, the frequency of occasions appropriate to its consumption has increased significantly.

Another important driver is that more wine is sold in grocery stores such as supermarkets due to the liberalisation of alcohol in provinces such as Ontario and British Columbia. As it is convenient for consumers to have an one stop shopping experience, this is forecast to have positive impacts on demand. It already has been a boost during the COVID-19 pandemic because people limited their shopping to one store to avoid contamination.

Purchase criteria

Price is an important purchase criterion as wine can get quite expensive and prices are rising further due to ongoing inflation. Price-sensitive consumers pay significant attention to the price, whereas higher-income and knowledgeable consumers may pay premium prices for premium products. The premium segment accounts for about 25% of sales. Most consumers however choose a wine from the mid-economy segment to get a decent quality wine for a decent price. Consumers also look for bargains.

Quality is important as well, in particular to knowledgeable consumers but also to the general consumer who is looking to get the best value for money.

The type of wine plays a role too. Red wine is the most popular choice followed by white wine, sparkling wine and then rosé. Consumers choose the type of wine depending on the occasion. If

they want to host a party, they might be more likely to opt for sparkling wine whereas they rather choose red or white wine if they plan to prepare a nice dinner at home. Even the grape variety is an important factor when deciding which wine to consume.

Origin is a significant decision factor for some consumers as well. European wines for example account for almost three-quarters of Québec wine sales because they are perceived positively for their high quality and long tradition.

Taste is another criterion. Consumers are either likely to choose a wine variety they know they will like or try something completely new out of curiosity. The willingness to try new wines is there.

Wine on retailers' shelves in Canada

Wine in Canada is available in various different packaging types and volumes. Glass bottles are currently still the dominant packaging material, with 750ml and 1500ml bottles being the most common sizes.

However, due to the growing interest of consumers to moderate their alcohol consumption, smaller sizes (187ml and 375ml) are gaining popularity. In addition, lightweight and sustainable glass bottles are becoming more of a common sight. Wine in metal cans is available too as it is a popular choice for consumers purchasing wine for on-the-go consumption.

Picture below: Shelf with Spanish and German wines depicting the popularity of larger glass bottles as primary packaging material for wine



Regarding the presentation of alcoholic beverage in retailers in Canada, wines are often organised by type of wine, such as red, white, or rosé. This makes it easier for consumers to locate the specific type of wine they are looking for. In addition to this, rows of wine bottles may also be organised by country of origin, which can be helpful for consumers who have a preference for wines from a specific region or country.

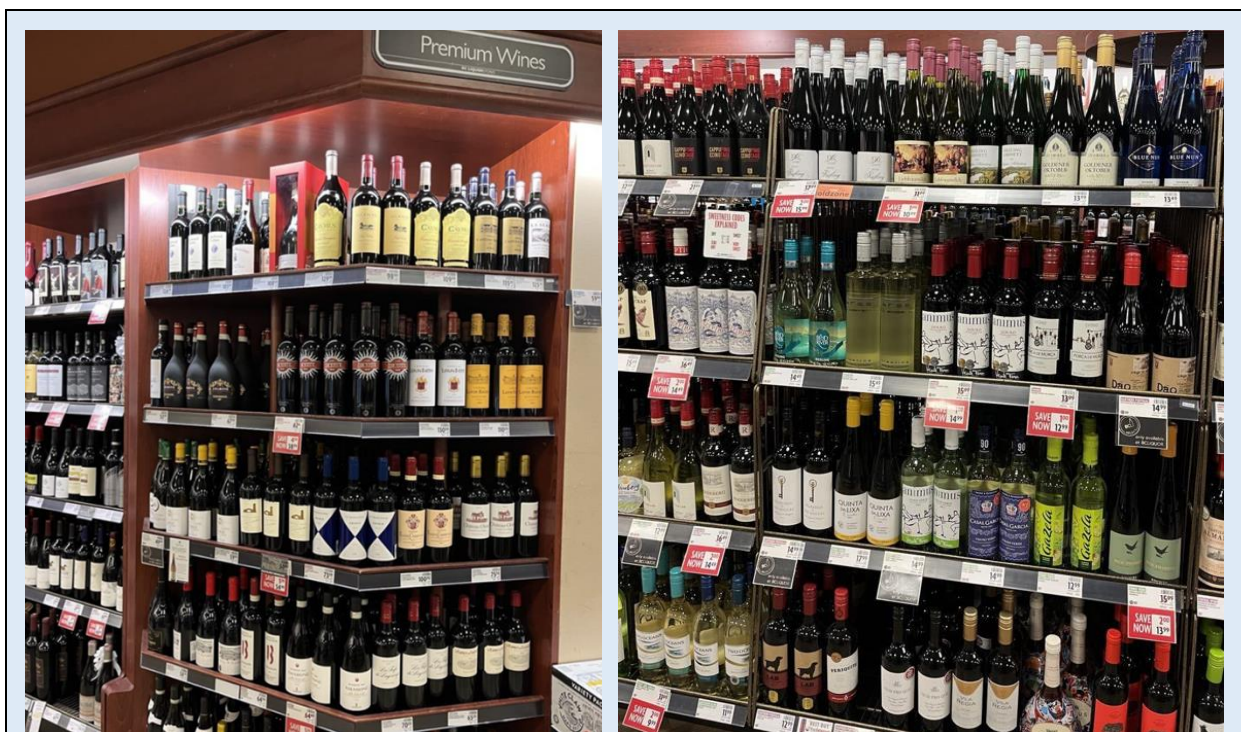
Picture below: Wine shelf in Canada organised by type of wine (red, white, rosé) and origin (France).



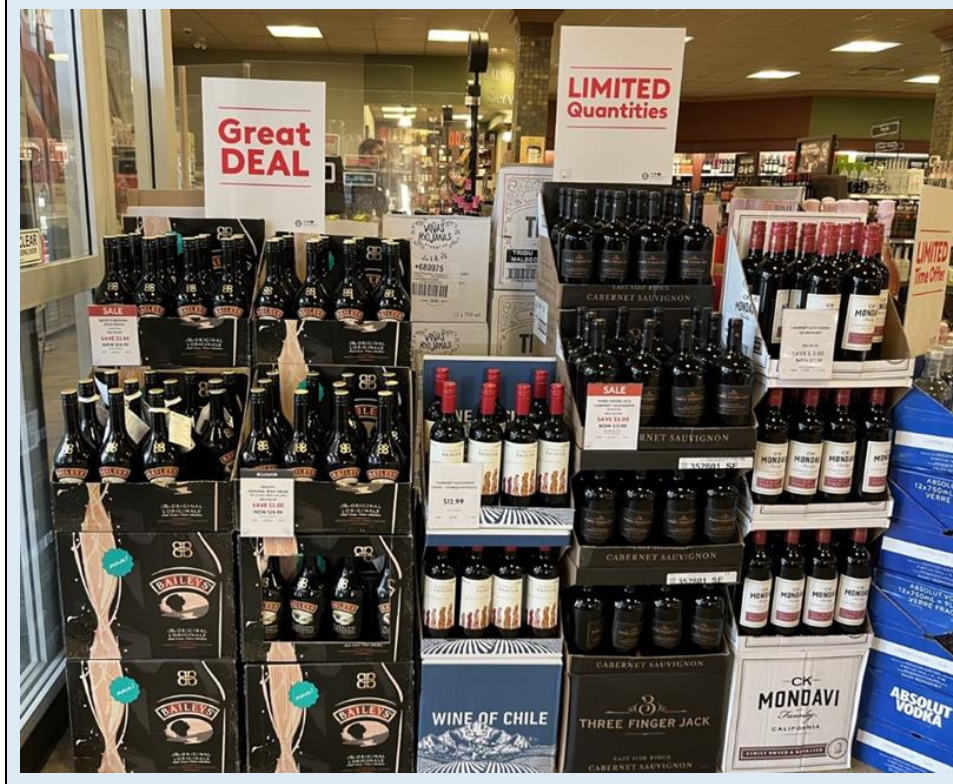
Wines from the EU often target the premium and ultra-premium segments of the Canadian wine market, and thus position themselves as high-quality and luxurious products. Due to the good reputation and quality, EU wines can often demand higher prices than wines from other geographies.

Premium wines are sometimes purposely distinguished from other wines by putting them on better looking. Premium wines in general are more likely to have a more sophisticated label design or are packaged in a way that looks high-quality. This helps to reinforce the idea of the wine being a luxury product and adds to the overall shopping experience for consumers. However, many stores offer price promotions and special offers on these wines, making them more accessible to a wider range of consumers.

Pictures below: Premium wines in a high quality shelf on the left and price promotions offered on certain wines on the right



Picture below: Price promotion of different alcoholic beverages including wine grouped together.



Picture below: Italian sparkling wine in a separate display



Pictures: © Agra CEAS / Euromonitor International, 2023.

Recent market trends

The following recent market trends can be observed:

- Non-alcoholic and sugar free, low calorie healthy wines:** The COVID-19 pandemic further heightened the health awareness of Canadian consumers. This positively affects the wine market as wine is viewed to be healthier than spirits, beer and other alcoholic beverages. This trend also boosts the demand for sugar free, low calorie and non-alcoholic wines. The non-alcoholic wine category increased on average by 7% over 2016 and 2022. Claims such as vegan become a more common sight on wine bottles as producers recently launched many such products.
- Organic and natural wine:** These alternative wines are trending because Canadian consumers pay high importance to the naturalness of the products they consume. In 2021 about double the number of people purchased natural wine compared to two years earlier. Close to one fourth of Generation Z consumers have bought organic or natural wine during 2021 and 2022.

- **Premiumisation:** Even though Canadians do pay attention to how much they spend on wine, the premium segment is growing. Quality is important to Canadian consumers. For example, still wine sales are stagnant, but the category continues to grow in value because of the premiumisation trend. Even though less volume is sold, wines sold are of higher value. Premium wine sales currently account for around a quarter of the total sales value. Even the super-premium segment continues to grow strongly.
- **Sparkling wine:** The demand for sparkling wine is increasing because consumers are eager to participate in social events after times of lockdown and home seclusion. Sparkling wine is viewed to be a sophisticated drink for special occasions. In 2019 alone, close to one million new drinkers joined the sparkling wine segment in Canada. Prosecco stands out amongst sparkling wines: whereas Prosecco accounted for one in five sparkling wine bottles consumed in 2016, it accounted for around one in three in 2021.
- **Rosé:** The rosé wine category has been growing and is forecast to continue to grow in the coming years. Even though many consumers continue to see it as a cheap seasonal option, the premium rosé sector sees strong growth because it is more popular amongst young consumers. Therefore, rosé packaging often is targeted to appeal to consumers under 35 years old and its prominence on social media pictures has led trade experts to believe it is becoming a perennial drink.
- **New varieties:** Some consumers move away from the traditional ‘established’ grape varieties of wine because they want to experience other tastes. The willingness to try new tastes is there. For example, significantly fewer regular wine drinkers consumed ‘mainstream’ white grapes in 2022.
- **Orange wines:** Orange wines are made from white grapes, which are treated like red grapes during the vinification process. It is an ancient winemaking technique that is becoming popular in Canada.
- **E-commerce:** Even though e-commerce remains a niche it is growing at a fast pace because consumers like the convenience of this channel. Close to 20% of regular wine drinkers purchased wine online recently, with the number increasing.

5.4.3 Offer

Domestic production

Canada is not a large producer of wine; however, the country has wine growing regions in zones of 30- and 50-degrees latitude north, which are similar to some cooler climate wine growing regions in the EU. There are two main growing regions: 1) the Niagara Peninsula in the south of Ontario 2) the Okanagan Valles in the south of British Columbia. There are additional smaller growing areas also in Quebec and Nova Scotia.

Canada’s production remains small but is growing as is the number of wineries that are set up everywhere where the soil and climate allow it. There are more than 600 wineries in Canada. In total, close to 13 000 ha are used for wine growing. Currently, the country only produces about 0.3% of the world’s total wine and accounts for 0.1% of global wine exports by value. Canada ranks as the 35th largest wine exporter in the world while it accounts for 0.02% of the world’s exports by volume.⁸²

⁸² Our industry, <https://www.winegrowerscanada.ca/our-industry/>

Canada is particularly well-known for its ice wine, which is produced in all wine growing regions of the country, although Ontario alone produces more than 90% of ice wine. The country's geographical location is suited for the production of ice wine because grapes must be naturally frozen on the vine to achieve the wine's typical taste. Ice wine is mainly produced from Vidal, Cabernet Franc and Riesling varieties. Today, Canada is the world's main exporter of ice wine. In 2021 ice wine exports accounted for over 60% of the total export value of wine.⁸³

The wine market in Canada is dominated by domestic and international companies. The still light grape wine category is led by Arterra Wines Canada Inc which accounts for around 18% of the market share. It is the leading producer and marketer of award winning and globally well-known Canadian and imported wines.⁸⁴ Its main brands include Jackson Triggs, and Inniskillin. Andrew Peller accounts for 12% of the retail market and produces and sells Canadian wine which they have been creating for over 50 years. The Peller Estates wine portfolio includes four collections: Andrew Peller Signature Series, Private Reserve, and Family Reserve.⁸⁵ The rest of the market is very fragmented. The Champagne market is dominated by international player LVMH Moët Hennessy which accounts for 30% of the market share, followed by Pernod Ricard Groupe with 14%. The other sparkling wine category is led by Oetker-Gruppe which has a market share of approximately 12%. This is followed by Andrew Peller Ltd with 8% and Arterra Wines Canada Inc with 7%.

Imports and exports

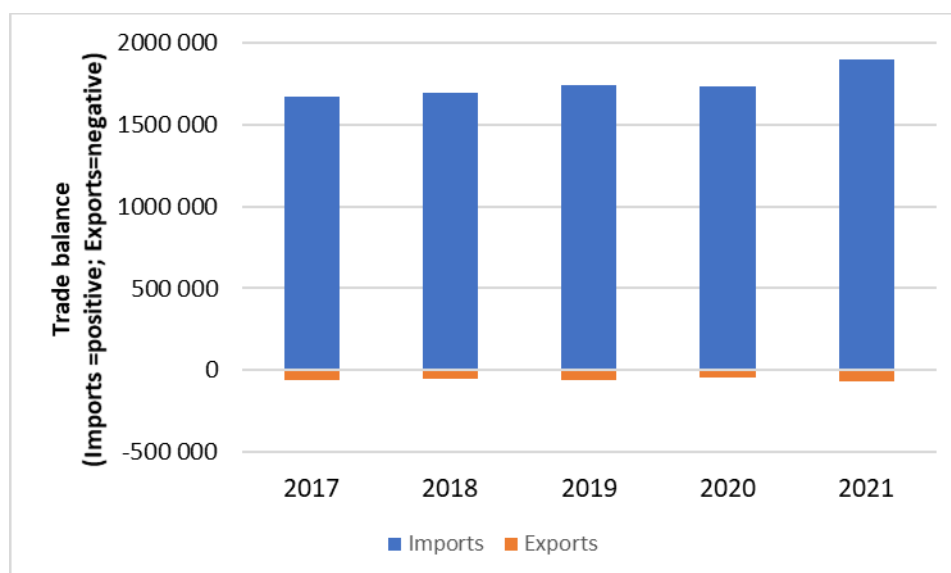
Given the country's limited domestic production partly due to its geographic location, Canada is a substantial net importer of wine as shown in Figure 5-15. In 2021 the country imported wine worth about EUR 1.9 billion, whereas it exported only about EUR 66 million in the same year. This means that in 2021 Canada imported close to 29 times more wine than it exported to the world. Imports decreased in 2019 and 2020 but increased again in 2021. The value of Canada's wine exports over the same period fluctuated as well.

In 2021, France was the main exporter of wine to Canada, followed by the US and Italy (Figure 5-16). France exported wine worth about EUR 486 million, followed by the US and Italy with about EUR 403 million each. In total, four out of the most successful ten exporters of wine to Canada are from the EU. These also include Spain and Portugal. EU exports accounted for over 58% of the total market value in 2021. The main non-EU exporters besides the US are Australia and New Zealand.

⁸³ Wines of Canada, <https://winesofcanada.ca/>

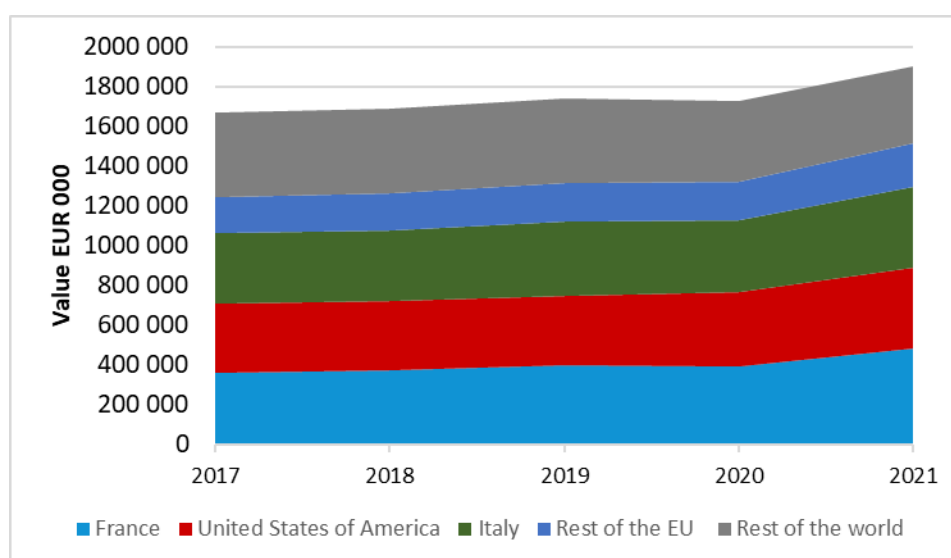
⁸⁴ Arterra, <https://www.arterracanada.com/About-Us>

⁸⁵ Peller Estates, <https://www.peller.com/>

Figure 5-15: Trade balance (imports and exports) of wine in Canada, 2017-21 (EUR 000)

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

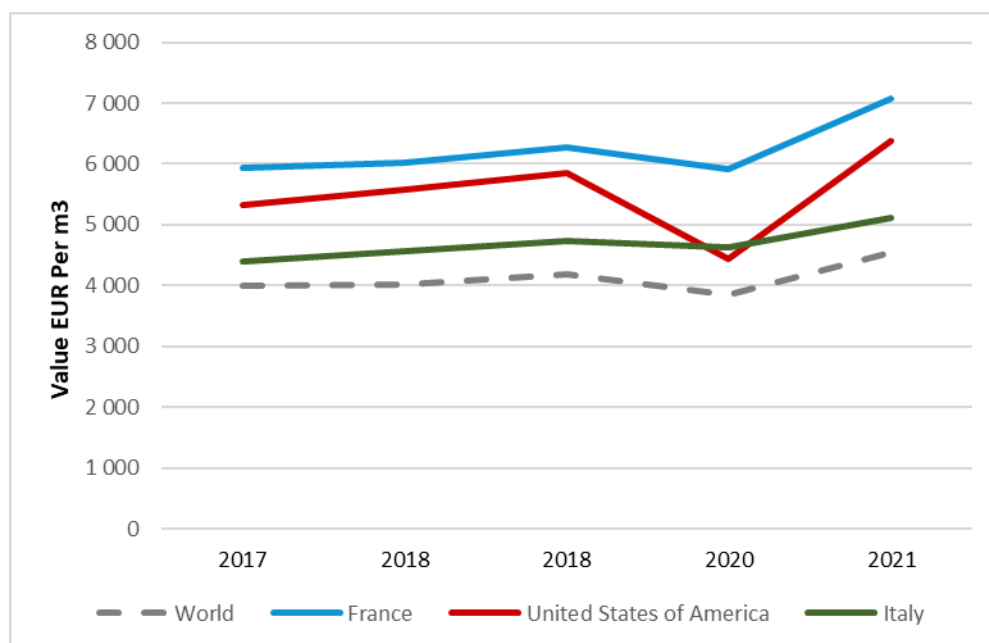
Data for CN code 2204.

Figure 5-16: Canadian imports of wine by country, 2017-21 (EUR 000)

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 2204.

The world average unit value of wine exports to Canada was around EUR 4 540 per m³ in 2021 as depicted in Figure 5-17. It increased between 2017 and 2019, decreased in 2020, and increased by a lot in 2021. The unit value of the largest exporter, France, was around 36% higher than the world average in 2021, at EUR 7 070 per m³. The unit value of wine from the US was also much above the world's average at around EUR 6 390 per m³. The value of Italian exports was lower, although still above the world's average at EUR 5 100 per m³.

Figure 5-17: Canadian imports of wine by country, 2017-21; value (EUR per m³)

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 2204.

EU GI products

For many years Canada has maintained a system to protect GIs for wines and spirits under the 2003 Agreement between the European Community and Canada on trade in wines and spirit drinks. Since then, additional GIs have been registered with the Canadian Intellectual Property Office (CIPO). To see the full list of protected wines follow the link: [List of Geographical Indications](#).

Main competitors

Domestic production of wine is negligible, so the main competitors are other exporting countries. Although the EU clearly is important when it comes to Canadian imports of wine, some non-EU exporters are important competitors. The main non-EU exporter is the US, however, wine exports from Australia and New Zealand are also important.

The wine market in Canada is dominated by domestic and international companies. The still light grape wine category is led by Arterra Wines Canada Inc, and Andrew Peller. The Champagne market is dominated by international player LVMH Moët Hennessy, followed by Pernod Ricard Groupe. The other sparkling wine category is led by Oetker-Gruppe, and Andrew Peller Ltd.

5.4.4 Specific market entry requirements

Market access and entry

All food products sold in Canada including wine must meet the general labelling and compositional requirements of the federal Food and Drugs Act (FDA) and Food and Drug Regulations (FDR).

For wine, under the EU-Canada Comprehensive Economic and Trade Agreement, the tariff for EU products is set at 0%. However, this is the case for most MFN tariffs as well.

A list of standard documents required for imports into Canada, as well as an overview of the procedure is presented in section 4.2.1. To ship wine to Canada additional documents may be required, as listed below:

- Request for Documentation Review

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link – wine (2204) from France to Canada

<https://trade.ec.europa.eu/access-to-markets/en/search?product=2204&origin=FR&destination=CA>

Standards

Several federal laws and regulations concerning the safety of food and drinks exist in Canada that need to be followed. These are administered by 'Health Canada', which is responsible to establish policies and standards related to the safety and nutritional quality of food and drinks sold in the country. More information about these laws can be found in 4.2.2. As mentioned above, food products sold in Canada must meet the general labelling and compositional requirements of the federal Food and Drugs Act (FDA) and Food and Drug Regulations (FDR). Besides these federal rules, the Canadian market for alcoholic beverages is also significantly regulated by its provinces and territories. As a result, the sale and consumption of alcohol is regulated by a patchwork of federal and provincial laws, with each province and territory having its own unique set of regulations governing the sale, distribution, and consumption of alcoholic beverages. More information can be found here: [Alcohol Laws in Canada](#).

As described in section 4.3.4, there are also ongoing disputes with the EU in relation to discriminatory practices for imported wines and spirits. Furthermore, there are challenges with the protection of EU GIs in Canada. It is recommended to consult this section for further details.

Labelling

As described in section 4.2.4, alcoholic beverages sold in Canada are subject to the labelling provisions of the Safe Food for Canadians Act (SFCA), the Safe Food for Canadians Regulations (SFCR), the Food and Drugs Act (FDA), and the Food and Drug Regulations (FDR). When sold interprovincially, depending on the type of alcoholic beverage, other federal acts or regulations such as the Spirit Drinks Trade Act might apply as well; these provincial regulations may also have labelling requirements.

Wine products need to provide the following information on the label:

- Common name
- Food allergens, gluten and added sulphite labelling
- Alcohol by volume declaration
- Country of origin for wine

More detailed information on the labelling of wine can be found [here](#).

5.4.5 Distribution

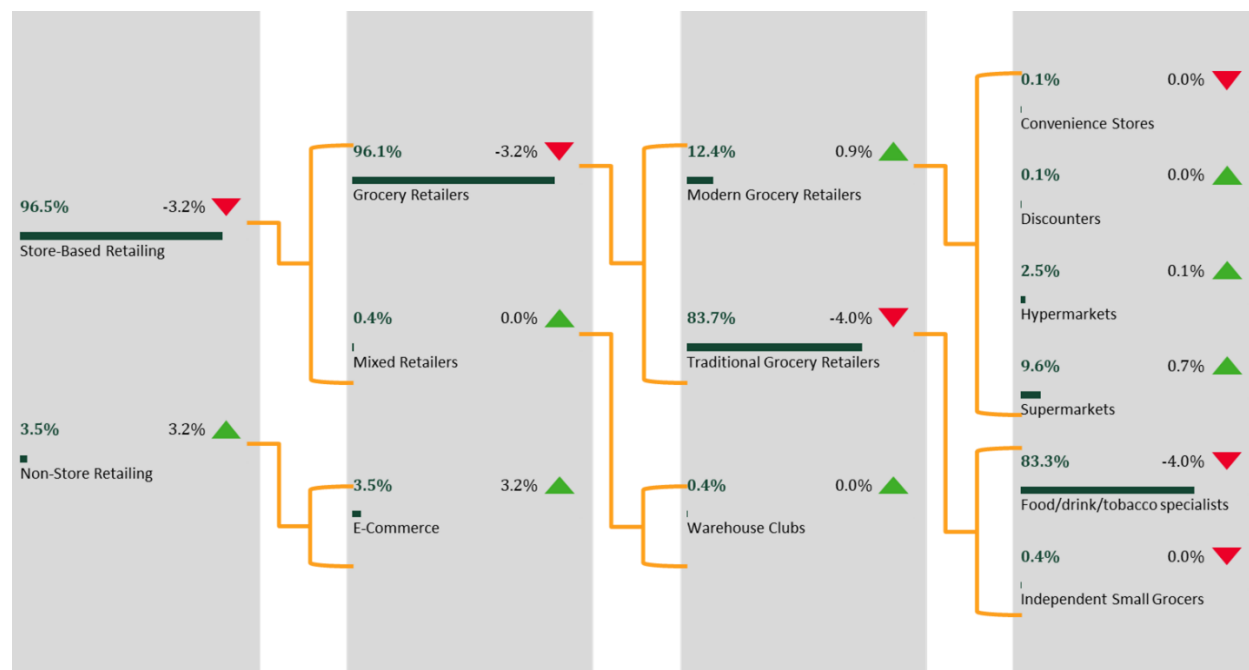
Approximately 88% of wine by volume in Canada was sold off-trade and the remaining 12% was sold on-trade in 2021. Most provinces and territories in Canada maintain distribution monopolies for imported wines. Between 2016 and 2021 off-trade sales increased whereas on-trade sales decreased, which is mainly reflecting the restaurant and bar closures in the last couple of years due to the COVID-19 pandemic. With the reopening of the service sector, on-trade sales are forecast to recover.

Wines are commonly distributed through a combination of state-controlled retailers such as the Liquor Control Board of Ontario (LCBO), private supermarkets and grocery stores, independent liquor stores such as in British Columbia and Alberta and through e-commerce.

Figure 5-18 shows the off-trade distribution channels. In 2021, 96.5% of wine by volume was sold in store-based retailing, and the remaining 3.5% was sold via e-commerce. Between 2018 and 2021 the e-commerce channel grew by 3.2%, and this channel is forecast to continue to grow. WineOnline.ca, WineAlign, and WineExpress.ca are three of the most popular online wine retailers in the country. Most wine (83.3%) is sold by food/drink/tobacco specialists. Each province in Canada has its own liquor board. These import and distribute wine within their respective provinces. Just 9.6% of wine is sold in supermarkets. The popularity of food/drink/tobacco specialists as a channel is declining whereas more modern channels such as supermarkets and hypermarkets are gaining popularity.

EU exporters have the possibility to join trade shows and events in Canada where they can showcase their products and connect with potential buyers.

Figure 5-18: Distribution channel overview of wine in Canada (2021); off-trade volume



Source: Euromonitor International: Alcoholic Drinks, 2022.

5.4.6 Challenges for EU products

Overall, the Canadian wine market represents opportunities for the EU as it is the main exporter. However, the distribution of wine is highly regulated in Canada, and a few large distributors control most of the market. This and the fragmented regulatory environment make it difficult for EU producers, particularly SMEs, to enter the market successfully.

Wine seems to become less popular with younger consumers, which could pose a problem in the future if this trend continues. Younger consumers tend to moderate or avoid drinking alcohol altogether. This trend is not new and has already been seen prior to the COVID-19 pandemic, although the pandemic accelerated the trend.

Wine is losing ground to other alcoholic drinks such as spirits and ciders. Other ready-to-drink alcoholic beverages might pose a challenge due to their convenience.

Inflation is a challenge in particular for price-conscious consumers as they have less disposable income to purchase wine. This might be a challenge for premium wine from the EU.

Currently, the EU is the main exporter of wine to Canada. However, consumers are getting increasingly interested in new world wines so this might pose a challenge in the future. The main competitors are the US, Australia and New Zealand. The volume of Australian unpackaged wine exported to Canada continues to rise, which potentially could be a further threat to the competitiveness of EU products.

Another challenge might be the growing health consciousness of consumers that makes them pay more attention to what they consume. However, this challenge can also provide an opportunity.

Nevertheless, there are opportunities for EU exporters to connect with issues that matter to younger adults such as a focus on sustainability, organic and better-for-you products, lower alcohol options and single-serve packaging.

Market Takeaway: Wine

Consumption: The wine market was worth around EUR 9.70 billion (retail value) in 2021, with the markets for red wine and white wine being the biggest. All categories are forecast to grow, at an even faster pace than in previous years.

Competition: The market is dominated by domestic and international companies. EU exports dominate, and the main competition comes from major non-EU wine exporting countries such as the US but also from Australia and New Zealand.

Distribution: 12% is sold on-trade and 88% through off-trade. Nearly all off-trade distribution takes place solely via food/drink/tobacco specialists and some via supermarkets. E-commerce remains a niche but is growing fast.

Challenges: Declining interest of younger consumers in wine. Presence of new world wines. Growing health consciousness. Inflation affecting premium wines. Regulatory complexity due to patchwork of provincial regulations, also imposing monopolies in distribution.

Opportunities: Red wine is the biggest category. Sparkling wine is forecast to grow at the fastest pace. Health-conscious products such as sugar free, low calorie and non-alcoholic wines, as well as organic and natural wine, and premium products, and sales through e-commerce.

5.5 Spirits

5.5.1 SWOT analysis

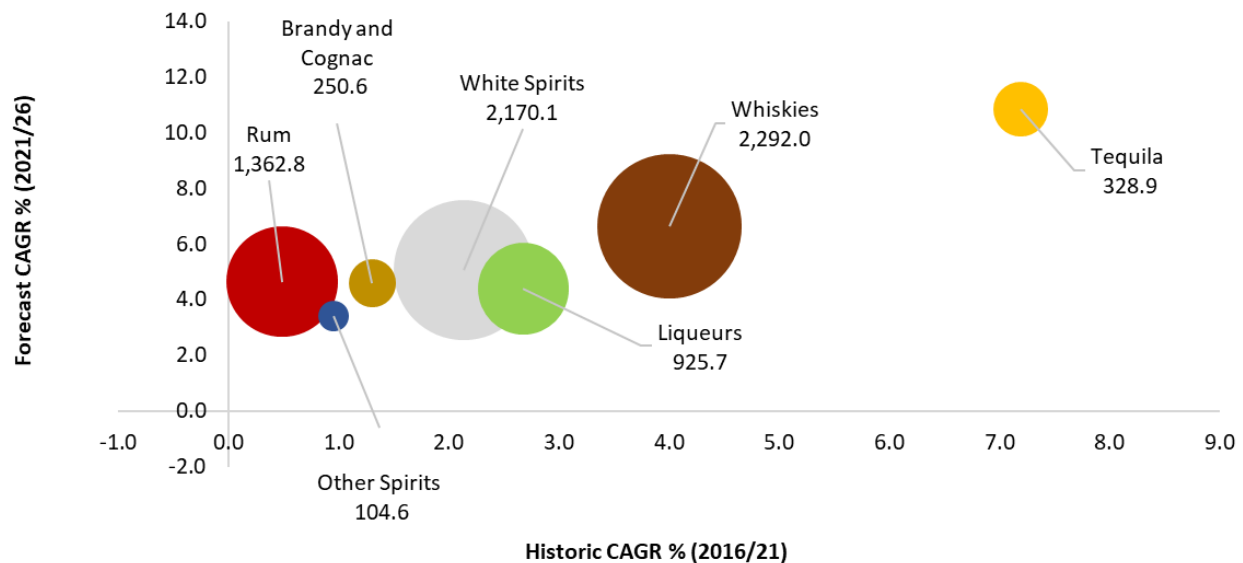
STRENGTHS (+)	WEAKNESSES (-)
▪ The spirit drinks market is forecast to continue to grow at a faster pace than in previous years. ▪ Canada is a net importer of spirit drinks, with imports continuing to grow. ▪ Premium EU brand labels are well-known in the country.	▪ The strong alcohol regulations of certain provinces and the monopolistic position of provincial liquor boards. ▪ Domestic production is important. ▪ The EU accounts for around 35% of the total export market value, which means it does not lead this market. ▪ Spirit drinks are mainly sold in specific liquor stores and not in other outlets such as supermarkets.
OPPORTUNITIES (+)	THREATS (-)
▪ The largest categories, whiskies and white spirits, will continue to grow at a good pace. Tequila, even though a smaller market, is forecast to grow at the fastest pace. ▪ The most imported spirit product in Canada are whiskies, liquors and cordials, and vodka. Non-alcoholic alternatives to spirit drinks as well as craft spirits are increasing in popularity. ▪ The emerging e-commerce channel is growing at a fast pace.	▪ The US and the UK are the biggest non-EU exporters of spirit drinks to Canada. Mexico is a competitor as well. ▪ The market is dominated by international companies including Diageo Canada Inc, and Corby Spirit & Wine Ltd. ▪ The domestic craft spirits market continues to expand posing competition for EU SMEs.

5.5.2 Consumption

Evolution of consumption

The spirits market in Canada has a size of EUR 7.43 billion. Between 2021 and 2026 the market is forecast to grow faster than it did between 2016 and 2021. As observed below in Figure 5-19, whiskies are the most popular spirit drink category in Canada with a market value of EUR 2.29 billion. The market for whiskies is forecast to grow at a CAGR of 6.6% between 2021 and 2026. White spirits are the second-largest spirit drink category with a market value of EUR 2.17 billion. This category is expected to grow at a CAGR of 5.1% between 2021 and 2026. Tequila will be the fastest-growing spirit drink product in Canada between 2021 and 2026 at a CAGR of 10.8%, albeit from a market value of EUR 329 million which is the lowest spirit category by value, behind brandy and cognac (EUR 251 million) and rum (EUR 105 million).

Figure 5-19: Evolution and forecast of the spirit drinks market in Canada, 2016-2026; total value (EUR million)



Source: Euromonitor International: Alcoholic Drinks, 2022.

Consumer profile and purchase criteria

Consumers

Per capita consumption of spirit drinks in Canada is roughly 4.6 litres, which is lower than in many EU countries. The main consumers of spirit drinks differ depending on the spirit category.

For example, vodka is a common choice for women in Canada as this spirit drink is viewed to be lighter and less filling compared to beer or wine. Vodka is also popular with younger generations such as millennials and Gen X because it is generally cheaper than other spirits such as whisky or cognac and can be used to mix cocktails. Certain ethnic communities with Eastern European or Russian heritage also have a tendency to have a preference for vodka because it is a traditional drink. The Bathurst and Wilson area in Toronto, West End and Kitsilano neighbourhoods in Vancouver, and Calgary, Alberta are some popular Russian communities in Canada.

Whisky on the other hand is mainly marketed to men because it is often associated with masculinity. As a result, men are an important consumer group. Consumers older than 55 years commonly choose blended scotch and malt consumers are likely to be above 35 years old. Irish, Canadian and US whiskies on the other hand seem to also appeal to younger consumer groups including those under 25 years old.

Gin seems to mainly appeal to women, partly because it can be used in cocktails. Many gin consumers live in urban areas because the availability of gin in bars, restaurants and liquor stores tends to be higher in densely populated areas. Quebec and Ontario account for most gin sales. Gin also appeals to health-conscious consumers because it has fewer calories than other spirit drinks and contains botanicals such as juniper berries. Gin enthusiasts who enjoy sampling different drinks are also a common consumer group.

Brandy and cognac are viewed to be premium spirit drinks that are associated with luxury and sophistication, which is why they are mainly consumed by older, higher income consumers and connoisseurs. Consumers looking for a gift tend to choose a brandy or cognac for a special occasion such as a wedding, birthday, and holiday.

Liqueurs are mainly marketed towards and consumed by women, in particular those with sweeter flavours such as fruit or chocolate.

Drivers and method of consumption

The COVID-19 pandemic has been driving the sales of spirits for at-home consumption and reduced foodservice sales as many outlets were closed. Now that foodservice establishments reopened and people go back to outdoor activities foodservice sales increased again. Drinks from popular brands were positively impacted by the pandemic because consumers mainly chose familiar drinks. This is changing as consumers are happy to be back at restaurants and bars and thus are often open to trying something new.

The growing health awareness increases the demand for non-alcoholic drinks. Moreover, a new report funded by Health Canada suggests not drinking more than two alcoholic drinks per week. It also proposes mandatory warning labels for alcoholic beverages which would negatively affect the market. Another negative driver might also be the taxation regulation.⁸⁶

Drivers of spirit drinks consumption include the common desires to relax, socialise, experiment, and for gifting. Spirit drinks are commonly used to make cocktails at parties such as birthdays but are also drunk plain.

Vodka is mainly consumed in cocktails such as Bloody Mary, Cosmopolitan, or Moscow Mule that are served in bars and restaurants or at home for social gatherings such as parties. Flavoured vodka tends to be particularly popular during the summer, whereas standard vodka is the preferred choice during winter.

Whisky is popular year-round, however, some consumers prefer to drink it during the colder winter months. As whisky is associated with Canadian traditions and culture it is commonly drunk on the national holidays such as the Canada Day or on Remembrance Day. It is consumed neat or on the rocks (particularly premium whiskies), as well as mixed into cocktails (e.g. whisky sour, or Caesar). When consumed with a meal, the food tends to be hearty and savoury like steak, barbecue, or smoked meats to fit the taste of the whisky. The spirit is also drunk at social gatherings and celebrations.

Gin is mainly used in mixed drinks or cocktails, but it can also be consumed straight or on the rocks. Gin and tonic is the bestselling gin cocktail in Canada, however, other cocktails include Negroni, Martini, and Tom Collins. Many consumers drink such cocktails in bars and restaurants during social gatherings. Moreover, Canadians also use gin in cooking and baking because it adds a distinctive flavour to dishes such as salmon, chicken, and baked goods. During the summer month, some vendors even sell gin and tonic popsicles or sorbet.

Imported spirits from the EU are consumed for different occasions such as during celebrations including new year's eve, weddings, or anniversaries, and as digestifs in fine dining restaurants. They are also bought as a gift for special occasions or holidays, or are featured at tasting events.

⁸⁶ Health Canada recommends limiting alcohol to just 2 drinks per week (2023), <https://www.theguardian.com/world/2023/jan/18/canada-alcohol-drinks-guidelines-health>

Purchase criteria

Price is a key criterion as spirit drinks can get expensive in Canada and are only available in certain retailers as well as on-trade. Consumers with a fair disposable income are likely to choose premium spirits, whereas lower income consumers tend to purchase standard or economy products or watch out for promotions and discounts on higher-priced spirits. Spirits prices in Canada are regulated by minimum pricing laws, which means there may be a limit to how low the prices can go. While all categories offer standard products, premium products that are mostly chosen are from the whisky and dark rum categories. White rum and vodka on the other hand sell more economy products than premium ones.

The type of spirit is often the decisive factor. Most consumers prefer to purchase white spirits. In this category, consumers prefer vodka (mainly unflavoured ones) over gin. Whiskies are the second most chosen spirit. Consumers' favourite whisky is Canadian whisky, followed by blended Scotch whisky, Bourbon/other US whisky, and then Irish whiskies. Rum ranks third. Consumers prefer dark rum over white rum. Although liqueurs are not as popular, consumers prefer cream-based liqueurs than bitters. Brandy and cognac are the least popular category of spirit drinks. The flavour profile of spirits can be an important factor in the purchase decision of some Canadian consumers as well. Canadian consumers like fruit-flavoured vodkas and spiced rum. The recent trend towards craft spirits offers spirits that are infused with unique and unusual flavours.

Moreover, Canadian consumers tend to listen to recommendations from friends and family. They sometimes rely on word-of-mouth, in particular when it comes to trying a new type of spirit or brand. In addition, consumers look for recommendations on social media platforms and read reviews.

Health is another purchase criterion. Health-conscious consumers are more likely to choose non-alcoholic alternatives to spirit drinks, or neat spirits without added sugar/taste.

In general, consumers might be more prone to purchase spirits that are on promotion or offered at a discounted price because they can save money. Promotions and discounts can also convince consumers to try out new spirits they may not have considered purchasing otherwise.

There are certain additional factors that might specifically influence Canadian consumers when deciding to purchase imported spirits from the EU. In many cases the country or region of origin is important to consumers as they might associate certain types of spirits with a specific geographic area. Consumers also tend to rely on brands that have a good reputation for quality, consistency, and reliability. Overall, the packaging might play a role, when consumers purchase new imported products, as a visually appealing and well-designed packaging can make a product stand out or and look premium.

Spirits on retailers' shelves in Canada

The packaging of spirits is evolving. Trends point towards both traditional and innovative packaging options. Glass bottles remain the preferred packaging material for spirits, but PET bottles increasingly show up on the market as this pack type is light weight and less prone to break than glass.

As the consumption of spirits becomes more premium, high-end brands continue to choose glass packaging to showcase their unique and expensive products. Some manufacturers furthermore pack their glass bottles in cartons for a premium look. However, there is growing interest in non-traditional pack types like cans and liquid cartons. These pack types are especially appealing to younger consumers who value their versatility and convenience.

Picture below: Brandy shelf with premium products mainly in glass bottles, with some glass bottles also being packed in cartons for a premium look.



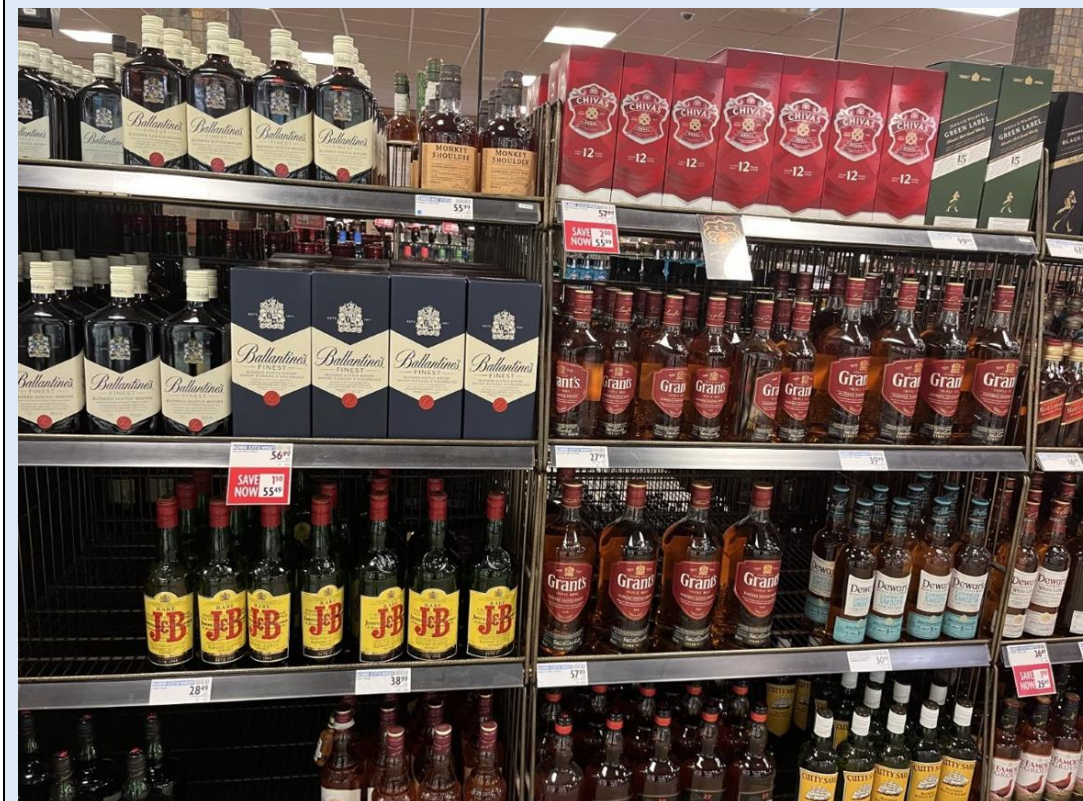
Spirits are commonly organised by type and sometimes by price range. This helps consumers to find what they're looking for easily, and also makes it easier for retailers to manage their inventory. This means there usually is a section or a part of a shelf for vodka, another one for whisky, tequila, etc. Within each section, there might also be subcategories, such as flavoured vodkas or single malt whiskies.

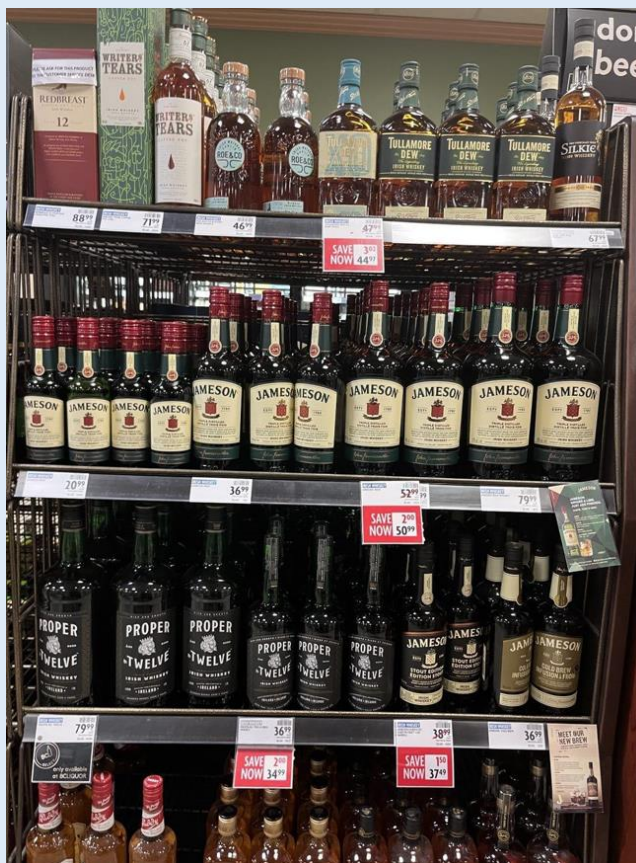
The Canadian spirits market is experiencing a rise in demand for premium and higher-priced products across all categories, including whisky, cognac, gin, etc. This trend has led to strong growth in the premium, super-premium, and ultra-premium segments of the market. While there is still a market for standard-priced spirits, the majority of sales are now being driven by premium and super-premium products. Many spirits from the EU fall into those higher priced categories. Although most spirits available on retailers' shelves in Canada are higher priced, price promotions are common also for premium products.



Pictures above: Vodka shelf on the left. Gin shelf on the right

Picture below: Brandy shelf with high quality products, some of which are promoted by special price points





Picture above: Whisky shelf in a Canadian alcoholic beverage retailer

Pictures: © Agra CEAS / Euromonitor International, 2023.

Recent market trends

There are several market trends which have impacted the Canadian spirit drinks market in recent years such as:

- **Non-alcoholic spirits and ‘less is more’ movement:** The demand for non-alcoholic spirits is growing at a fast pace, mainly because consumers increasingly pay attention to their health and what they consume. Alcohol is viewed to be unhealthy which is why many Canadians aim to reduce their intake while still being able to enjoy nice drinks. As a result, pack downsizing is a growing trend because it limits the amount of alcohol consumed per serving. In addition, this makes non-alcoholic spirits very trendy in particular since the taste and flavour profiles of these types of drinks has improved in recent years, and there is more product choice on the market with even non-alcoholic craft ranges emerging.
- **Tequila and Scotch whisky:** Tequila and Scotch whisky are very popular on-trade drinks. They are used in bars and restaurants to create many different kinds of popular cocktails. Now that consumers can go out more again, their popularity continues to increase.

- **Craft spirits:** Canadian consumers are interested in new flavours and interesting products, which is why the craft spirits segment is booming. The number of craft breweries is increasing, and many new brands of craft spirits enter the market.⁸⁷
- **Packaging labels:** Producers increasingly pay attention to their packaging labels with the aim to enrich consumers' experience. Innovative packaging is particularly targeted at younger consumers because they are constantly seeking unique and interesting experiences. Spirits in the craft segment use packaging labels to establish authenticity, uniqueness and premium images, as well as to put forward craftsmanship and small-batch production.
- **Growing e-commerce:** The e-commerce channel has been growing at a fast pace in recent years and is forecast to continue to grow, which means this new emerging channel offers many new opportunities for distribution. A growing number of spirits are sold online through established online retailers such as Well.ca.

5.5.3 Offer

Domestic production

In recent years the Canadian liquor distilleries industry has experienced a strong expansion. It is forecast to continue to grow in the coming years. Canada's distilleries mainly produce whisky, followed by vodka and rum, however, some also produce liqueur, gin, tequila and other spirits.

Canada has more than 170 small- and medium-sized distilleries, most of which are located in Ontario and British Columbia (over 40 distilleries in each province). The interest in craft spirits is growing and the number of distilleries more than doubles during the last few years. Overall, the industry employs around 3 500 people.

Nonetheless, domestic production is facing some problems due to regulatory changes that decreased the profitability of alcoholic beverages.⁸⁸ Another change that impacted the vodka market, in particular, allows Canadian producers to also make vodka from other agricultural ingredients (e.g. fruit and honey) and not just from potatoes. This development is likely to increase new product development in this area in the Canadian market.

The market is dominated by international players. Diageo Canada Inc ranks first with a market share of 28% mainly due to its international brands such as Smirnoff, Crown Royal, Captain Morgan, and Baileys Irish Cream. Corby Spirit & Wine Ltd, which is part of the Pernod Ricard Group ranks second with a market share of 20%. Their most favourite brands on the Canadian market are Absolut Vodka, Wiser's Deluxe (whisky), and Polar Ice (vodka). Beam Global Canada Inc has a market share of over 8% and Bacardi Canada Inc a share of 7%.

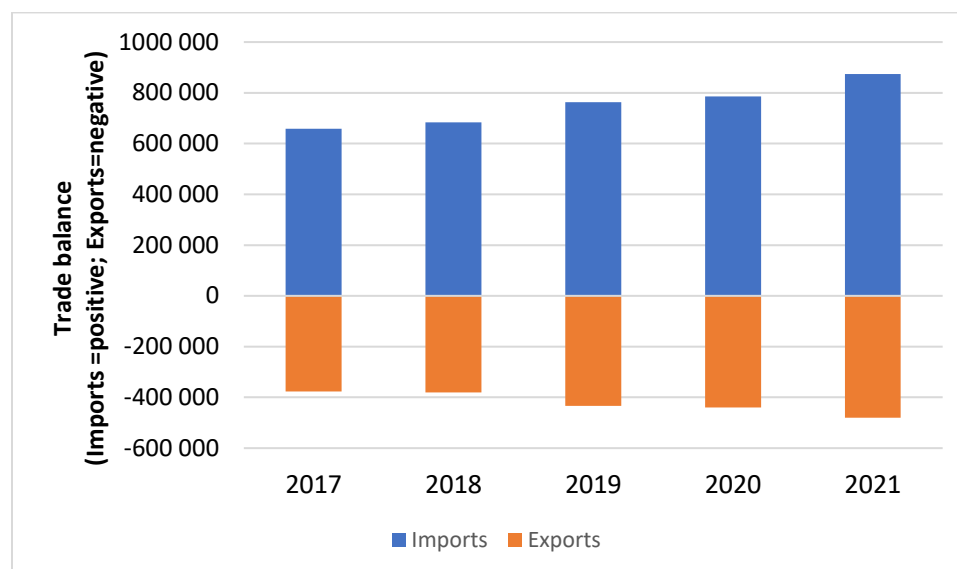
⁸⁷ Industry Overview: Liquor and Distilleries 2022, <https://sba.ubc.ca/industry-overview-liquor-and-distilleries-2022>

⁸⁸ Industry Overview: Liquor and Distilleries 2022, <https://sba.ubc.ca/industry-overview-liquor-and-distilleries-2022>

Imports and exports

As shown below in Figure 5-20, Canada is a net importer of spirit drinks, importing EUR 874 million and exporting EUR 481 million in 2021. Both imports and exports have increased year on year since 2017.

Figure 5-20: Trade balance (imports and exports) of spirits in Canada, 2017-2021 (EUR 000)



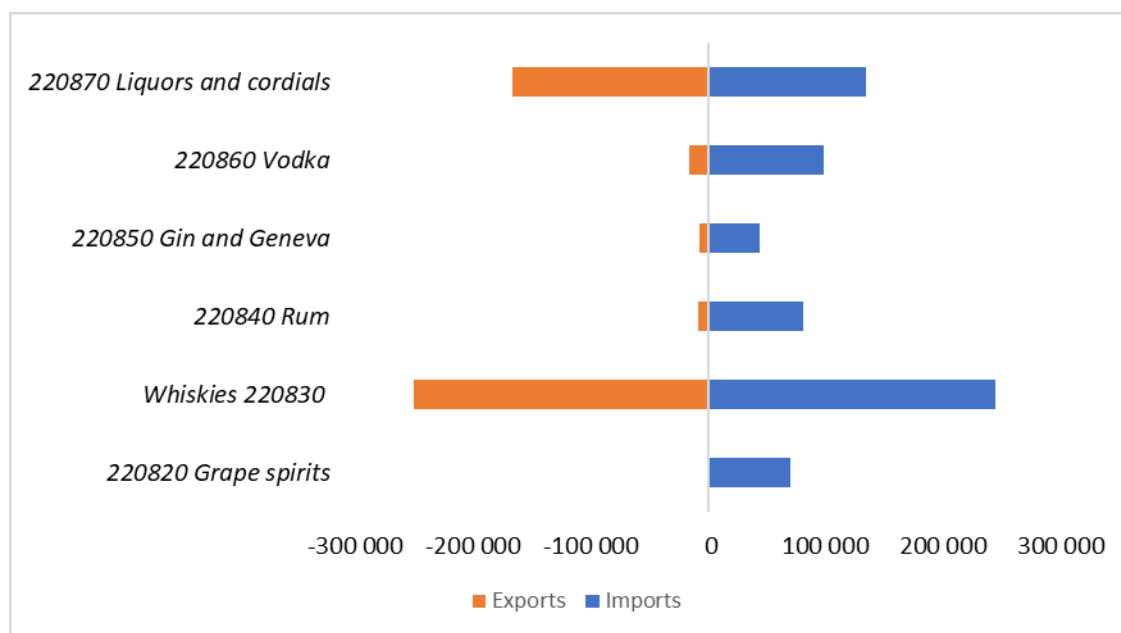
Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 2208.

Whiskies are the most imported spirit product in Canada with imports worth EUR 245 million in 2021 (Figure 5-21). This is followed by liquors and cordials with a value of EUR 135 million and vodka with EUR 98 million.

Figure 5-22 below shows the origin of Canadian spirit drinks imports, with the US being the largest exporter at a value of EUR 199 million. This is followed by the UK with a value of EUR 193 million and France at EUR 111 million. Six out of the top ten exporters are from the EU. These also include Ireland, Italy, Sweden, Latvia, and Germany. The EU as a whole accounts for around 35% of the total import market value.

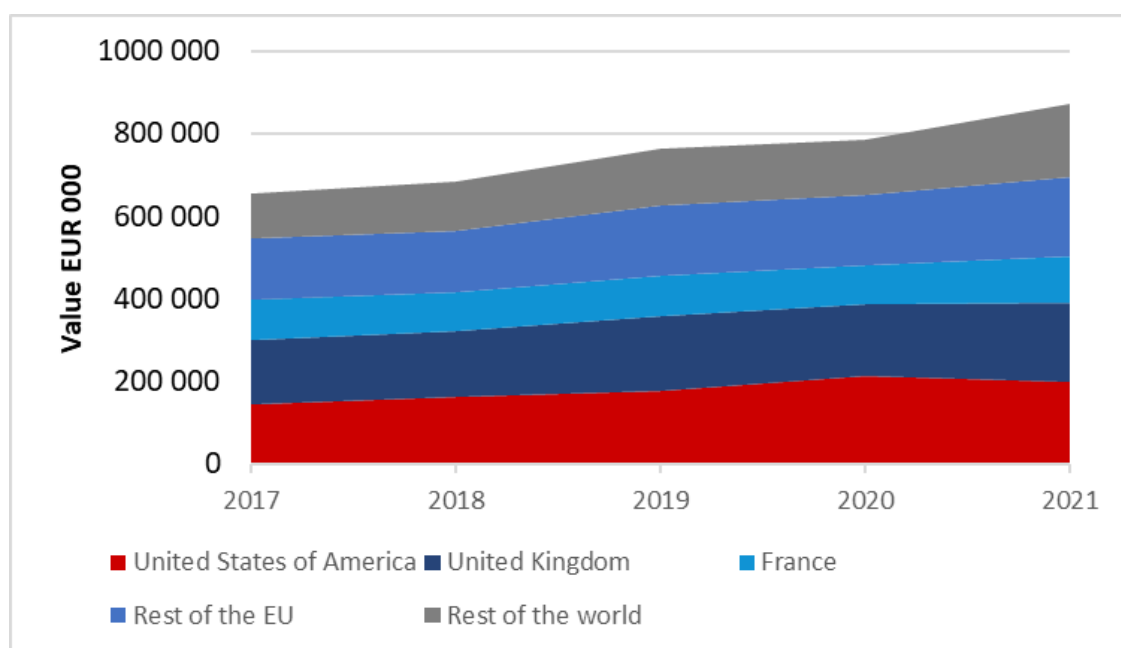
Figure 5-21: Trade balance (imports and exports) of spirits in Canada, by type, 2021 (EUR 000)



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Spirit names shortened. CN codes before spirit name.

Figure 5-22: Canadian imports of spirits by country, 2017-2021 (EUR 000)



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 2208

EU GI products

For many years Canada has maintained a system to protect GIs for wines and spirits under the 2003 Agreement between the European Community and Canada on trade in wines and spirit drinks. Since then, additional GIs have been registered with the Canadian Intellectual Property Office (CIPO). A full list can be found here: [List of Geographical Indications](#).

Main competitors

The Canadian spirits market is dominated by international companies, mainly Diageo Canada Inc, and Corby Spirit & Wine Ltd. that both sell popular spirits brands. Moreover, the local craft spirits industry continues to grow. The increasing popularity of non-alcoholic alternatives to spirit drinks could develop into a strong competition for alcoholic spirits drinks.

Even though the EU accounts for around 35% of imports into Canada by value, the US and the UK are the biggest non-EU exporters of spirit drinks to Canada. Mexico is a significant competitor as well.

5.5.4 Specific market entry requirements

Market access and entry

All food products sold in Canada including spirits must meet the general labelling and compositional requirements of the federal Food and Drugs Act (FDA) and Food and Drug Regulations (FDR).

For spirits, under the EU-Canada Comprehensive Economic and Trade Agreement, the preferential tariff for EU spirits is set at 0%, which is the same or in some cases better than the MFN tariff.

A list of standard documents required for imports into Canada, as well as an overview of the procedure is presented in section 4.2.1. To ship spirits to Canada additional documents may be required as listed below:

- Request for Documentation Review

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link – general spirits category (2208) from France to Canada

<https://trade.ec.europa.eu/access-to-markets/en/search?product=2208&origin=FR&destination=CA>

Standards

Several federal laws and regulations concerning the safety of food and drinks exist in Canada that need to be followed. These are administered by 'Health Canada', which is responsible for establishing policies and standards related to the safety and nutritional quality of food and drinks sold in the country. More information about these laws can be found in 4.2.2. As mentioned above

all food products sold in Canada must meet the general labelling and compositional requirements of the federal Food and Drugs Act (FDA) and Food and Drug Regulations (FDR). Besides these federal rules, the Canadian market for alcoholic beverages is also significantly regulated by its provinces and territories. As a result, the sale and consumption of alcohol is regulated by a patchwork of federal and provincial laws, with each province and territory having its own unique set of regulations governing the sale, distribution, and consumption of alcoholic beverages. More information can be found here: [Alcohol Laws in Canada](#).

As described in section 4.3.4, there are also ongoing disputes with the EU in relation to discriminatory practices for imported wines and spirits. Furthermore, there are challenges with the protection of EU GIs in Canada. It is recommended to consult this section for further details.

Labelling

As described in section 4.2.4, alcoholic beverages sold in Canada are subject to the labelling provisions of the Safe Food for Canadians Act (SFCA), the Safe Food for Canadians Regulations (SFCR), the Food and Drugs Act (FDA), and the Food and Drug Regulations (FDR). When sold interprovincially, depending on the type of alcoholic beverage, other federal acts or regulations such as the Spirit Drinks Trade Act might apply as well. Provincial regulations may also have labelling requirements.

Spirits needs to provide the following information on the label:

- Common name
- Food allergens, gluten and added sulphite labelling
- Alcohol by volume declaration
- Product specific information for different spirits categories might be necessary

More detailed information on the labelling of spirits can be found [here](#).

5.5.5 Distribution

Some 87% of spirit drinks by volume are sold off-trade and 13% on-trade. Most provinces and territories in Canada maintain distribution monopolies for imported spirits. As shown below in Figure 5-23, spirits are mainly sold via food/drink/tobacco specialists which account for 93.6% of off-trade volume. In most provinces and territories spirits are sold in provincially owned, private, or government-run outlets (often referred to as LCBO: government-run liquor stores).⁸⁹ A small share of spirits are sold via independent small grocers. These more traditional channels however are decreasing, whereas more and more spirits are sold through e-commerce channels. E-commerce accounts for 5.5% of off-trade volume, and increased by 5% between 2018 and 2021.

⁸⁹ Can You Buy Alcohol In Grocery Stores In Canada? (2022), <https://www.wine-is.com/can-you-buy-alcohol-in-grocery-stores-in-canada/>

Figure 5-23: Distribution channel overview of spirits in Canada (2021); off-trade volume

Source: Euromonitor International: Alcoholic Drinks, 2022.

5.5.6 Challenges for EU products

An important challenge is the rising health awareness of Canadians which limits the demand for high alcoholic and sugar-dense spirits. Moreover, alcoholic drinks are viewed to be unhealthy in general, and this may become even more pronounced after Health Canada's recent recommendations to limit consumption to two alcoholic drinks per week and the proposal for mandatory warning labels on alcoholic beverages.

Furthermore, the alcohol distribution system in Canada is strongly regulated and controlled by provincial liquor boards, which often offer only limited shelf space for new products. Some Canadian provinces have also established a minimum price for spirits to prevent overconsumption, which limits price-based competition. The alcohol tax is another challenge.

Another challenge is to keep the younger generation interested in these types of alcoholic drinks as most consumers of spirit drinks are older. Over time, this could mean that the main consumer group for spirit drinks may shrink. Companies need to find ways to reverse this trend and to attract all different age groups.

The growing domestic craft spirits trend also poses competition for EU SMEs who wish to enter the market. The government also changed the vodka compositional standard, which now allows producers to use a variety of ingredients to make vodka, and this may pose increased competition for EU vodka producers.

Market Takeaway: Spirits

Consumption: The spirit drinks market in Canada has a size of EUR 7.43 billion. Between 2021 and 2026 the market is forecast to grow faster than it did between 2016 and 2021. The largest categories are whiskies and white spirits.

Competition: Strong competition from international companies, mainly Diageo Canada Inc, and Corby Spirit & Wine Ltd. Local craft spirits sector, and competition from other strong exporters such as the US, the UK, and Mexico.

Distribution: On-trade sales accounted for 13% of the volume of spirits distribution in 2021 while the rest is mainly exclusively sold in specific liquor stores and NOT in other outlets such as supermarkets. However, e-commerce is a growing distribution channel that reached a 5.5% share.

Challenges: The rising interest of consumers in health, the alcohol tax, the need to keep younger generations interested, and competition with the growing domestic craft spirits trend. Regulatory complexity due to patchwork of provincial regulations, also imposing monopolies in distribution.

Opportunities: The largest categories, whiskies and white spirit drinks, as well as the fastest growing category tequila; the most imported drinks such as whiskies, liquors and cordials, and vodka; non-alcoholic alternatives to spirit drinks; the emerging e-commerce channel.

5.6 Olive oil

5.6.1 SWOT analysis

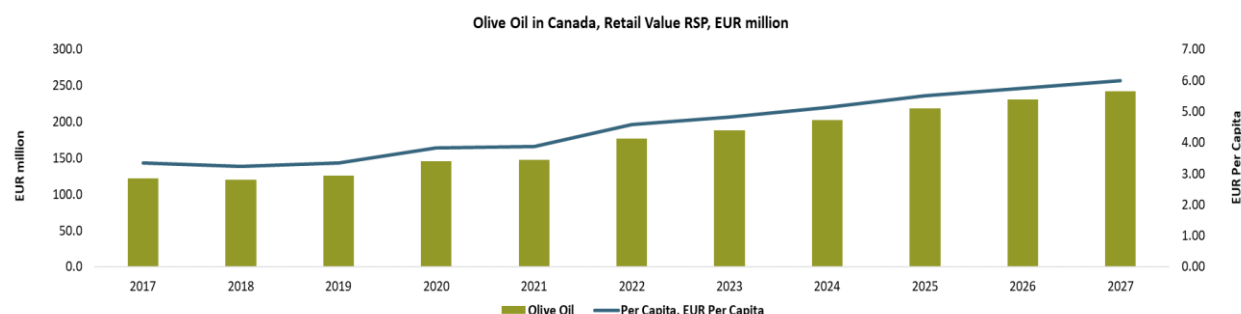
STRENGTHS (+)	WEAKNESSES (-)
- Canada is a strong net importer of olive oil. - The olive oil market strongly grew recently and is forecast to continue to grow. - Olive oil is the third most consumed edible oil by volume and the most consumed by value on the Canadian market. - Around 74% of exports to Canada are from the EU, mainly from Italy and Spain.	- Even though the market will continue to grow, its growth will be slower than in recent years. - Olive oil is more expensive than some other edible oils and price competition might continue to increase e.g. due to inflation. - Growing availability of other edible oils that are perceived to be healthy such as avocado oil.
OPPORTUNITIES (+)	THREATS (-)
- Premium products are popular due to the rising health consciousness of consumers. - New product development and marketing that enables consumers to branch out and inspire the use of olive oil for a variety of uses, such as in cooking dishes from different cuisines. - E-commerce sales remain low but are increasing, which makes it an interesting channel for olive oil distribution to Canada.	- The olive oil market is dominated by ACH Food Cos Inc, Deoleo Canada, Unico Inc, and Loblaw Cos Ltd. - Tunisia is the main non-EU exporter. Turkey and the US are competitors as well. - Domestic production of other edible oils such as rapeseed, which are favoured by consumers for being produced locally.

5.6.2 Consumption

Evolution of consumption

The consumption of olive oil shows a strong upward trend in recent years, growing at a high CAGR of 7.7% between 2017 and 2022 when the market size reached EUR 177 million. The forecasted average growth rate between 2022 and 2027 is lower but remains strong, at about 6.5% per year. Overall, the olive oil market is forecast to have the second highest growth rate in value terms compared to other edible oils in Canada. The market is forecast to increase to EUR 243 million by 2027. In 2022, per capita consumption was around 0.8 litres; with current growth trends, consumption is forecast to reach 0.9 litres per person in 2027 (Figure 5-24).

Figure 5-24: Evolution and forecast of the retail market for olive oil (EUR million) and olive oil expenditure (EUR) per capita, in Canada; 2017-2027



Source: Euromonitor International: Packaged Food, 2022.

Note: figures for 2023 to 2027 based on forecasts.

Consumer profile and purchase criteria

Consumers

Most Canadian consumers use domestically produced edible oils such as canola oil or other vegetable oils, including sunflower, soya and palm oil. Nevertheless, the popularity of olive oil has been increasing recently because many consumers turn to healthier diets. Olive oil is used by many different consumer groups, age groups, etc.

Particularly health-conscious consumers who like to cook choose olive oil over other edible oils because it is viewed to be a healthy edible oil. In addition, olive oil is typically advertised as a natural and organic product, which attracts the attention of consumers who prefer to buy products free from additives and chemicals.

Due to its higher price point, consumers of olive oil usually have larger disposable incomes. People with less disposable income are more likely to opt for cheaper edible oils. Olive oil costs more than double the price of sunflower oil.

Both, men and women purchase olive oil in Canada, yet women tend to be more frequent consumers of it. The proportion of older consumers purchasing olive oil seems to be higher, as they might pay more attention to their health and are likely to have higher disposable incomes compared to young consumers.

Olive oil is mainly purchased by urban consumers because urban areas have higher populations and more diverse food options. However, there is still a significant market for olive oil in rural areas, mainly driven by the demand from health-conscious consumers. Rural consumers are more likely to go to specialty stores to find high quality olive oil as the availability in common retailers tends to be more limited than in urban areas. Provinces with a higher population of individuals with Mediterranean heritage, such as Ontario and Quebec, tend to have a larger demand for olive oil due to the popularity of the Mediterranean cuisine. Culinary enthusiasts enjoy using olive oil as it is a popular ingredient in many gourmet recipes.

Drivers and method of consumption

The consumption of olive oil is increasing by volume and even more by value. This is mainly due to the ongoing inflationary pressures. There are different reasons for the current inflation that include geopolitical factors such as the war in Ukraine. Commodity prices grew because of supply chain issues of bottlenecks. Even though Canada feels the pressure of inflation in this market, it is in a slightly better situation as the country produces other edible oils domestically.

The olive oil market is driven by the growing availability of different olive oils such as products from Spain. This offers a wider choice to consumers that is appreciated and explored. Due to the increasing availability, awareness is on the rise as well, which further drives consumption.

The increasing health consciousness of Canadian consumers gives another boost to the market as olive oil is viewed to be a healthy edible oil choice, i.e. healthier than most domestically produced edible oil options.

Olive oil is used both at home and in foodservice settings in Canada. Olive oil home consumption increased during the COVID-19 pandemic as consumers increasingly spent time at home and mostly had their meals at home. Olive oil is consumed as a cold and warm ingredient, depending on the dish and the cooking method. Extra-virgin olive oil for example is typically used in cold dishes like salads and pasta, as well as for sautéing and roasting. For cooking high-heat dishes on the other hand Canadians rather use olive oils with high smoke points, like refined olive oil. Olive oil is in some cases also used for baking. Now that consumers' lives are busier and get

back to the pre COVID-19 pandemic way of life, the foodservice sector is recovering. This is likely to positively impact olive oil consumption, as restaurants and other food establishments are important consumers of olive oil. In the foodservice sector, olive oil is commonly used in the following popular cuisines: Italian, Mediterranean, and Middle Eastern. It can be found in dishes like salads, appetisers, entrees, and dipping sauces.

Another important driver of the consumption of olive oil that should be considered is population growth due to immigration, which also brings opportunities for more culinary diversity.

Purchase criteria

Depending on what consumers are looking for, they choose between different types of edible oil. Other edible oil is the most popular type, followed by rapeseed oil, and then olive oil. Many consumers might favour rapeseed oil because it is produced domestically, whereas olive oil is imported.

Even though olive oil ranks third by volume, it ranks first according to value, which shows the high price point of the product. The price does play a role for consumers; however, the majority will pay the higher price because it is viewed to be a high-quality product.

Health is an important criterion as well as many Canadians pay attention to what they consume. Thus, olive oil remains a top choice for health-conscious consumers.⁹⁰

Taste is another factor of consideration. Olive oil has a distinctive taste that is loved by many consumers; however, some might prefer rapeseed oil for its neutral taste.

The pack type and pack size also play an important role. Some consumers might prefer smaller packages whereas others prefer larger ones.

The olive oil brands mostly found within the retail space are Bertolli, Gallo, Carapelli and Mastro, whereas the olive oil brands mostly used within the foodservice industry in Canada include Filippo Berio, Bertolli, Colavita, Carapelli and Mazola. In general, the most popular EU olive oil brands that are available in the Canadian market are: Filippo Berio, Gallo, Kirkland, and Colavita.

Olive oil on retailers' shelves in Canada

When it comes to packaging olive oil, the two most common options are rigid plastic or glass bottles. Olive oil sold in volumes of less than 750 ml, are typically packaged in plastic and glass bottles, with 79% of these products being packaged in plastic and 21% in glass. For larger volumes, which are those over 750ml, there is a small presence of 3-piece, rectangular steel containers for premium or harder-to-hold varieties such as delicate olive oil. However, less than 5% of products are packaged in metal, with the majority of large volume olive oils, in particular the lower priced ones, being packaged in plastic. Even though metal is used as a packaging material option for premium and large volume olive oil varieties, its penetration of the smaller volume market remains practically non-existent. However, large square gallon tins have been a part of the bulk market for decades, and oil aerosol cans have recently become an established necessity in many home kitchens.

Picture below: Edible oil shelf depicting different sizes and materials of packaging; mainly glass and plastic bottles of various sizes. Olive oil bottles are positioned at eye sight.

⁹⁰ As Canadian Olive Oil Market Grows, Greek Exporters Fall Behind (2021), <https://www.oliveoiltimes.com/business/as-canadian-olive-oil-market-grows-greek-exporters-fall-behind/95987>



Olive oil is typically found on a shelf with other types of edible oils such as sunflower oil, canola oil, avocado oil, etc. This allows consumers to easily find and compare different edible oil types in one place. Depending on the store, the olive oil section might be organised by brand, price, or other factors that potentially make it easier for consumers to find the right product. Positioning is also important when it comes to the presentation of olive oil in retailers. In most cases, olive oil is placed at eye level or at a height that is easy for consumers to reach.

Overall, the Canadian market for olive oil offers a range of price points and product categories to suit different consumer preferences and budgets. Overall, a 946 ml bottle of olive oil costs between CAD 10.00 - CAD 16.00, depending on origin and type (classic, virgin, extra virgin). However, there are also olive oils available in the super-premium segment, which are positioned as high-end and luxurious products. Olive oil from the EU mainly is situated in the upper market segment as many products are viewed to be premium and super-premium. Nevertheless, price reductions and special offers can also be available for higher priced olive oil market segments.

Picture below: A zoom-in into the previous picture. Olive oil from Italy priced at CAD 15.99 positioned at eye level



Picture below: A special display with large quantities of olive oil from Portugal as a special offer



Picture below: Half empty shelf in a Canadian retailer, with olive oils at different price points. The shelves with cheaper olive oil are emptier than those with higher priced olive oil.



Pictures: © Agra CEAS / Euromonitor International, 2023.

Recent market trends

The following recent market trends can be observed:

- **Packaging size:** Consumers who consume a lot of olive oil make the switch from medium sized to larger pack sizes, whereas consumers who consume olive oil once in a while switch to smaller sizes. The main reason for preference in packaging is economic. Larger bottles are usually cheaper per litre than smaller ones and if consumers know they will use it makes sense financially. In the same way, it makes sense for occasional consumers to purchase smaller bottles to make sure they will be able to use everything. Olive oil in spray formats for cooking is also increasingly popular.
- **Health awareness and premiumisation:** Olive oil and alternative oils such as avocado oil and macadamia oil are viewed to be healthier than domestically produced rapeseed oil, which offers opportunities for manufacturers to target health-conscious Canadians. In

particular, younger generations value olive oil for its health benefits and are likely to also try it for cooking. Consumers are willing to pay a higher price for premium olive oils because quality is very important to them.

- **Sustainability and local sourcing:** Prior to the COVID-19 pandemic sustainability already was a market trend. Now with supply chain disruptions local sourcing becomes more important, as well as other considerations such as that local products are usually more sustainable and support the local economy.
- **New product development:** Due to consumers' curiosity and interest in new products it is important to stay up to date with what types of products are in demand. New launches also need to enable consumers to explore different cuisines and to cook with or use olive oil in new ways.
- **Marketing:** Marketing remains important as ever. Tunisia for example has been very successful in promoting its olive oils as Mediterranean oils with a long history and tradition as well as its use in their renowned cuisine. Greece on the other hand recently failed to promote their story on olive oil.⁹¹
- **E-commerce:** Even though the e-commerce channel remains very small, it continues to grow year after year, which makes it an interesting channel to dive into especially because olive oil is a shelf-stable product. By using e-commerce as a channel, importers may be able to eliminate the need for a further middleman.

5.6.3 Offer

Domestic production

Olive oil is not produced in Canada due to the climate in the country. Olive trees need long, hot and dry summers and milder winters, which are usually not occurring in Canada. Areas with some potential include the coastlines and gulf islands as winters are not too harsh in these locations. Moreover, varieties exist that can withstand colder climates better than others.⁹²

The first 100% Canadian extra virgin olive oil has been produced in 2016 by The Olive Farm which is situated on Salt Spring Island in British Columbia. The olive farm has around 1 000 olive trees.⁹³

The olive oil market is dominated by ACH Food Cos Inc with brands such as Mazola, and Deoleo Canada that sells brands including Italian Bertolli. Each of these companies has a market share of 12%. Unico Inc ranks third with 11% due to e.g. its Unico brand, and Loblaw Cos Ltd had a market share of 9% due to its private label products.

Imports and exports

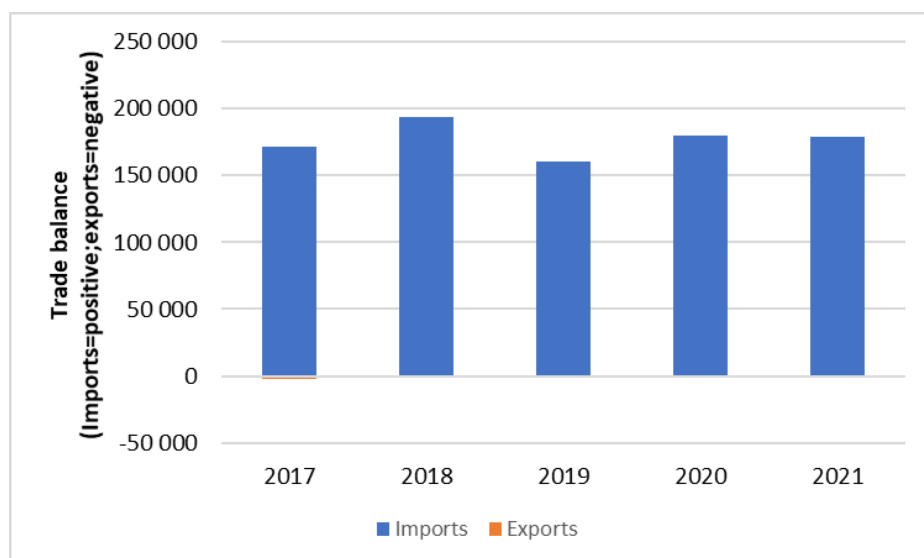
As can be seen in Figure 5-25, Canada is a net importer of olive oil (the country effectively exports no olive oil, except for a very small flow of re-exports). Canada exported olive oil worth EUR 1.4 million in 2021, whereas it imported olive oil worth close to EUR 179 million. Although in 2019 and 2021 imports of olive oil dipped, they are recovering compared to 2017 levels.

⁹¹ As Canadian Olive Oil Market Grows, Greek Exporters Fall Behind (2021), <https://www.oliveoiltimes.com/business/as-canadian-olive-oil-market-grows-greek-exporters-fall-behind/95987>

⁹² Canadian Olive Oil (2021), <https://aureliusfoodco.com/blogs/aurelius-insights/canadian-olive-oil-eh#:~:text=However%2C%20on%20the%20West%20coast,%2Da%2Dkind%20olive%20oil.>

⁹³ The olive farm, <https://theolivefarm.ca/>

Figure 5-25: Trade balance (imports and exports) of olive oil in Canada, 2017-2021 (EUR 000)

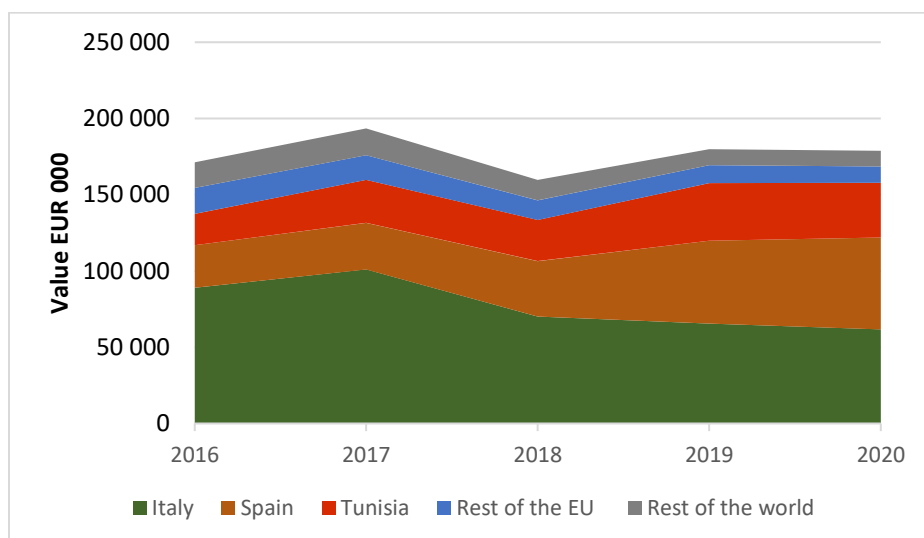


Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 1509.

Italy is the main exporter of olive oil to Canada as depicted in Figure 5-26. In 2021, Italy exported olive oil worth close to EUR 62 million. Spain ranked second and exported around EUR 60 million of olive oil. Together both accounted for close to 70% of the total imported value. Tunisia ranked third with approximately EUR 36 million. Four out of the top 10 exporters to Canada are from the EU which also includes Greece and Portugal. The EU in total accounted for more than 74% of olive oil imports to Canada in 2021. The biggest non-EU players are Tunisia, as well as Turkey and the US.

Figure 5-26: Canadian imports of olive oil by country, 2017-2021 (EUR 000)

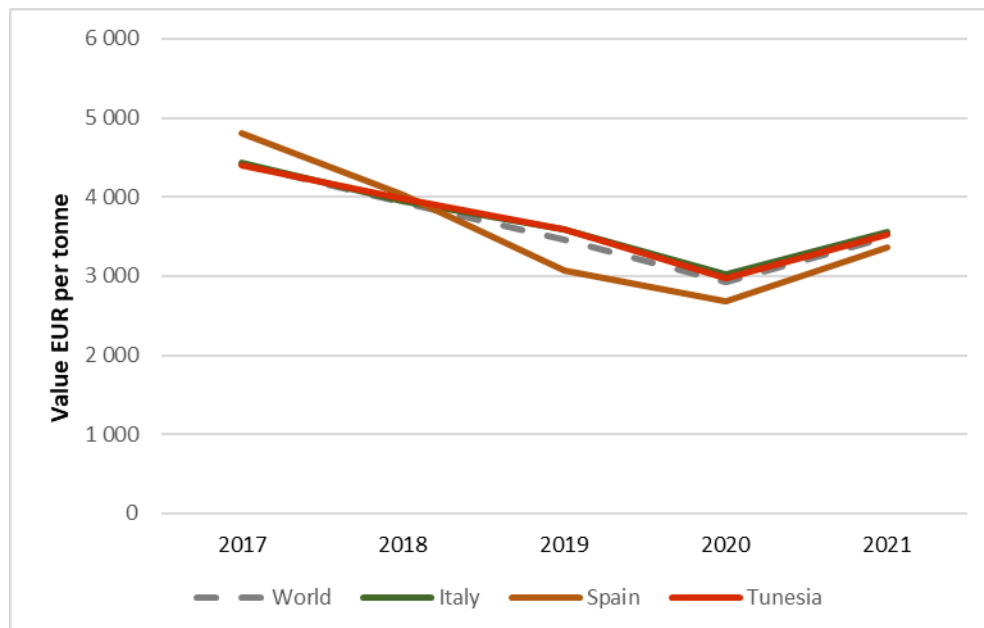


Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 1509.

In 2021, the world's average unit value per tonne of olive oil imports to Canada was around EUR 3 500 as shown in Figure 5-27. The unit value decreased between 2018 and 2020 and started to increase again in 2021. In 2017 it was around EUR 4 420 per tonne. The unit values of Italian and Tunisian olive oil were higher than the world's average in 2021, whereas the one of Spanish olive oil was below the world's average in the same year. The unit value for olive oil from Italy was about EUR 3 560 per tonne in 2021 and for olive oil from Tunisia was approximately EUR 3 530 per tonne. The unit value of olive oil from Spain was about EUR 3 360 per tonne in 2021.

Figure 5-27: Unit value of Canadian imports of olive oil by country, 2017-2021 (EUR per tonne)



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 1509.

EU GI products

Olive oils from five different EU countries are protected in Canada under CETA. More information can be found in section 4.2.4. To see the full list of protected GIs follow the link: [List of Geographical Indications](#)

Greece:

- Kalamata olive oil (Ελαιόλαδο Καλαμάτας)
- Kolymvari Chanion Kritis Olive Oil (Ελαιόλαδο Κολυμβάρι Χανίων Κρήτης)
- Sitia Lasithiou Kritis Olive oil (Ελαιόλαδο Σητείας Λασιθίου Κρήτης)
- Olive Oil Lakonia (Ελαιόλαδο Λακωνία)

Spain:

- Baena
- Sierra Mágina
- Aceite del Baix Ebre-Montsía / Oli del Baix Ebre-Montsía
- Aceite del Bajo Aragón
- Antequera

- Priego de Córdoba
- Sierra de Cádiz
- Sierra de Segura
- Sierra de Cazorla
- Siurana
- Aceite de Terra Alta / Oli de Terra Alta
- Les Garrigues
- Estepa

France:

- Huile d'olive de Haute-Provence

Italy:

- Garda
- Veneto Valpolicella / Veneto Euganei e Berici / Veneto del Grappa

Portugal:

- Azeite de Moura
- Azeites de Trás-os-Montes
- Azeite do Alentejo Interior
- Azeites da Beira Interior
- Azeites do Norte Alentejano
- Azeites do Ribatejo

Main competitors

Even though there is no olive oil production in Canada, domestic companies sell international brands and private label products. The market is dominated by ACH Food Cos Inc, Deoleo Canada, Unico Inc, and Loblaw Cos Ltd.

Regarding imports of olive oil, the EU is the main source and accounts for around 74% of the imported market value in Canada. However, in particular, Tunisia stands out as a non-EU competitor. Turkey and the US are to be taken seriously as well.

5.6.4 Specific market entry requirements

Market access and entry

All food products sold in Canada must meet the general labelling and compositional requirements of the federal Food and Drugs Act (FDA) and Food and Drug Regulations (FDR). Products that are represented or sold as olive oil or pure olive oil are subject to the standard of composition for this product, as stated in Section B.09.003 of the FDR.

For olive oil, under the EU-Canada Comprehensive Economic and Trade Agreement, there are 0% tariffs on EU olive oil.

A list of standard documents required for imports into Canada, as well as an overview of the procedure is presented in section 4.2.1. To ship olive oil to Canada additional documents are required. These documents are listed below.

- Request for Documentation Review

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link – olive oil (1509) from Italy to Canada

<https://trade.ec.europa.eu/access-to-markets/en/search?product=1509&origin=IT&destination=CA>

Standards

Several federal laws and regulations concerning food safety exist in Canada that need to be followed. These are administered by 'Health Canada', which is responsible to establish policies and standards related to the safety and nutritional quality of food sold in the country. More information about these laws can be found in 4.2.2. As mentioned above, all food products sold in Canada must meet the general labelling and compositional requirements of the federal Food and Drugs Act (FDA) and Food and Drug Regulations (FDR). Products that are represented or sold as olive oil or pure olive oil are subject to the standard of composition for this product, as stated in Section B.09.003 of the FDR.

As noted in section 4.3.4, there are challenges with the protection of EU GIs in Canada. It is recommended to consult this section for further details.

Labelling

As described in section 4.2.4, imported olive oil is subject to the labelling provisions of the Safe Food for Canadians Act (SFCA), Safe Food for Canadians Regulations (SFCR), Food and Drugs Act (FDA), and the Food and Drug Regulations (FDR). When sold interprovincially, olive oil is subject to the labelling requirements under the FDA and FDR, as well as specific requirements of the SFCA and SFCR that apply to pre-packaged foods sold in Canada.

The Industry labelling tool is a food labelling reference for all industry that outlines the requirements for food labelling and advertising. Olive oil products need to provide the following information on the label:

- Common name (when designated as "extra virgin" or "virgin" olive oil, strict requirements must be met)
- List of ingredients
- Nutrition labelling

More detailed information on the labelling of olive oil can be found [here](#).

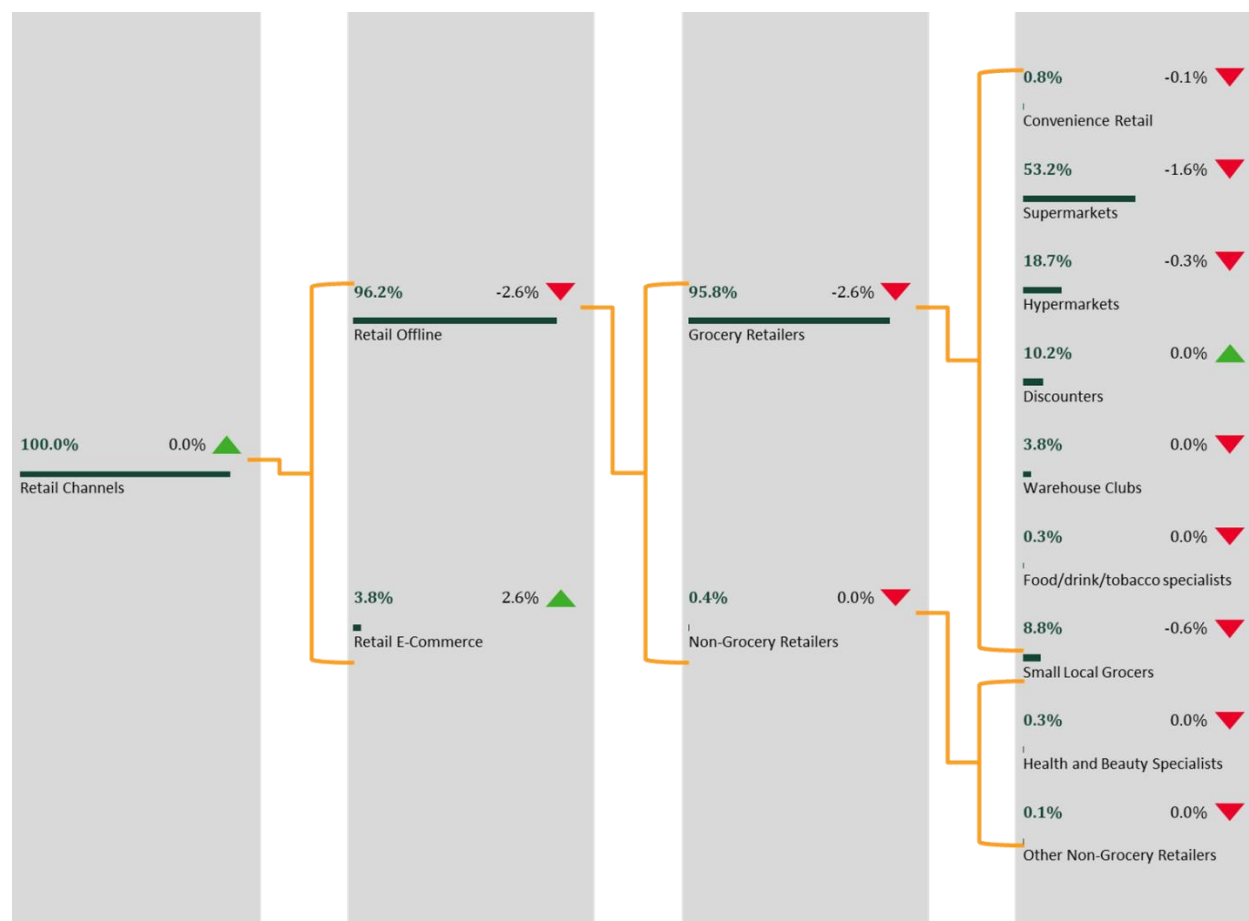
5.6.5 Distribution

Retail sales accounted for around 87% of the total volume sales of olive oil, reaching approximately 28.5 million litres, whereas the foodservice industry accounted for close to 13% of the total volume sales, reaching 4.2 million litres in 2022. The foodservice volume sales are forecasted to grow at a CAGR of 5.5-6% between 2023 and 2027 because of increasing consumer demand for healthier and more sustainable food options. Thus, retail sales are forecasted to decline and account for less than 85% of total volume sales in 2027.

Figure 5-28 shows distribution channels by retail value for edible oils as a whole in Canada. Grocery retailers account for about 95.8% of the total sales of edible oils. Within this category, supermarkets are the most popular channel and account for 53.2% of retail sales and hypermarkets account for 18.7%. Between 2018 and 2022 the popularity of discounters as a channel increased, whereas the popularity of supermarkets and hypermarkets decreased. Discounters account for 10.2% of the retail value. E-commerce increased significantly, albeit from a low base, reaching 3.8% in 2022; this is an increase of 2.6% compared to 2018.

The main channels for EU exporters to sell their olive oil in Canada are grocery store chains, speciality food stores, and online marketplaces. Grocery store chains (e.g. Loblaws, Sobeys, Metro, and Walmart) are popular because of their wide reach and large customer base. Special food shops on the other hand such as Farm Boy are popular channels for high-quality and premium olive oils. Online retailers (e.g. Amazon, or Walmart.ca) allow consumers to conveniently shop from home while also allowing exporters to also reach consumers that live in remote areas. Furthermore, there is the option for EU exporters to sell their olive oil through foodservice channels such as restaurants, cafes, and hotels. These establishments often need large quantities, which can boost volume sales.

Figure 5-28: Distribution channels overview of edible oils (including olive oil) in Canada (2022); retail value



Source: Euromonitor International: Packaged Food, 2022.

5.6.6 Challenges for EU products

The Canadian olive oil market is a highly competitive market, which makes it complicated for EU exporters to differentiate their products and establish a strong presence in the market. However, as the EU is the main supplier of olive oil to Canada, the market offers many opportunities and is highly attractive for EU producers. Nevertheless, other countries such as Tunisia are successful with their marketing, whereas this is not the case for all EU countries (as recently experienced in the case of Greece). This could be a sign of growing competition from non-EU Mediterranean countries such as Tunisia and Turkey. Moreover, there is competition from other edible oils, mainly rapeseed oil, which are sold in higher volumes than olive oil. Rapeseed oil is even produced domestically and thus caters to the local produce trend, unlike imported olive oil.

Even though different distribution channels are available to olive oil exporters in Canada, some of the most popular channels including grocery store chains typically have limited space for new brands. This can make it difficult in particular for EU SMEs to be able to distribute their products via popular channels.

The ongoing inflation also plays a role as it pushes up prices and consumers might downgrade to cheaper types of edible oils or private label products in the future. Thus, EU exporters need to price their products competitively if they wish to remain competitive.

There are also regulatory requirements that importers need to be aware of, such as the specific labelling and quality standards of olive oil sold in Canada.

Nevertheless, SMEs from the EU can be successful if they understand challenges and develop proper strategies to overcome them, for example by investing in marketing, establishing good relations with partners, and developing tailored products.

Market Takeaway: Olive oil

Consumption: In 2022 the olive oil market value reached close to EUR 177 million. It has been growing strongly in recent years and is forecast to continue to grow, although at a slower pace.

Competition: The EU dominates the export market, however, non-EU countries remain competitors. The main non-EU exporter is Tunisia. Turkey and the US should be kept in mind as well. The market is dominated by companies selling international brands as well as private label products.

Distribution: Mostly through supermarkets and hypermarkets. The popularity of discounters is increasing. E-commerce is a niche but growing rapidly.

Challenges: Competition from other Mediterranean countries and with other edible oils such as rapeseed oil which is produced locally. Private label products are a challenge for producers of branded products. Inflation might decrease consumers' willingness to pay.

Opportunities: Premium products because of health consciousness. Inspiring product development and marketing that broadens the use of olive oil. The e-commerce market is growing from a very low base and offers new possibilities for EU exporters.

5.7 Chocolate confectionery

5.7.1 SWOT analysis

STRENGTHS (+)	WEAKNESSES (-)
▪ The chocolate confectionery market has been growing historically and is forecast to continue to grow. ▪ Canada is a large chocolate confectionery consumer and a large market. ▪ Consumers' interest in a diversity of chocolate confectionery products.	▪ The size of the chocolate market is forecast to grow at a slower pace than in recent years. ▪ Canada is an important producer and net exporter of chocolate confectionery. ▪ The EU in total accounted for about 24% of Canadian imports by value which means it is not a leader in the market.
OPPORTUNITIES (+)	THREATS (-)
▪ Chocolate pouches and bags are the largest market and are forecast to continue to have the fastest growth rate. ▪ Offers that fit specific lifestyles such as healthy or sustainable products, as well as innovative products with new tastes and textures. ▪ E-commerce continues to grow in popularity and thus offers new opportunities.	▪ The main non-EU exporters, including the US, Switzerland, Mexico and the UK. ▪ The market is quite consolidated with four top international players that account for more than half of the retail value (Nestlé Canada Inc, Hershey Canada Inc, Cadbury Adams Canada Inc, and Lindt & Sprüngli Canada Inc). ▪ Artisanal producers are competitors in particular for premium products from the EU.

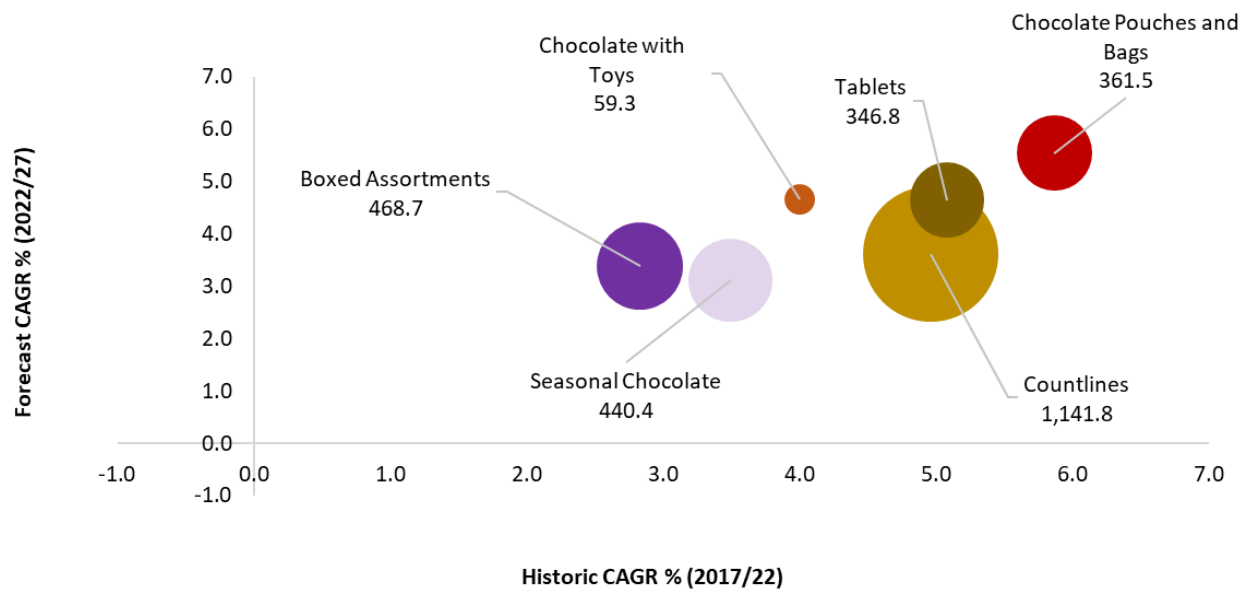
5.7.2 Consumption

Evolution of consumption

In 2022 the total size of the chocolate confectionery market in Canada was about EUR 2.82 billion. As shown in Figure 5-29 the biggest market segment was for countlines with a size of about EUR 1.14 billion, followed by boxed assortments with close to EUR 469 million. Seasonal chocolate was the third biggest market with around EUR 440 million. The market size for chocolate pouches and bags was approximately EUR 362 million and tablets had a market size of about EUR 345 million. Chocolate with toys was by far the smallest category with a size of around EUR 60 million.

Historically, the chocolate market has been growing in the last few years. Between 2017 and 2022 chocolate pouches and bags showed the highest CAGR at 5.9%. Tablets grew at a CAGR of 5.1% and countlines at a CAGR of 5.0%. Boxed assortments had the smallest CAGR of 2.8%. The chocolate market is forecasted to continue to grow, although at a slower pace. Between 2022 and 2027 the market size of chocolate pouches and bags is forecasted to grow at the highest CAGR of 5.5%, and chocolate with toys as well as tablets at the second-highest CAGR of around 4.7%.

Figure 5-29: Evolution and forecast of the chocolate confectionery market in Canada, 2017-2027; total retail value (EUR million)



Source: Euromonitor International: Packaged Food, 2022.

Consumer profile and purchase criteria

Consumers

Canadians eat around 6.4 kg of chocolate per capita each year, which equals around 160 bars of chocolate. Canada is the ninth biggest consumer of chocolate in the world. Canadians consume around 1 kg more chocolate per capita than their US neighbours.⁹⁴

Consumers of chocolate confectionery come from all parts of society because everyone enjoys a treat now and then, no matter their status or age. However, consumption is particularly high for children and adolescents up to the age of 19 years. More than 60% of younger consumers, mainly from Generation Z, claim chocolate to be one of their preferred snack options.

In general, lower-income consumers tend to purchase cheaper treats or cheap chocolate, whereas higher-income consumers are most likely to purchase premium chocolate products such as artisanal chocolate as they view bean-to-bar chocolates as luxurious indulgence items. High income consumers commonly prefer darker chocolates over milk chocolates. Children are likely to be the main consumers of chocolate with toys.

Consumers who enjoy baking at home are likely to purchase chocolate products, such as milk chocolate and dark chocolate chips, for the preparation of cakes, cookies, etc. In recent years Canadians have increased their at home baking frequency.

Environmentally conscious consumers purchase products that are manufactured sustainably and are made with ethically sourced ingredients, whereas health-conscious consumers are more likely to pay attention to the healthiness of ingredients and thus opt for value-added or dark chocolate.

⁹⁴ Does Canada Consume A Lot Of Chocolate? (2022), <https://www.hipurbangirl.com/canada/does-canada-consume-a-lot-of-chocolate/>

Chocolate is also purchased by consumers as a gift for the festive season such as Easter, Christmas, Halloween, or Valentine's Day. These gift-giving consumers typically have a preference for high quality chocolate such as EU imported chocolate.

Drivers and method of consumption

During the COVID-19 pandemic, consumers purchased more chocolate during home seclusion to treat themselves or just to have something to snack. Now that the way of life is getting busier again and people return to their outside activities, many consumers aim to reduce their snacking at home either because they are health conscious and want to lose/not gain weight or because they simply do not have as much spare time for snacking as during the lockdowns. However, on-the-go consumption is on the rise which boosts products such as chocolate pouches and bags, or countlines.

Consumers started to socialise again with friends and family which drives the demand for seasonal chocolate such as for gifting. The demand for seasonal is particularly high during Christmas, Easter, and Valentines Day. Chocolate confectionery, in particular chocolate boxes, are an integral part of the gifting culture of most major holidays.

Nevertheless, many Canadians continue to at least partly work from home, which continues to positively impact the sales of boxed assortments as these are commonly purchased for at-home indulgence.

Besides being a sweet treat for relaxation, chocolate is also often used as a baking ingredient such as for brownies. It also is an ingredient for hot drinks such as hot chocolate.

Purchase criteria

Even though the price does play a role for Canadian consumers when purchasing chocolate, other criteria such as quality play a role too. Many consumers prefer to pay a little bit extra if that means the quality is better e.g. cleaner, more sustainable and healthy ingredients. A good part of consumers opts for more premium chocolate products in general. However, not everyone can afford to purchase high-priced chocolate products each time.

The type of chocolate and the taste also are important criteria. Filled chocolate, for example, is by far the most chosen tablet type, which is preferred by more than half of consumers, followed by plain dark chocolate. Plain milk ranks third and plain white chocolate is only rarely chosen by consumers. When it comes to the type, most consumers choose countlines, followed by chocolate pouches and bags, and then seasonal chocolate. Boxed assortments are the fourth most common choice followed by tablets. Chocolate with toys is the least often chosen chocolate category.

The packaging plays a role as well. Due to home-nesting, consumers like to purchase shareable chocolates. As many consumers also aim to snack less now that the pandemic is over, bite sized and mini chocolate formats are popular. Seasonal packaging such as heart-shaped boxes for Valentine's Day are popular around the different holidays.

The occasion plays a role as well. Consumers are likely to choose different products for themselves than for gifting for example. For gifting boxed chocolate is the number one choice. Larger boxes are often purchased as formal gifts, whereas smaller boxes are for example used as stocking fillers during Christmas.

Another interesting criterion that influences consumers which they might not be aware of is the positioning and visibility of chocolate in stores. As chocolate often is an impulse purchase, consumers are more likely to choose a certain product if it is displayed at different areas in a store such as in the chocolate aisle as well as near check-outs.

Health-conscious consumers are likely to prefer smaller pack sizes in general because they consider too much chocolate to be unhealthy. Health-conscious consumers are likely to purchase chocolate products with lower sugar content, or free-from products. They usually aim to eat less but better.

Sustainable consumers on the other hand pay attention to how environmentally friendly a product is, as well as how it is produced and sourced. Sustainability is an important purchase criterion in Canada. Chocolate products should clearly show that they have been produced in a transparent, sustainable, ethical and environmentally friendly way such as products with a Rainforest Alliance certification.⁹⁵ Organic products are chosen more frequently by sustainably minded consumers.

Chocolate confectionery on retailers' shelves in Canada

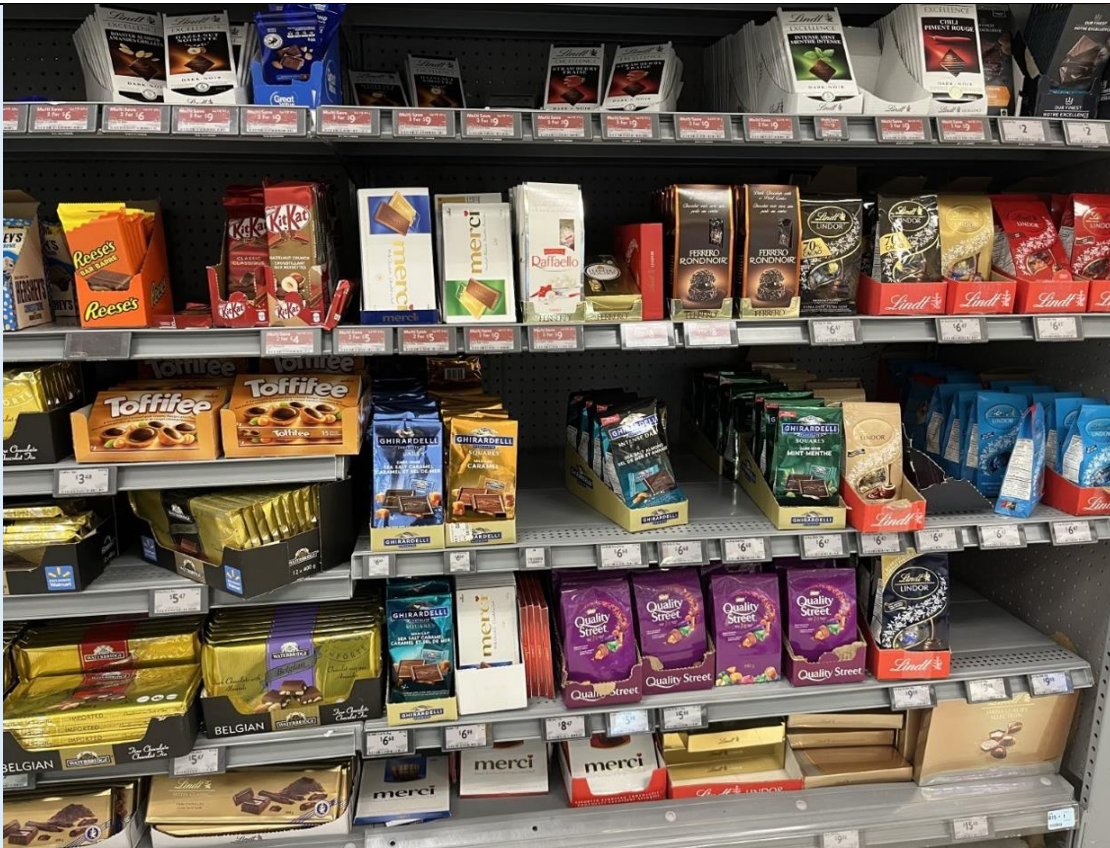
Flexible packaging made of plastic is the most widely used packaging material in the chocolate confectionery industry. It is popular due to its lightweight and compactness, which makes it easy to carry around and consume on-the-go. Compared to glass jars and composite containers, flexible plastic has a small footprint, which is another plus.

In Canada, smaller pack sizes are gaining popularity due to the rise of health and wellness trends, which has been accelerated by the COVID-19 pandemic. Consumers are looking for individual-sized portions, with pack sizes such as 63g, 75g, 32g, and 18g showing substantial volume growth. The 50g flexible plastic pack is also becoming popular for on-the-go consumption.

Chocolate pouches and bags are forecast to increase in popularity in Canada due to the snacking trend. These are typically stand-up pouches with resealable zip or press closures, making them ideal for regular snacking at home.

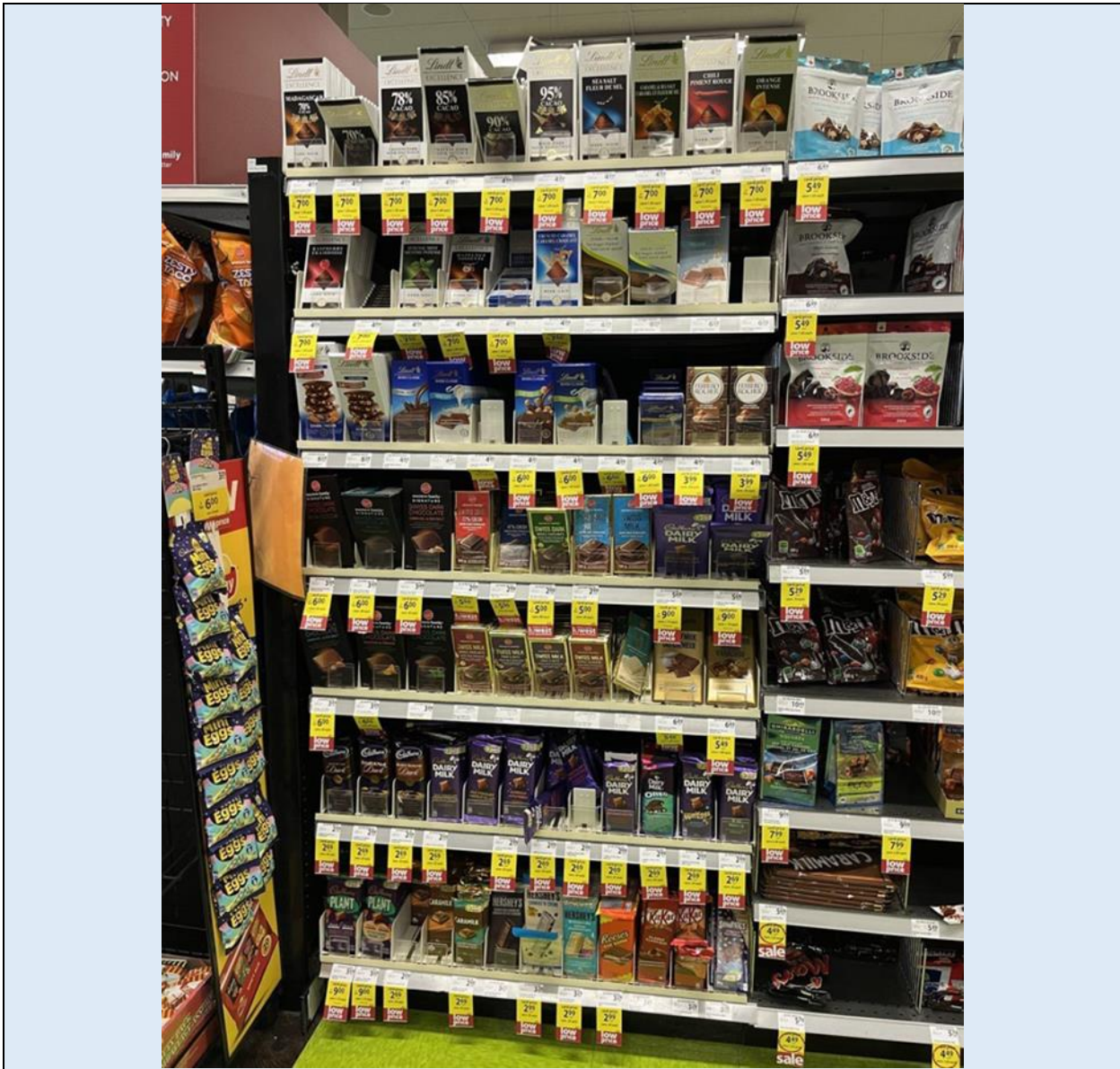
Seasonal chocolates, on the other hand, are packaged in a variety of materials including flexible plastic, folding cartons, aluminium foil, metal tins, other plastic trays, and rigid containers.

⁹⁵ Demand for chocolate grows in Canada, but consumers want healthier options (2022), <https://canadiangrocer.com/demand-chocolate-grows-canada-consumers-want-healthier-options>



Picture above: Chocolate confectionery shelf with a variety of different chocolate products tablets, chocolate pouches and bags and gift boxes.

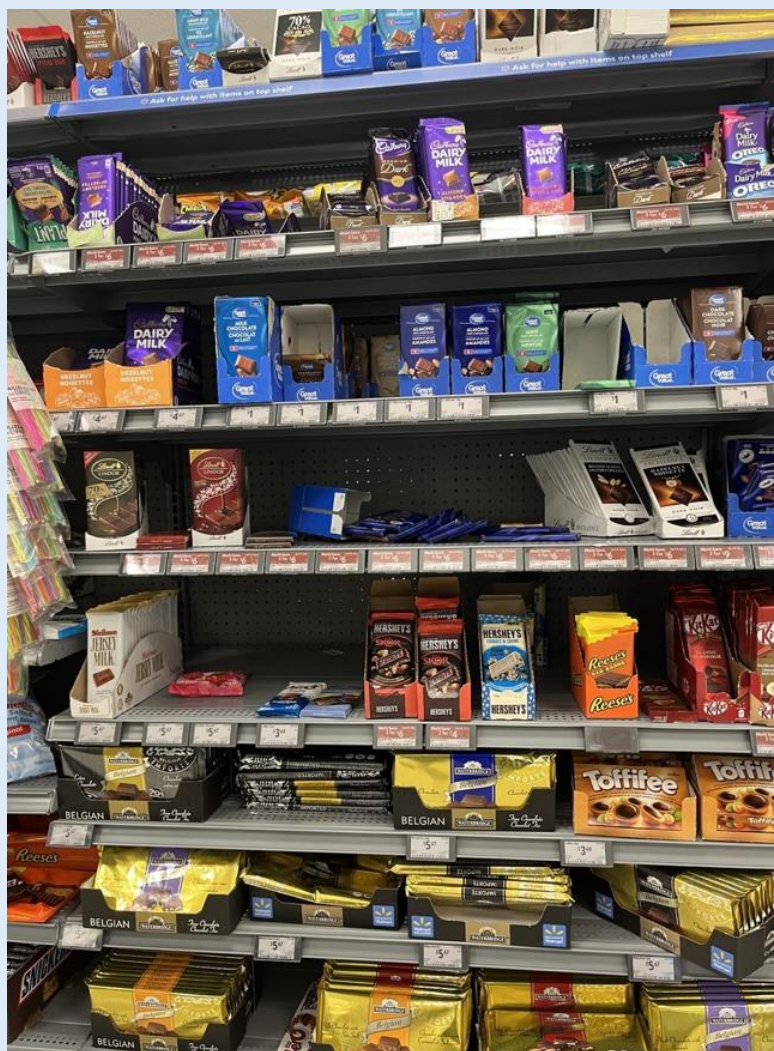
Usually, different types of chocolate confectionery are grouped together on the shelves in Canadian retailers. For example, chocolate tablets and chocolate pouches are typically found on the same shelf or close to each other. Furthermore, it is common to find chocolate confectionery positioned next to sugar confectionery products, such as gummies and candies, as they are often considered as similar sweet treats. Retailers may also create displays that showcase seasonal chocolates, such as those for Easter or Christmas. By grouping similar products together, it is easier for consumers to find what they are looking for and compare different brands and flavours.



Picture above: Shelf with chocolate tablets next to a shelf with chocolate pouches in a Canadian retailer.

Imported chocolate confectionery from EU countries such as Belgium, but also other European countries such as Switzerland, is often considered premium and is priced higher than domestic chocolate brands in Canada. Lindt Swiss chocolate, for example, is one of the most popular imported brands and can cost between CAD 2.99 to CAD 4.99 for a 100g chocolate tablet depending on the retailer. Belgian Cote d'Or chocolate has a similar price of between CAD 2.99 and CAD 3.99. Other premium EU chocolate brands, such as Belgian Godiva and Neuhaus, are typically more expensive and can cost between CAD 5.99 to CAD 9.99 for a 100g tablet. However, it is important to note that prices for imported chocolates can vary widely depending on the retailer and any promotional or sale prices that may be in effect at the time of purchase. In comparison, domestic chocolate brands are generally lower priced and can offer a more budget-friendly option for consumers.

Picture below: Chocolate shelf in a Canadian retailer with different types of products at different price ranges



Pictures below: Special offer of gift boxes display from Ferrero (left), and a special offer on quantity (right)



Pictures: © Agra CEAS / Euromonitor International, 2023.

Recent market trends

The following recent market trends for chocolate confectionery stand out:

- Health and sustainability:** An increasing number of consumers pays attention to their personal health as well as to the sustainability of products they consume. This trend strongly increased during the COVID-19 pandemic and is likely to continue to grow. As such, chocolate with reduced sugar content and organic chocolate is in demand. Popular brand choices include for example Cadbury's 30% less sugar milk chocolate and Reese's sugar-free peanut cups. Manufacturers pay more attention to the sustainability of their products, both in terms of ingredients and packaging. Hershey's for example sources 100% Bonsucro-certified Mass Balance sugar for their Canadian plants, and Nestlé invests into sustainable cocoa farming. These large companies as well as small chocolatiers also continue to slowly switch to sustainable packaging such as compostable and biodegradable packaging. Moreover, smaller brands continue to be launched that offer niche products such as ethically sourced chocolate confectionery. In this segment, the Canadian brand Awake is popular.
- Lifestyle offerings:** Consumers look for products that fit their lifestyles. Catering to consumers with specific dietary preferences becomes increasingly important. Offerings include for example keto friendly chocolate, fairtrade chocolate for socially responsible consumers who are concerned about unethical practices such as the exploitation of farmers cultivating cocoa, or chocolate with natural ingredients for health-conscious consumers, and plant-based chocolate confectionery for consumers caring about animal welfare. The craft chocolate sector with its bean-to-bar products also gained traction and is viewed to offer high quality and trendy chocolate confectionery. Thus, value-added claims are appealing to Canadian consumers.

- **Innovative launches:** Many players have been experimenting with new product development regarding different aspects such as size and packaging of products, flavours, and marketing. Companies launched for example sharable chocolate pouches and bags as well as larger sized tablets. New launches also included chocolates with unusual flavour profiles to attract curious consumers. Nestlé for example launched a Kit Kat Ruby and vegan KitKat bars. Cross-category learning and brand equity are more and more leveraged to foster innovation and growth in chocolate confectionery. One example of this are the Cadbury Dairy Milk Oreo bars that are a collaboration between Cadbury and Oreo, which is the leading filled biscuits brand in Canada. Innovation is key because, in particular after the COVID-19 related lockdowns, consumers crave new experiences.
- **E-commerce:** The e-commerce channel has been growing strongly in recent years and is forecast to continue to grow at a fast pace. During the COVID-19 pandemic many consumers shopped their groceries online for the first time. Canadians of all ages increasingly become comfortable with online shopping. Consumers appreciate the appeal of convenience. Moreover, the online grocery shopping offer grows due to an improved infrastructure, which lowers delivery costs and time. Many in-store grocery channels now also invest in e-commerce to keep up with the trend and to reach more consumers. This channel will make it easier for niche premium brands of chocolate confectionery to reach a wide audience.

To stand out in the Canadian chocolate confectionery market EU producers can promote European craftsmanship and the history behind their chocolate-making, as Canadian consumers tend to be interested in this information because it makes the chocolate feel even more special and premium quality. Guylian, a Belgian chocolate manufacturer, for example depicts historic landmarks of Belgium as well as a description of their traditional chocolate making practices on their packaging. Ritter Sport, which is a German chocolate brand, also highlights the history of German chocolate and its cocoa selection process on its website and social media pages.

Another way to ensure successfulness when exporting chocolate from the EU to Canada is to build and develop a strong relationship with important retailers and distributors in Canada as this can help to get more shelf space and visibility.

5.7.3 Offer

Domestic production

Even though Canada does not produce cocoa it imports a lot of it to make chocolate confectionery. In 2021, around 1.4 kg of cocoa (green bean equivalent) was available per capita. About 135 businesses were involved in the chocolate and chocolate confectionery manufacturing industry sector in Canada and another 260 businesses were engaged in confectionery manufacturing from purchased chocolate. In total, the country manufactured close to EUR 137 million worth of chocolate confectionery that was sold via retailers, distributors and bakeries.⁹⁶

The market is quite consolidated with four top players accounting for more than half of the retail value. All four of them were able to keep their share fairly stable during the last years, partly due to strong brand recognition and their wide distribution networks. Nestlé Canada Inc ranks first with a share of 15%, which is mainly due to their Kit Kat, Coffee Crisp, and Favourites brands. Hershey Canada Inc follows with around 14%, due to brands such as Reese's, Hershey's, and

⁹⁶ A sweet (data) bite: Canada's love for chocolate (2022), <https://www.statcan.gc.ca/o1/en/plus/1345-sweet-data-bite-canadas-love-chocolate>

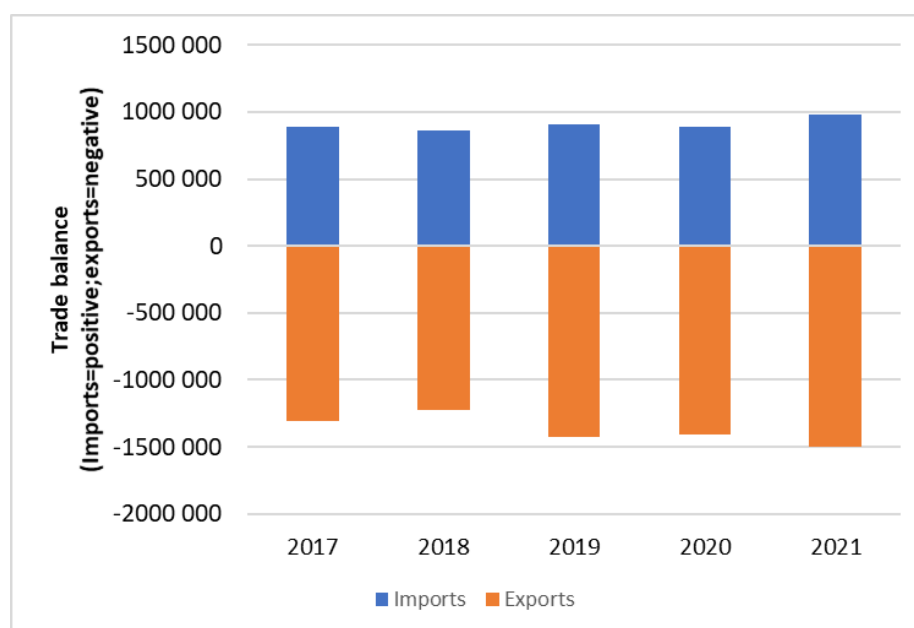
Hershey's Pot Of Gold. Cadbury Adams Canada Inc is close to the other two players, with about 13%. The company's most popular products on the market are Cadbury Dairy Milk, Cadbury Crispy Crunch, and Cadbury Creme Egg. Lindt & Sprüngli Canada Inc ranks fourth with a market share of 10%, particularly because of their Lindt, and Lindor products.

Even though the market is dominated by large international companies, the artisanal sector is growing fast because consumers look for premium products that are locally produced and usually fit to a very specific type of consumer.⁹⁷

Imports and exports

Figure 5-30 shows that Canada is a net exporter of chocolate confectionery. In 2021, exports of chocolate confectionery were worth EUR 1.5 billion, whereas imports were worth EUR 979 million. This means Canada exported over 1.5 times more than it imported in the same year. Overall, imports as well as exports increased since 2017, although there have been some fluctuations.

Figure 5-30: Trade balance (imports and exports) of chocolate confectionery in Canada, 2017-21 (EUR 000)



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

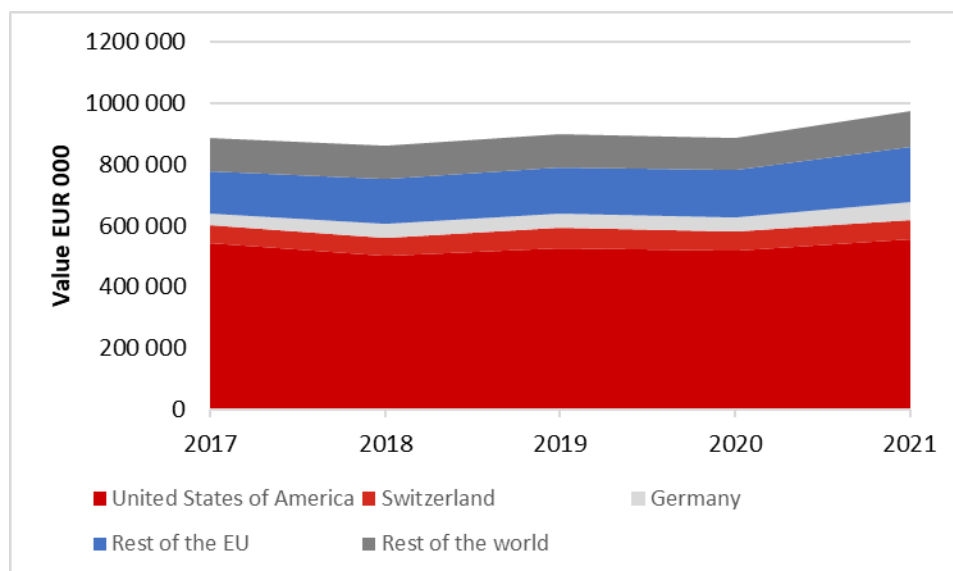
Data for CN code 1806.

In 2021 the three main exporters of chocolate confectionery to Canada were the US, Switzerland, and Germany. The US was the main exporter of chocolate confectionery to Canada, with exports worth more than EUR 556 million as shown in Figure 5-31. Thus, the US alone accounted for close to 57% of Canada's imports by value. Switzerland exported about EUR 63 million, followed by Germany with close to EUR 58 million. Five out of the top ten chocolate confectionery exporters to Canada are from the EU. These also include Belgium, Italy, France and Poland. The EU in

⁹⁷ Focus: Emerging Canadian artisan confectionery market on the rise, <https://www.confectioneryproduction.com/feature/31170/focus-emerging-canadian-artisan-confectionery-market-on-the-rise/>

total accounted for about 24% of Canadian imports by value. The main non-EU exporters besides the US and Switzerland are Mexico and the UK.

Figure 5-31: Canadian imports of chocolate confectionery by country, 2017-21 (EUR 000)

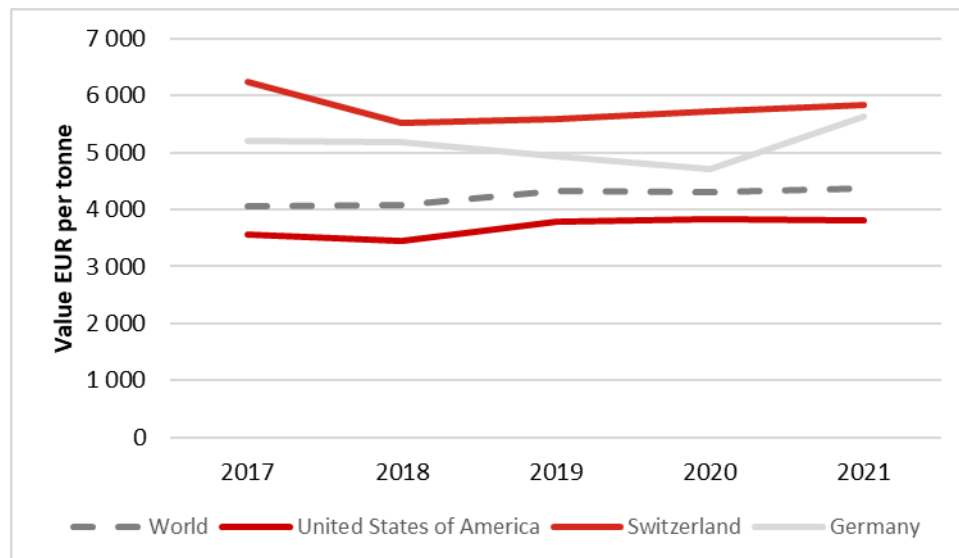


Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 1806.

The world's average unit value of chocolate confectionery imports into Canada was about 4 360 per tonne in 2021 as depicted in Figure 5-32. Chocolate imported from the US in 2021 had a unit price below the world's average at EUR 3 800 per tonne. The unit value of chocolate from Switzerland was much higher than the world's average at EUR 5 830 per tonne. The unit value of exports from Germany were higher than the world's average as well, however not as high as Swiss exports at around EUR 5 630 per tonne.

Figure 5-32: Per unit value of Canadian imports of chocolate confectionery for selected countries, 2017-21 (EUR per tonne)



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 1806.

EU GI products

One chocolate confectionery product from Germany is protected in Canada (Note: this could also fit in the sugar confectionery category as chocolate is not the main ingredient). More information can be found in section 4.2.4. To see the full list of protected GIs follow the link: [List of Geographical Indications](#)

Germany:

- Lübecker Marzipan

Main competitors

The market is quite consolidated with four top international players that account for more than half of the retail value. Nestlé Canada Inc ranks first, followed by Hershey Canada Inc, Cadbury Adams Canada Inc, and Lindt & Sprüngli Canada Inc. Artisanal producers are competitors in particular for premium products from the EU.

When it comes to imports, the EU is not the most important source of chocolate confectionery in Canada. The US clearly leads the market as it accounts for 57% of imports by value. However, Switzerland, Mexico and the UK are important competitors as well.

5.7.4 Specific market entry requirements

Market access and entry

All food products sold in Canada including chocolate confectionery must meet the general labelling and compositional requirements of the federal Food and Drugs Act (FDA) and Food and Drug Regulations (FDR).

For chocolate confectionery, under the EU-Canada Comprehensive Economic and Trade Agreement, there are 0% tariffs within the access commitment and 265% of FOB value over the

access commitment. However, in order to qualify for the zero preferential tariff the product must originate in the EU or Canada.

A list of standard documents required for imports into Canada, as well as an overview of the procedure is presented in section 4.2.1. To ship chocolate confectionery to Canada additional documents are required, which are listed below:

- EIPA File
- Import Licence for Foodstuffs
- General Import Permit for Designated Commercial Agricultural Goods
- Request for Documentation Review

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link – chocolate confectionery (1806) from Germany to Canada

<https://trade.ec.europa.eu/access-to-markets/en/search?product=1806&origin=DE&destination=CA>

Standards

Several federal laws and regulations concerning food safety exist in Canada that need to be followed. These are administered by 'Health Canada', which is responsible to establish policies and standards related to the safety and nutritional quality of food sold in the country. More information about these laws can be found in 4.2.2. As mentioned above, all food products sold in Canada must meet the general labelling and compositional requirements of the federal Food and Drugs Act (FDA) and Food and Drug Regulations (FDR).

Labelling

As described in section 4.2.4, imported chocolate confectionery is subject to the labelling provisions of the Safe Food for Canadians Act (SFCA), Safe Food for Canadians Regulations (SFCR), Food and Drugs Act (FDA), and the Food and Drug Regulations (FDR). When sold interprovincially, chocolate confectionery products are subject to the labelling requirements under the FDA and FDR, as well as specific requirements of the SFCA and SFCR that apply to pre-packaged foods sold in Canada.

The Industry labelling tool is a food labelling reference for all industry that outlines the requirement for food labelling and advertising. Chocolate confectionery products need to provide the following information on the label:

- Common name
- List of ingredients
- Net quantity
- Nutrition labelling
- Percentage statements on nuts (if any)

Pre-packaged one bite confectionery products, when sold individually, are exempt from the labelling requirements set out in the FDR and the SFCR. More detailed information on the labelling of chocolate confectionery can be found [here](#).

5.7.5 Distribution

As shown in Figure 5-33 chocolate confectionery is nearly exclusively sold through store-based retailing (offline), however sales via internet retailing are growing. In 2022 e-commerce sales accounted for 4.4% of the retail value. The sector increased by 4% since 2018. The e-commerce sector is forecast to continue to grow, whereas grocery retailers lose popularity. Nevertheless, small local grocers (22.7%), discounters (17.7%), and supermarkets (13.3%) are the main channels, followed by convenience retail with 11.9%.

The best distribution channels for EU exporters of chocolate confectionery in Canada include supermarkets and hypermarkets as these are generally popular, but also e-commerce. Moreover, specialty stores or chocolatiers are a good channel for high-end premium chocolates from the EU. When it comes to chocolate confectionery, EU exporters should use both channels, because Canadian customers value both the in-store experience and the convenience and at-door delivery of online ordering.

Figure 5-33: Distribution channel overview of chocolate confectionery in Canada (2022); retail value



Source: Euromonitor International: Packaged Food, 2022.

5.7.6 Challenges for EU products

Overall, the Canadian market for chocolate confectionery products offers good opportunities for the EU as the market is large and Canadians consume a lot of chocolate. However, Canada is an important producer and net exporter of chocolate, and the EU does not lead imports.

The retail market in Canada is highly consolidated with only a few large players dominating the retail landscape. As a result, these retailers have a significant bargaining power and can negotiate favourable terms with suppliers, including chocolate confectionery exporters. These retailers are generally less willing to take a chance on new or small brands.

The dominance of large international companies in the chocolate confectionery market is one of the biggest challenges for EU producers. In addition, competition from non-EU countries such as the US, Switzerland and the UK is also a challenge. With the EU being known for its higher-end chocolate products, an important competitor is domestic craft production which is growing in Canada. Thus, smaller, or newer businesses may find it complicated to establish themselves in the market, which might hinder less well-known EU-based chocolatiers. Nevertheless, EU craft chocolate producers might be able to compete if, for example, they keep up with recent market trends.

The increasing health consciousness of consumers is challenging for the chocolate confectionery market as a whole; however, the introduction of healthier options may address these concerns. Price-wise, inflation could be a challenge in particular for lower-income consumers. Prices for chocolate confectionery are increasing and thus lower-income consumers have less access to higher quality more expensive products from the EU.

Market Takeaway: Chocolate confectionery

Consumption: *The chocolate confectionery market was worth about EUR 2.82 billion in 2022. The market is forecast to grow further in coming years, having also increased during the previous few years.*

Competition: *The market is consolidated with four international players that account for more than half of the retail value. Artisanal producers are competitors. The main non-EU exporters besides the US and Switzerland are Mexico and the UK.*

Distribution: *Nearly exclusively sold through store-based retailers such as small local grocers, discounters, and supermarkets. E-commerce is forecast to grow in popularity.*

Challenges: *To compete with big international companies and other exporters, and with local craft producers. The rising health consciousness of consumers. For less well-known brands, gaining access to concentrated retail trade. Inflationary pressure on prices.*

Opportunities: *Chocolate pouches and bags; lifestyle specific offerings such as healthy and sustainable products; innovative products with new tastes and textures; E-commerce channel.*

5.8 Beer

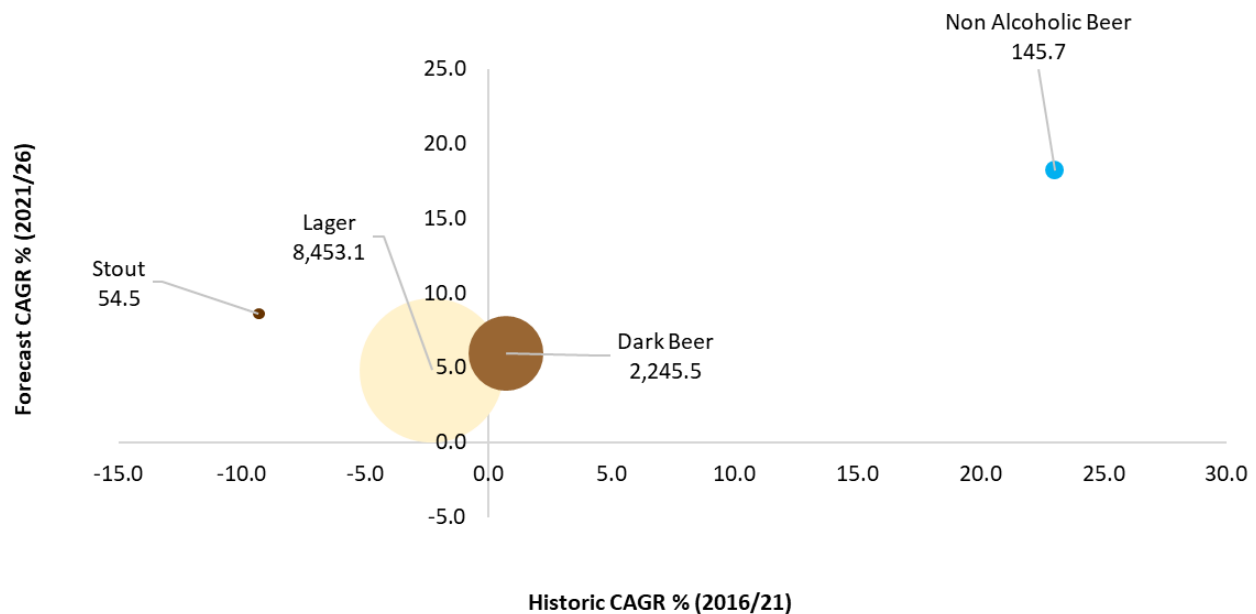
5.8.1 SWOT analysis

STRENGTHS (+)	WEAKNESSES (-)
- All categories of the beer market are forecast to grow in the coming years. - Canada is a net importer of beer. The EU accounts for the majority (60%) of beer imports into Canada, with the Netherlands a key exporter. - Consumers generally opt for imported beer from the EU when seeking a premium beer.	- Beer imports by value have been decreasing during the last few years. - Alcohol taxes and availability in distribution channels differ between provinces and territories. - The craft beer market starts to be saturated which offers fewer possibilities for craft beers from the EU.
OPPORTUNITIES (+)	THREATS (-)
- Strong rise in demand for healthy and natural beer as well as low-no alcohol beers with transparent labelling and sourcing. - The e-commerce sector is growing. An increasing volume of beer is sold online and subscription-based models exist. - Craft beer as well as beer that caters to new tastes and offers new experiences.	- The strong domestic craft beer culture, with craft beer accounting for around 12% of the total market. - The Canadian market is dominated by domestic and international companies Labatt Brewing Co Ltd and Molson Canada, which together have a market share of 73%. - The US is the largest non-EU competitor, followed by the UK and Mexico.

5.8.2 Consumption

Evolution of consumption

The Canadian beer market size was close to EUR 11 billion in 2021. As observed below in Figure 5-34 lager is by far the largest type of beer in Canada with a value of EUR 8.45 billion. Lager is predicted to grow further by a CAGR of 4.8% between 2021 and 2026. This is followed at a distance by dark beer with a value of EUR 2.25 billion. Non-alcoholic beer has been the fastest-growing beer segment in recent years, growing by a CAGR of 23% between 2016-2021. It is forecasted to grow slightly less fast, at a CAGR of 18.2% between 2021 and 2026. Stout is the lowest-valued beer segment with a value of EUR 55 million. Although it is expected to grow by a CAGR of 8.6% between 2021 and 2026, it will remain the lowest-valued beer category in Canada by 2026.

Figure 5-34: Evolution and forecast of the beer market in Canada, 2016-2026 (EUR million)

Source: Euromonitor International: Alcoholic Drinks, 2022.

Consumer profile and purchase criteria

Consumers

Beer is an important part of the Canadian cultural identity. Consumption of beer in Canada stands at 59 litres per capita, ranking it the 32nd largest country according to this metric.

The profile of beer consumers varies across provinces and territories. Younger consumers, particularly those in the 18-34 years age group, drink the most beer, while older consumers drink less beer. Younger consumers socialise more often in public places such as bars compared to older ones. The younger consumers group particularly likes fruit-flavoured beers, whereas middle aged consumers tend to prefer craft beer. Canadian women are likely to prefer light beer.

Geographically, the provinces of Yukon and Newfoundland have the strongest beer drinkers in Canada, with an average annual consumption close to 107 and 91 litres per capita respectively. Consumers in British Columbia and in Ontario consume around 65 litres of beer per capita per year. Consumers in Alberta drink 69 litres of beer per capita per year, those in Quebec 77 litres and Nunavut ranks last with only 55 litres per capita.

It should be remembered that beer prices differ regionally because of different regulatory regimes that affect consumption in each province. Nunavut, for example, remains the only jurisdiction in Canada that has absolute control of retail sales of alcohol through government-owned stores.

Canadians with low and middle disposable incomes typically opt for domestic beers and tend to prefer lager beers because of their affordability. Canadians with high disposable incomes as well as those who want to spend more are likely to opt for craft beer options.

Imported beer is popular amongst consumers in Canada. As imported beers usually belong to the premium segment, consumers are likely to have higher disposable incomes. Moreover, consumers of imported beer from the EU tend to live in urban areas such as Toronto because

their exposure to international products is higher and typically more brands are available. Expats from the EU and travellers or cultural enthusiasts are also more likely to show an interest in EU beer.

Drivers and method of consumption

The beer market is forecast to grow slowly by volume, but slightly faster by value. Overall, the COVID-19 pandemic was positively driving the consumption of many food and beverages. Although its positive effects on beer were rather weak, growth was driven by the wide availability of beer in grocery retailers during the pandemic, which offered consumers the opportunity to purchase beer during their grocery shopping. However, some other channels were closed during lockdowns.

With the country reopening after the pandemic people spend more time outside which limits at home consumption of beer. On the other hand, the distribution of beer has widened in Canada as its availability in supermarkets now is legal in more territories and provinces than prior to the pandemic. In addition, social gatherings are now getting back to pre-pandemic levels, and the foodservice channel has started to recover as consumers increasingly go to bars and restaurants again. All these factors are expected to continue driving growth in the beer market. Consumers moreover seem to increasingly switch to other types of drinks such as ready-to-drink beverages and cider or perry. The regulatory environment and taxation policies can pose challenges to the growth of the sector as well.

The craft beer movement has positively driven demand for beer in recent years, however as the market starts to be saturated, this positive drive diminishes. Imported brands that were negatively affected by trade restrictions and logistical issues during the COVID-19 pandemic, now have better growth prospects.

Purchase criteria

One of the main purchase criteria, after the taste, is the price. Prices differ between territories and provinces due to tax rates. Consumers with good disposable incomes are likely to choose rather premium products which include most imported beer brands such as Heineken and Stella Artois. Consumers with less disposable incomes might prefer to purchase mid-priced to economy offerings that mainly include domestic beer brands such as Labatt Blue and Old Style Pilsner.

The type of beer is an important factor as well. Most consumers prefer lager. Consumers generally choose imported premium lager over domestic premium lager. However, they prefer domestic lager in the other price categories. Lager is followed by dark beer (consumers mainly prefer ale and some also enjoy wheat beer). This is followed by no-alcohol beer. Most consumers choose no-alcohol beer over low-alcohol beer. The least favourite beer type of Canadian consumers is stout. Around 12% of consumers prefer to purchase craft beer, whereas 88% would rather choose standard beer. Origin is a deciding factor as well with some Canadians preferring local beer brands, while others prefer imported ones. Many Canadians enjoy beer from the EU, in particular from the Netherlands, Ireland and Germany.

The occasion plays a role as well. If consumers for example still have to drive they are more likely to choose low/no alcohol beers. Moreover, the occasion decides about the volume of beer purchased (larger or smaller bottles/packs). Packaging is a decision factor as well.

Low-carb beer is a prominent choice for health-conscious consumers who aim to reduce their calorie and carbohydrate intake. Sustainability conscious consumers prefer beers that are produced in an environmentally friendly manner. Beer enthusiasts are appreciative of new and unique beer flavours.

Beer on retailers' shelves in Canada

In the past, glass bottles were the primary packaging material for alcoholic drinks including beer in Canada, however, this trend has changed in recent years. Metal beverage cans have become the dominant packaging type for beer, pushing glass bottles into second place. Glass bottles will likely continue to lose market share to metal cans in the coming years.

Pictures below: Imported beer (e.g. from France and Belgium) in metal cans and glass bottles.



Metal beverage cans are becoming increasingly popular in the beer industry for various reasons such as lower initial investment, overall cost savings, better safety, better thermal conductivity than glass and greater convenience also when transporting.

Picture below: Beer being stockpiled in large quantities from the ground up; different beer brands selling their beers in cans and Czech beer in bottles.



Packaging design trends continue to evolve and “pack downsizing” is currently gaining popularity. This development is largely driven by the increasing health consciousness and demand for convenience, as consumers seek out smaller, single-serve formats that are easy to carry and consume. In the beer industry, this trend is taking off as breweries offer single-serve options to attract new customers and promote responsible drinking.

Imported beer usually comes in three different packaging formats: cans, bottles, and kegs. The most popular form of packaging for imported beer is cans and they are available in 12oz or 16oz sizes. Glass bottles, on the other hand, are available in 12oz format. Even though the popularity of glass bottles is declining, they still remain a popular option for many beer enthusiasts who appreciate the traditional look and feel of glass. Many imported beer brands from the EU continue to be packaged in glass bottles.

Pictures below: Imported beer from different countries such as Germany.



When it comes to the presentation of beers in retailers, beer is often stockpiled in large quantities from the ground up, which makes it easily accessible for consumers. However, some beers are also found in closed refrigerated shelves to keep them chilled and fresh. The position of beer on the shelves can also vary depending on the retailer's strategy. Some may choose to place popular brands at eye level, while others may showcase craft and specialty beers in a separate section.

Picture below: Refrigerated shelf of imported beer mainly in glass bottles but also some cans.



The price points for different beer categories vary depending on the brand and origin. EU beer brands commonly position themselves in the premium segment in Canada. This allows them to target consumers who are willing to pay a premium price for high-quality beer. Premium lagers, such as Heineken and Stella Artois, are typically imported and fall into this category. Domestic brands such as Budweiser and Labatt Blue are considered mid-priced lagers, whereas Old Style Pilsner is viewed to be a lager from the economy segment. Price promotions are a common sight. Overall, pricing varies regionally due to tax regimes, which makes marketing and positioning more and more important for brands to differentiate themselves.

Some price range indications of different categories are as follows:

- Economy segment: up to CAD 4.60 per litre
- Mid-segment: CAD 4.60-5.60 per litre
- Premium: CAD 6.00 –8.00 (6 pack) or CAD 6.00 – 7.00 per litre
- Super Premium/craft: more than CAD 8.50 per litre

Pictures: © Agra CEAS / Euromonitor International, 2023.

Recent market trends

Overall, the most important market trends include:

- **Popularity of craft beer:** The popularity of craft beer in Canada has been growing strongly in recent years. Craft beer companies, in particular local brands, grew due to the increasing demand for locally produced beers. These companies typically supply the foodservice industry, alcoholic drinks specialists and grocery retailers. As new product launches were limited during the COVID-19 pandemic, they are likely to increase in the coming years.
- **New tastes and experiences:** In particular the younger generation is interested in new varieties and tastes of beer to fulfil their curiosity. They are for example increasingly interested in low/no alcohol beers. As younger consumers are the main consumer group of beer in Canada this trend is an important market trend.
- **E-commerce:** E-commerce has been growing at a very fast pace during the COVID-19 pandemic when consumers wanted to minimise the time spent outside their homes. An increasing number of beers are now being sold exclusively online, and different subscription-based models exist. Most companies invest in their e-commerce presence. The channel is forecast to continue to grow although at a slightly slower pace than during the COVID-19 pandemic.
- **Natural ingredients and transparency:** Consumers increasingly demand beers made from natural ingredients that are labelled transparently. This is partly due to the high and continuously increasing health awareness of Canadians. As a result, some producers voluntarily add the ingredient list, nutritional information as well as calorie count on the packaging of their beers. Some even take an extra step and include information regarding allergies or intolerances that could occur due to certain ingredients, while other brands voluntarily label their products as “vegan friendly”. Consumers' demand for this is likely to get stronger in the future.
- **Canned beer:** The popularity of beer in metal cans is growing because the initial investment is lower, they offer a large surface area which offers greater possibilities for creative artwork, they cool down faster, etc.

To stand out in the Canadian market, EU producers need to market their products. Branding is important to catch consumers' attention, by using for example distinctive packaging. The Belgian brand Duvel for example is known for its unique bottle design and devil-horns shaped icon. EU brands also commonly use their heritage as a seal of authenticity and superior beer quality or use the PGI label where possible. The Czech brand Pilsner Urquell for example shows the year 1842 on its label to showcase its long history.

EU-based producers also often try to offer innovations that previously did not exist in the market as well as seasonal beers to stand out. EU brands sometimes also lead different kinds of campaigns which are focused on the product but also send a social message. The Belgian beer brand Stella Artois for example launched a 'Buy a Lady a Drink' campaign by partnering with the international NGO Water.org to educate people about the rising global water crisis. Under the campaign Canadians were able to buy one of three limited edition chalices with individual designs by three artists.

5.8.3 Offer

Domestic production

Canada is the 15th largest beer producer in the world by volume.⁹⁸ Beer first came to Canada by European settlers in the 17th century. As such, the history of beer brewing in Canada is long, which is why many breweries have long-standing traditions.

The number of beer brewing facilities has been increasing in recent years and reached around 1 150 in 2021, an 8% increase compared to 2019. Most of the country's breweries are rather small and local. About 94% of breweries produce less than 15 000 hectolitres per year. Most breweries are located in New Brunswick, followed by Nova Scotia and Prince Edward Island. Manitoba has the lowest rate.⁹⁹

The revival of the craft brewing industry dates back to the 1980s.¹⁰⁰ As a result, Canadian consumers today have access to one of the largest selections of beer brands and styles in the world as there are around 5 800 domestically produced beer brands.¹⁰¹

Despite the wide presence of local brands, the Canadian market is dominated by international and national players. Labatt Brewing Co Ltd is the market leader with a market share of 41% due to its international brands such as Budweiser, Bud Light, and Lucky Lager.¹⁰² The Labatt Brewery was established in 1847 by an Irish-Canadian businessman, however, today belongs to the Belgian-owned company Anheuser-Busch InBev. It has its headquarters in Toronto.¹⁰³

Molson Canada ranks second with a market share of about 32% due to brands such as Coors Light, Molson Canadian, and Carling. The Molson Brewery is a Canadian-based brewery company that was established in 1786 and has its headquarters in Montreal. In 2005 it merged with Adolph Coors Company to become Molson Coors. The company brews and markets some of the most popular Canadian beer brands and employs around 3 000 people in five breweries located in different parts of Canada.¹⁰⁴

Sleeman Breweries Ltd ranks third with a market share of close to 6%.

Imports and exports

As shown below in Figure 5-35 Canada is a net importer of beer. However, imports of beer have decreased in recent years from a value of EUR 506 million in 2017 to EUR 322 million in 2021. Exports decreased during the same time period as well, to nearly EUR 87 million in 2021.

⁹⁸ The Top 20 Beer Producing Countries in The World (2022), <https://www.brewersjournal.ca/2022/06/24/the-top-20-beer-producing-countries-in-the-world/>

⁹⁹ 2021 Industry Trends, <https://industry.beercanada.com/statistics>

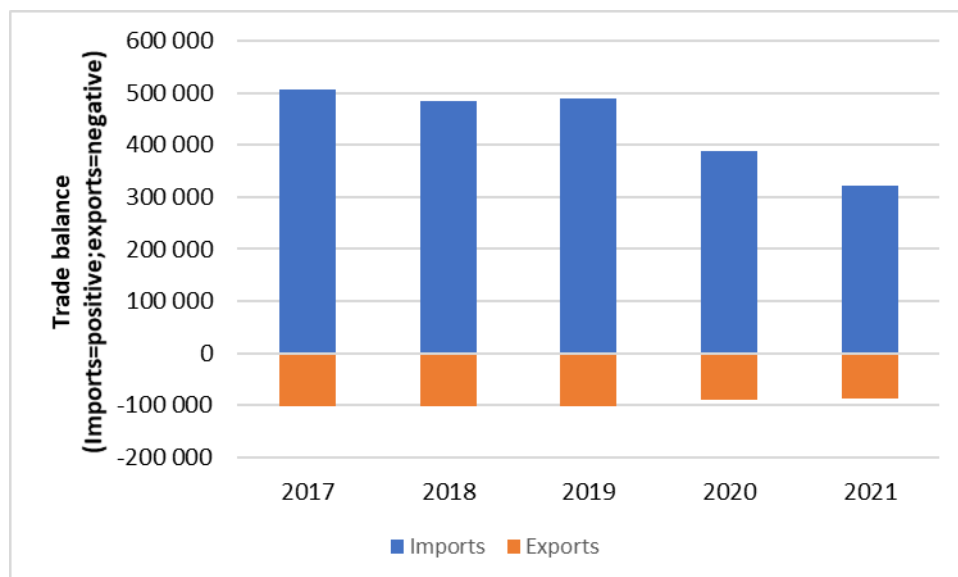
¹⁰⁰ Customized Report Service – The beer market in Canada and craft beer trends, <https://agriculture.canada.ca/en/international-trade/market-intelligence/reports/customized-report-service-beer-market-canada-and-craft-beer-trends>

¹⁰¹ A Brief History of Beer in Canada, <https://www.beercanada.com/beer-101/brief-history-beer-canada>

¹⁰² Our brands, https://www.labatt.com/ca_en

¹⁰³ Our brands, https://www.labatt.com/ca_en

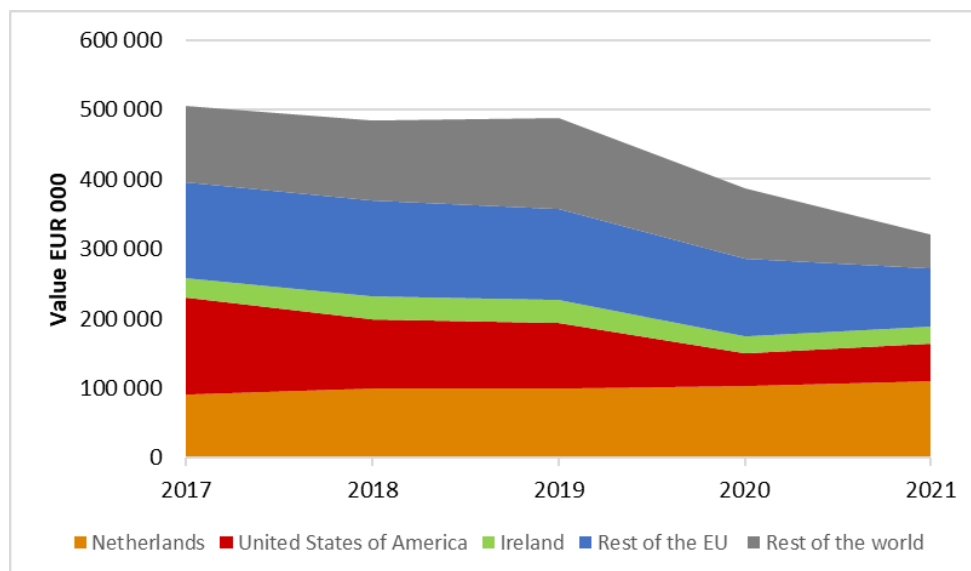
¹⁰⁴ Our story, <https://www.molsoncoors.com/>

Figure 5-35: Trade balance (imports and exports) of beer in Canada, 2017-21 (EUR 000)

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 2203.

Figure 5-36 shows that the Netherlands is the largest exporter of beer to Canada with a total value of EUR 111 million in 2021. Thus, the Netherlands account for around 35% of total imports into Canada. The US is the second-largest exporter of beer with a total value of close to EUR 53 million, followed by Ireland with a value of EUR 25 million. Seven out of the top 10 exporters to Canada are from the EU. These also include: Germany, Belgium, Italy, Denmark, and France. In total, the EU accounted for 60% of Canada's imports in 2021.

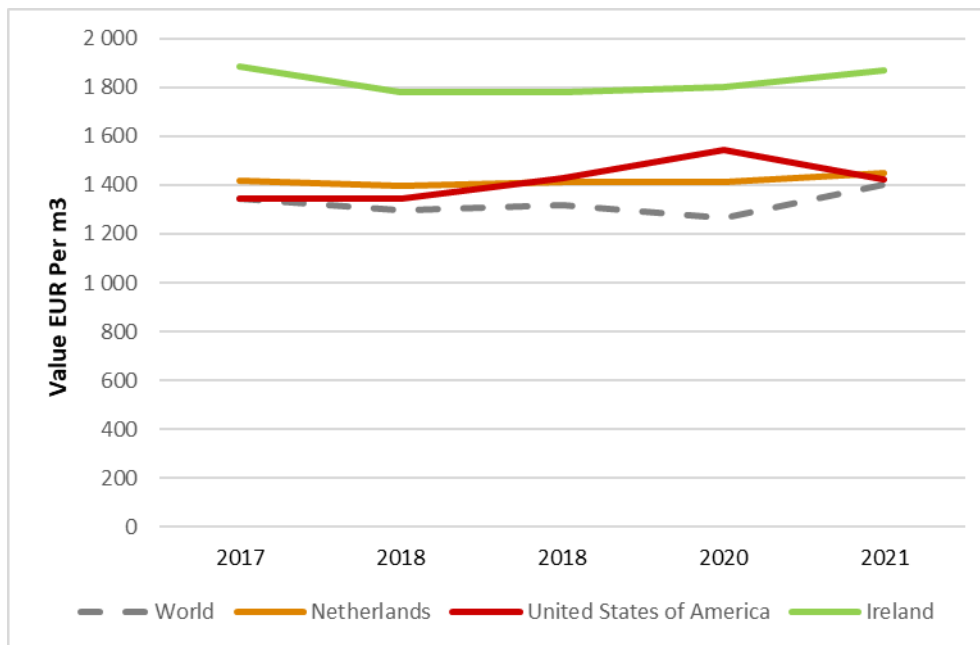
Figure 5-36: Canadian imports of beer by country, 2017-21 (EUR 000)

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 2203.

Figure 5-37 shows the per-unit value of Canadian beer imports. The world's average unit value of beer imports into Canada was around EUR 1 400 per m³ in 2021. The unit values of beer imported from the three main exporters are all above the world's average unit value. Ireland is the exporter with the highest unit value of these three which is around EUR 1 870 per m³. This is followed by the Netherlands with EUR 1 450 per m³ and then the US with EUR 1 420 per m³.

Figure 5-37: Unit value of Canadian imports of beer for selected countries, 2017-21 (EUR per m³)



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 2203.

EU GI products

Beer/hops from two different EU countries is protected in Canada. More information can be found in section 4.2.4. To see the full list of protected GIs follow the link: [List of Geographical Indications](#).

Czech Republic:

- České pivo
- Žatecký Chmel (hops)

Germany:

- Hopfen aus der Hallertau (hops)
- Tettlinger Hopfen (hops)

Main competitors

Beer brewing has a long history in Canada and is part of the country's identity. The Canadian market is dominated by domestic and international companies that also produce beer in Canada. The market is dominated by Labatt Brewing Co Ltd and Molson Canada. Together these two

companies have a market share of 73%. Sleeman Breweries Ltd ranks third and is an important competitor, although less strong than the first two.

The craft beer market also competes with beer from the EU as the craft beer culture is very strong in Canada. The craft beer sector accounts for around 12% of sales.

The main non-EU exporter of beer to Canada is the US. Other important non-EU exporters are the UK and Mexico.

5.8.4 Specific market entry requirements

Market access and entry

All food and drink products sold in Canada including beer must meet the general labelling and compositional requirements of the federal Food and Drugs Act (FDA) and Food and Drug Regulations (FDR).

For beer, under the EU-Canada Comprehensive Economic and Trade Agreement, the EU tariff is 0%, which is the same as the MFN tariff.

A list of standard documents required for imports into Canada, as well as an overview of the procedure is presented in section 4.2.1. To ship beer to Canada additional documents may be required, as listed below:

- Request for Documentation Review

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link – general beer category (2203) from Belgium to Canada

<https://trade.ec.europa.eu/access-to-markets/en/search?product=2203&origin=BE&destination=CA>

Standards

Several federal laws and regulations concerning the safety of food and drinks exist in Canada that need to be followed. These are administered by 'Health Canada', which is responsible for establishing policies and standards related to the safety and nutritional quality of food and drinks sold in the country. More information about these laws can be found in 4.2.2. As mentioned above, all food products sold in Canada must meet the general labelling and compositional requirements of the federal Food and Drugs Act (FDA) and Food and Drug Regulations (FDR). Besides these federal rules, the Canadian market for alcoholic beverages is also significantly regulated by its provinces and territories. As a result, the sale and consumption of alcohol is regulated by a patchwork of federal and provincial laws, with each province and territory having its own unique

set of regulations governing the sale, distribution, and consumption of alcoholic beverages. More information can be found here: [Alcohol Laws in Canada](#).

As described in section 4.3.4, there are ongoing disputes because of discriminatory practices on imports of wines and spirits.

Labelling

As described in section 4.2.4, alcoholic beverages sold in Canada are subject to the labelling provisions of the Safe Food for Canadians Act (SFCA), the Safe Food for Canadians Regulations (SFCR), the Food and Drugs Act (FDA), and the Food and Drug Regulations (FDR). When sold interprovincially, depending on the type of alcoholic beverage, other federal acts or regulations such as the Spirit Drinks Trade Act may apply as well. Provincial regulations may also have labelling requirements.

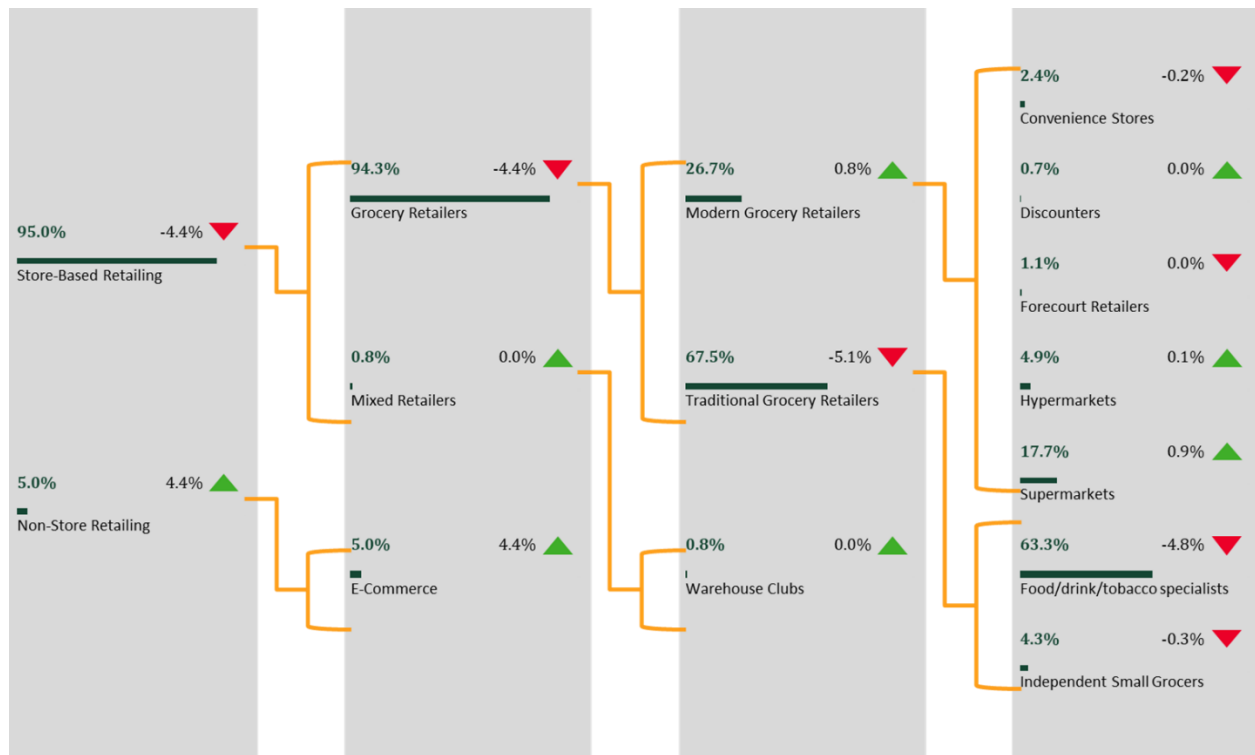
Beer products need to provide the following information on the label:

- Common name
- Food allergens, gluten and added sulphite labelling
- Alcohol by volume declaration

More detailed information on the labelling of beer can be found [here](#).

5.8.5 Distribution

Nearly 85% of beer by volume is sold through off-trade channels and 15% is sold on-trade. By value, the off-trade channel accounts for 36%. As shown in Figure 5-38, grocery retailers account for the majority of off-trade beer sales in Canada with 94.3% of the off-trade volume. Traditional grocery retailers head this group because of the strong popularity of food/drink/tobacco specialists which account for 63.3%. This is the case because in many territories and provinces beer is sold in provincially owned, private, or government-run outlets (beer stores). However, in some places such as Ontario beer can also be purchased in supermarkets. Modern grocery channels namely supermarkets rank second with 17.7% followed by hypermarkets with 4.9%. The popularity of modern grocery channels is increasing whereas traditional ones become less popular. The e-commerce market accounts for 5% of the off-trade volume and has been growing at a fast pace: it grew by 4.4% between 2018 and 2021 and is forecast to continue to grow at a fast pace.

Figure 5-38: Distribution channel overview of beer in Canada (2021); off-trade volume

Source: Euromonitor International: Alcoholic Drinks, 2022.

5.8.6 Challenges for EU products

The Canadian beer market offers good opportunities for EU exporters; however, challenges exist as well. Beer tax in Canada can be very high, with around half of the price of the beer being the tax. The health and wellness trend is likely to have a negative impact on beer consumption, because consumers aim to decrease their sugar and calorie intake from beer. Canadians start to turn towards other alcoholic beverages such as wine and spirits as shown by the stronger forecasted volume growth of these drinks in the coming years. Moreover, consumers seem to increasingly switch to other types of drinks such as ready-to-drink beverages and cider or perry.

Imported beer from the EU usually belongs to the premium segment which not every Canadian consumer can afford or want to spend their money on. In addition, Canadian local beers are strong competitors to EU beers as they are also of high quality. Canadian consumers also increasingly pay attention to the sustainability of ingredients and packaging of beer, which might be a challenge for some producers as well.

Nevertheless, the Canadian market offers also opportunities for certain categories such as low-alcohol beer or beer with natural ingredients.

Market Takeaway: Beer

Consumption: The beer market had a value of EUR 11 billion in 2021, with lager being by far the largest category. The market is forecast to slightly grow in value in the coming years.

Competition: Two domestic and international companies that produce beer in Canada dominate the market: Labatt Brewing Co Ltd and Molson Canada. There are also plenty of Canadian craft beer breweries competing in this market. The US is the main competitor when it comes to imported beer. Other important competitors also include the UK and Mexico.

Distribution: Food/drink/tobacco specialists are the most popular retail channel, but other channels are growing in popularity such as supermarkets and e-commerce.

Challenges: Growing health awareness, consumers switching to other types of drinks such as ready-to-drink beverages, the regulatory environment and taxation policies, and the high price point of imported EU beers.

Opportunities: The rise in demand for low-no alcohol beers, healthy and natural beer, beers with transparent labelling and sourcing, craft beer and new tastes / experiences. Moreover, the e-commerce channel is growing at a fast pace.

5.9 Sugar confectionery

5.9.1 SWOT analysis

STRENGTHS (+)	WEAKNESSES (-)
- Canada imports approximately as much as it exports (in value terms). The EU accounts for 14% of the import market value. - Sugar confectionery is consumed by most consumer groups and interest in new and diverse products is strong.	- The gum market is forecast to decline. Boiled sweets and lollipops are small markets and are only forecast to grow very little. - The health trend negatively affects demand for sugar-rich products. - Forthcoming legislation on nutrition labelling requirements can negatively affect the sector. - The unit value of sugar confectionery products from the EU is relatively high.
OPPORTUNITIES (+)	THREATS (-)
- Mints and medicated confectionery are forecast to grow at the fastest pace. Plus, they are the largest markets right after gum. - Healthier and functional sugar confectionery with natural ingredients. E.g. sugar-free, with natural colourings. - New flavour profiles and innovation to keep consumers interested. - E-commerce continues to grow in popularity (albeit from a low base) and thus offers new opportunities.	- International companies dominate the market (e.g. Cadbury Adams Canada Inc, Ferrero Canada Ltd, and Hershey Canada Inc) - Most international market leaders produce domestically. - US accounts for 56% of import market value, followed by China and Mexico.

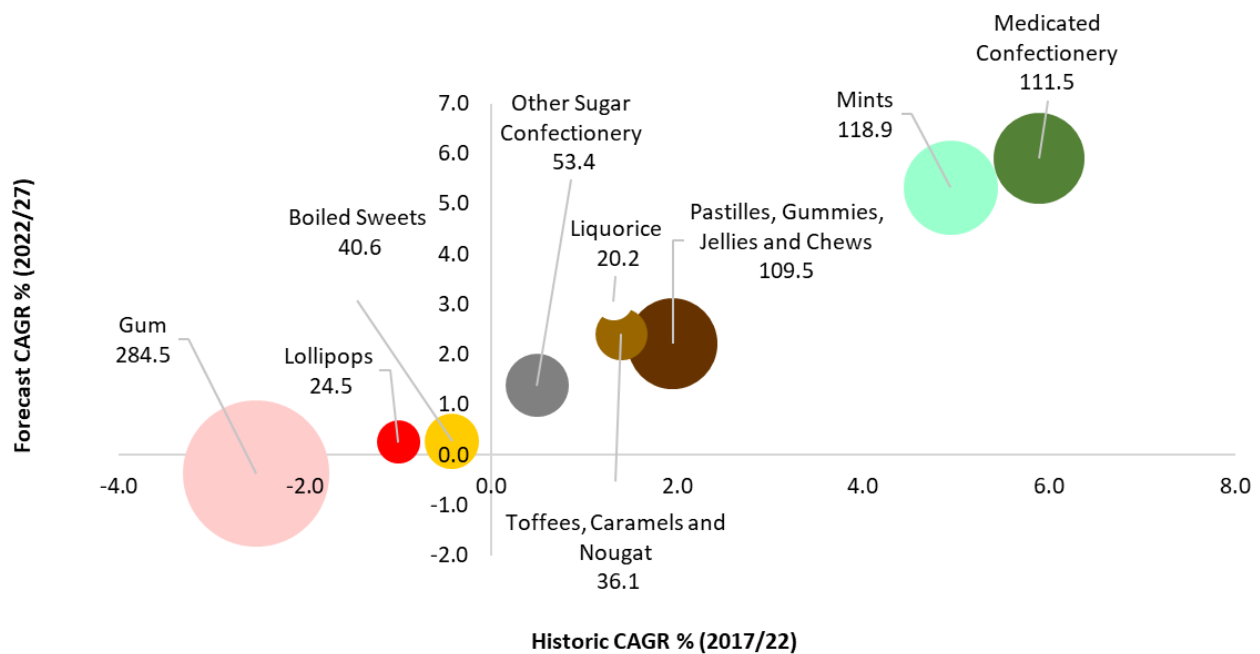
5.9.2 Consumption

Evolution of consumption

In 2022 the total sugar confectionery market in Canada was worth around EUR 799 million. As shown in Figure 5-39 the biggest market segment is gum with a value of about EUR 285 million, followed by mints with close to EUR 119 million. Medicated confectionery was the third biggest market with around EUR 111 million. The market for pastilles, gummies, jellies, and chews was over EUR 109 million and for other sugar confectionery (e.g. marshmallows) about EUR 53 million. Boiled sweets had an approximate market size of over EUR 41 million, followed by toffees, caramels, and nougats with EUR 36 million, lollipops with about EUR 25 million, and liquorice with around EUR 20 million.

Historically, the overall sugar confectionery market has been growing; however, the market for some categories (gum, boiled sweets, and lollipops) declined. Between 2017 and 2022 medicated confectionery showed the highest CAGR at 5.9% and mints grew strongly as well at a CAGR of 4.9%. Between 2022 and 2027 the market is forecast to grow at a faster pace. Only one category (gum) is forecast to decline, whereas the markets for all other categories are expected to grow. Medicated confectionery is forecast to grow at the fastest pace at a CAGR of 5.9%, followed by mints with a CAGR of around 5.3%.

Figure 5-39: Evolution and forecast of the sugar confectionery market in Canada, 2017-2027; total retail value (EUR million)



Source: Euromonitor International: Packaged Food, 2022.

Consumer profile and purchase criteria

Consumers

Canadians eat around 1.3 kg of sugar confectionery per capita each year. Consumers of sugar confectionery come from all parts of society because everyone enjoys a treat now and then, no matter their status or age. However, higher-income consumers are more likely to opt for chocolate confectionery instead of sugar confectionery. Children love sugary sweet treats such as boiled sweets or lollipops, whereas adults are more likely to be interested in more functional sugar confectionery, such as gums, mints or medicated confectionery. However, parents (specifically millennials) take steps to reduce the sugar confectionery consumption of their children. Health-conscious consumers tend to prefer healthier varieties. In particular young adults are health conscious and aware of the potential negative health effects of a too high sugar consumption, such as obesity and diabetes.

Drivers and method of consumption

The already heightened health awareness of Canadians further increased during the COVID-19 pandemic. A strong interest in health is the main positive driver of the medicated confectionery market. The market for mints on the other hand is positively driven by the demand for alternatives to gum, as having a fresh breath is important to many consumers. Other categories, such as lollipops are viewed to be less healthy and thus are affected negatively by the high health awareness of Canadians, which leads many consumers to aim to reduce their sugar intake. Moreover, parents tend to give less sugary treats to their children.

Sugar confectioneries are a snack that is consumed throughout the day. Now that consumers shift back from working at home to going out more, the foodservice industry and on-the-go consumption are positively affected because convenience is important, and consumers often take

impulse purchase decisions. However, busier consumers are likely to snack less than during times of home seclusion, which will negatively affect overall demand.

Another negative driver will be the mandatory front-of-package labelling on food that is high in sugar, which will be mandatory by 2026. Furthermore, a possible negative driver in the future could be the introduction of a sugar tax. Sugar taxes, a popular tool in many countries, are an option considered by the Canadian government given that in Canada two in three adults are overweight or obese.

Purchase criteria

The price plays an important role for Canadian consumers. As sugar confectionery tends to be cheaper than chocolate confectionery it might be the preferred choice of lower-income consumers.

The type of sugar confectionery and the taste are important criteria as well. By volume, pastilles, gummies, jellies and chews are the consumer's favourite choice. This is followed by other sugar confectionery (e.g. marshmallows) and then by liquorice, boiled sweets, mints, medicated confectionery; toffees, caramels, and nougat; and lollipops. The occasion for which a product is bought often decides which type consumers choose, with each type preferred for a different reason. For example, consumers who want fresh breath are likely to choose gums or mints, whereas consumers who want indulgence choose toffees, caramels, and nougat.

Health-conscious consumers are likely to prefer healthy sugar confectionery options such as gums, mints, and medicated confectionery, whereas children will prefer categories that are higher in sugar.

Recent market trends

The following recent market trends for sugar confectionery stand out:

- **Healthy and natural ingredients:** Sugar confectionery are viewed to be unhealthy by most consumers. However, this view is not only caused by their sugar content but also because artificial flavourings, colourings and sweeteners are used. Many Canadian consumers do not want to purchase snacks high in sugar or additives. This trend is universal and affects products of larger as well as smaller manufacturers or brands. To address this trend, manufacturers increasingly introduce healthier sugar confectionery options to the market such as reduced sugar or sugar free products, or products with added health benefits. Natural ingredients are also very important. Honibe for example launched honey lollipops that are made from pure honey and claim they are good for the throat; and Kerr launched soft butterscotch that claims it is slow cooked with real cream and butter.
- **New flavour profiles and innovation:** All of the market leaders continue to launch products with new flavours, to continue to attract different consumer profiles. Cadbury for example launched Maynard's Tropical Swedish Berries in passion fruit, pina colada, topical island and beach punch flavours. New product development is key for companies to keep or build their market share. In particular generation Z and young millennials are interested in novelty. Moreover, most products aim to appeal to consumers for impulse purchase decisions.
- **E-commerce:** Even though this distribution channel remains a niche it is forecast to experience dynamic growth in Canada mainly because online shopping is very convenient. Thus, more consumers are likely to make the switch to online shopping in the future. Consumers who shop for their groceries online are likely to also add sugar

confectionery to their orders. Thus, the online channel might offer more opportunities in the future for manufacturers to explore.

5.9.3 Offer

Domestic production

More than 90% of refined sugar in Canada is produced from raw cane sugar, which is imported from different tropical countries mainly in South or Central America. In addition, Canada produces refined sugar from sugar beets that are grown in Alberta. In total, the Canadian sugar industry produces and distributes around 1.4 million tonnes of refined sugar per year.¹⁰⁵

The market leader of the sugar confectionery market in Canada is Cadbury Adams Canada Inc with a market share close to 22%. The company is part of Mondelez International, the largest snacking company in Canada. Its most popular brands include Halls, Maynar's, and Certs. Mondelez International has manufacturing facilities and sites in Ontario. The company has big growth targets, which is why it heavily invested recently into its manufacturing industry in Canada. The company has close to 2 700 employees in Canada and the head office is situated in Toronto.¹⁰⁶ Ferrero Canada Ltd ranks second with a market share close to 10% mainly due to their Tic Tac brand; Ferrero first moved into the North American market in 1969 with Tic Tac mints.¹⁰⁷ Hershey Canada Inc ranks third with a market share of nearly 5% mainly due to brands such as Twizzlers, and Ice Breakers. Its headquarter is located in Mississauga, which is Canada's sixth biggest city, and the company also has production plants located in Saint-Hyacinthe and Granby (Quebec).¹⁰⁸

Imports and exports

Figure 5-40 shows that Canada is a very active importer and exporter of sugar confectionery. In 2021, imports of sugar confectionery were worth EUR 405 million, whereas exports were worth EUR 406 million. This means Canada imported approximately as much as it exported in 2021. Between 2017 and 2020 the value of imports decreased; however, it increased quite substantially in 2021. The value of exports developed in a similar manner. It decreased between 2017 and 2020 and increased again in 2021.

In 2021 the three main exporters of sugar confectionery to Canada were the US, China and Mexico. The US was the main exporter of sugar confectionery to Canada, with exports worth close to EUR 228 million as shown in Figure 5-41. Thus, the US alone accounted for over 56% of Canada's imports by value. China exported about EUR 34 million, followed by Mexico with EUR 24 million. Five out of Canada's top ten sugar confectionery importers are from the EU. These are Germany, Spain, Belgium, Poland and the Netherlands. The EU in total accounted for close to 14% of Canadian imports by value.

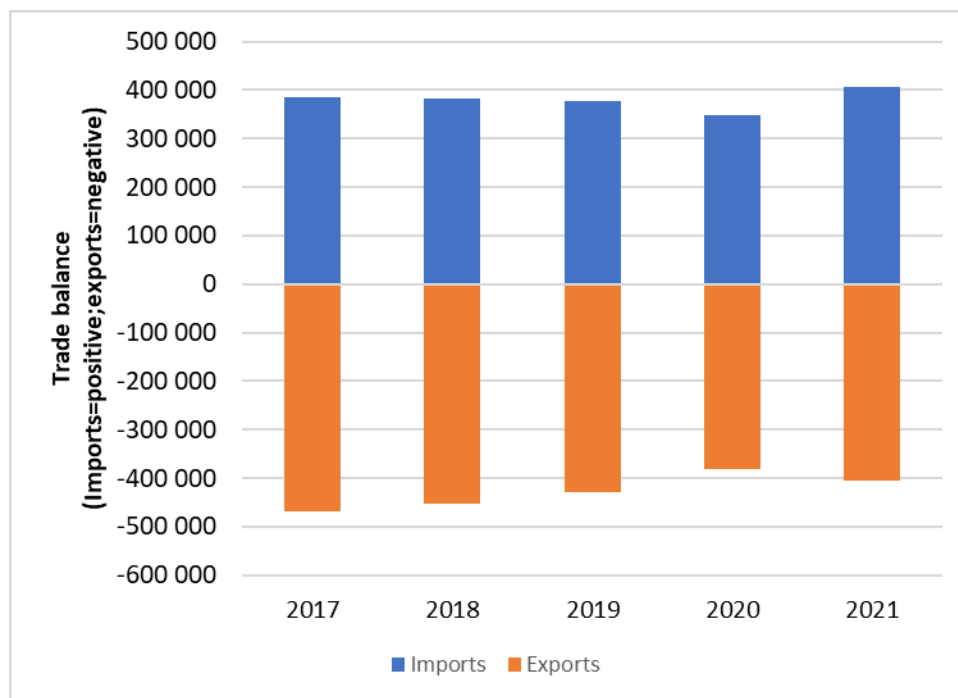
¹⁰⁵ Canadian sugar industry statistics, <https://sugar.ca/international-trade/canadian-sugar-market/canadian-sugar-industry-statistics#:~:text=The%20Canadian%20sugar%20industry%20produces,sugar%20and%20Canadian%20sugar%20beets.>

¹⁰⁶ Canada, <https://www.mondelezinternational.com/canada>

¹⁰⁷ About Ferrero in North America, <https://www.ferreronorthamerica.com/about-ferrero-in-north-america>

¹⁰⁸ Hershey Canada, https://www.thehersheycompany.com/en_us/home/about-us/the-company/plant-locations.html#:~:text=We%20have%20plants%20located%20in%20Saint%20Hyacinthe%20and%20Granby%2C%20Quebec.

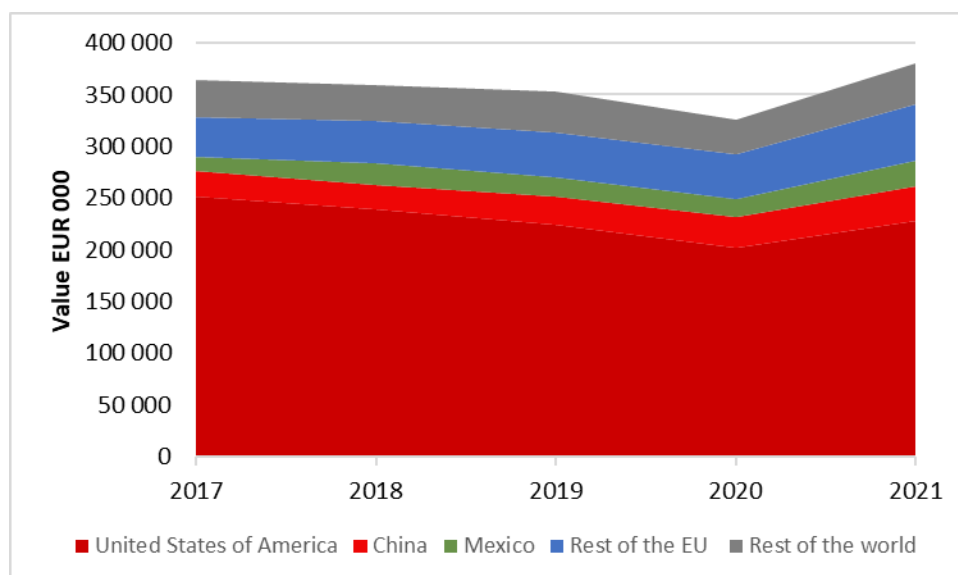
Figure 5-40: Trade balance (imports and exports) of sugar confectionery in Canada, 2017-21; EUR 000



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 1704.

Figure 5-41: Canadian imports of sugar confectionery by country, 2017-21; EUR 000



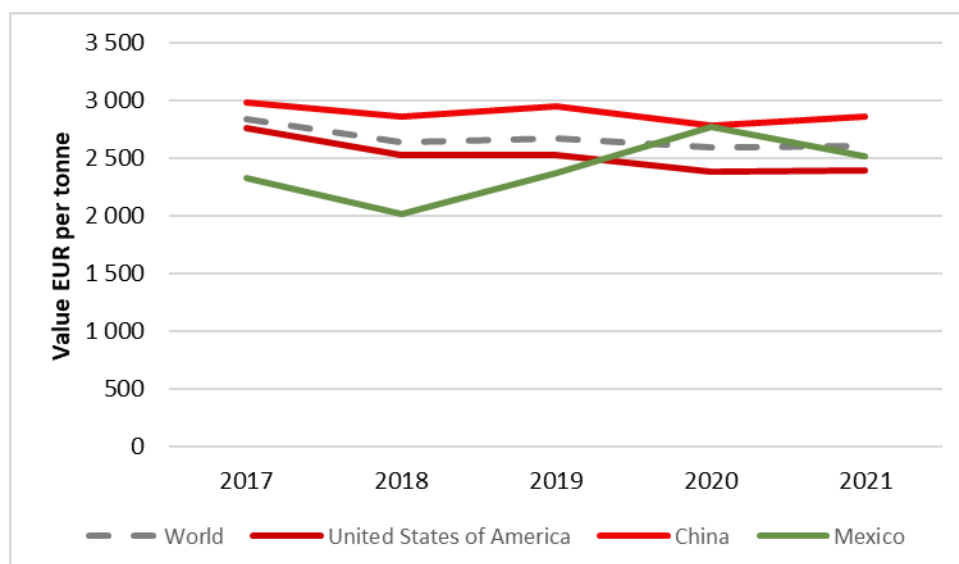
Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 1704.

The world's average unit value of sugar confectionery imports into Canada was about EUR 2 600 per tonne in 2021 as depicted in Figure 5-42. The world's unit value overall decreased compared

to 2017. Sugar confectionery imported from the US in 2021 had a unit value below the world's average, at around EUR 2 400 per tonne. The unit value of sugar confectionery from China on the other hand was above the world's average at close to EUR 2 900 per tonne. The unit value of imports from Mexico was slightly below the world average at EUR 2 500 per tonne. The unit value of sugar confectionery from many EU countries such as Germany, Belgium, the Netherlands and Poland, are above the world's average and even higher than that of China, at over EUR 3 000 per tonne.

Figure 5-42: Per unit value of Canadian imports of sugar confectionery from selected countries, 2017-21 (EUR per tonne)



Source: Trade Map, International Trade Centre— <https://www.trademap.org/>

Data for CN code 1704.

EU GI products

Several sugar confectionery products from different EU countries are protected in Canada. More information can be found in section 4.2.4. To see the full list of protected GIs follow the link: [List of Geographical Indications](#)

Greece:

- Loukoumi Geroskipou (Λουκούμι Γεροσκήπου)

Spain:

- Turrón de Alicante (Nougat)
- Jijona (Nougat)

In addition – one ‘chocolate confectionary’ product from Germany:

- Lübecker Marzipan

Main competitors

The Canadian market is dominated by large international companies and brands. Most of these companies produce their products domestically in the country. The clear market leader in the

sugar confectionery market is Cadbury Adams Canada Inc. This is followed by Ferrero Canada Ltd, and Hershey Canada Inc.

When it comes to imports, the most important source of sugar confectionery in Canada is the US as it accounts for over half of the market. However, other countries such as China and Mexico are important competitors as well.

5.9.4 Specific market entry requirements

Market access and entry

All food products sold in Canada including sugar confectionery must meet the general labelling and compositional requirements of the federal Food and Drugs Act (FDA) and Food and Drug Regulations (FDR).

Regarding tariffs for sugar confectionery, under the EU-Canada Comprehensive Economic and Trade Agreement, the EU preferential rate is 0%, which in most cases is better than the MFN tariff.

A list of standard documents required for imports into Canada, as well as an overview of the procedure is presented in section 4.2.1. To ship sugar confectionery to Canada additional documents are required, as listed below:

- Request for Documentation Review

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link – sugar confectionery (1704) from Belgium to Canada

<https://trade.ec.europa.eu/access-to-markets/en/search?product=1704&origin=BE&destination=CA>

Standards

Several federal laws and regulations concerning food safety exist in Canada that need to be followed. These are administered by 'Health Canada', which is responsible for establishing policies and standards related to the safety and nutritional quality of food sold in the country. More information about these laws can be found in 4.2.2. As mentioned above, all food products sold in Canada must meet the general labelling and compositional requirements of the federal Food and Drugs Act (FDA) and Food and Drug Regulations (FDR).

Labelling

As described in section 4.2.4, imported sugar confectionery is subject to the labelling provisions of the Safe Food for Canadians Act (SFCA), Safe Food for Canadians Regulations (SFCR), Food and Drugs Act (FDA), and the Food and Drug Regulations (FDR). When sold interprovincially, sugar confectionery is subject to the labelling requirements under the FDA and FDR, as well as specific requirements of the SFCA and SFCR that apply to pre-packaged foods sold in Canada.

The Industry labelling tool is a food labelling reference for all industry that outlines the requirement for food labelling and advertising. Sugar confectionery products need to provide the following information on the label:

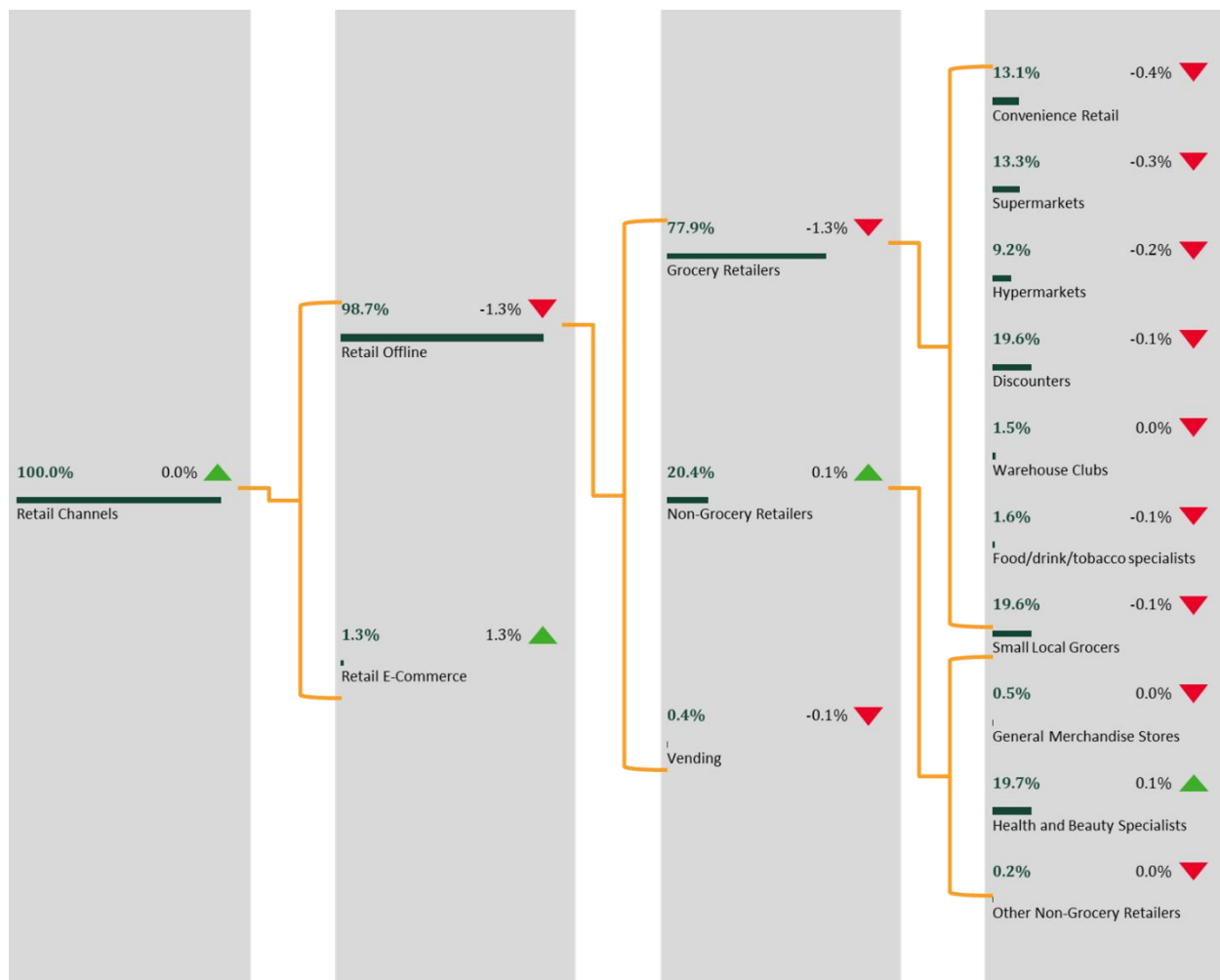
- Common name
- List of ingredients
- Net quantity
- Nutrition labelling
- Percentage statements on nuts (if any)

Pre-packaged one bite confectionery products, when sold individually, are exempt from the labelling requirements set out in the FDR and the SFCR. More detailed information on the labelling of chocolate confectionery products can be found [here](#).

5.9.5 Distribution

As shown in Figure 5-43 sugar confectionery is mainly sold through offline retail, with e-commerce having a very low share. Even though its retail value remains very low, the importance of internet retailing has increased from 0% to 1.3% between 2018 and 2022 and is forecast to continue to grow at a fast pace. Health and beauty specialists (19.7%), small local grocers (19.6%) and discounters (19.6%) are the main channels, followed by supermarkets and convenience retail. The popularity of health and beauty specialists as a channel has been increasing during the last few years, whereas the popularity of all grocery retailers decreased.

Convenience stores and forecourt retailers are particularly important distribution channels for sugar confectionery products that are aimed to attract impulse buyers and on-the-go consumption.

Figure 5-43: Distribution channel overview of sugar confectionery in Canada (2022); retail value

Source: Euromonitor International: Packaged Food, 2022.

5.9.6 Challenges for EU products

First of all, Canada exports more or less as much sugar confectionery by value as it imports. In addition, the import market is dominated by players that are geographically closer or offer products at lower price points. The main three competitors are the US, China and Mexico. The fact that sugar confectionery from the EU is more expensive, due also to transport costs, is not helping.

The increasing health consciousness of consumers is one of the biggest challenges for sugar confectionery. However, there are opportunities e.g. for less sugar-dense and healthier products.

Furthermore, the new health labelling on foods high in sugar which will be mandatory by 2026 is another challenge. The potential introduction of a sugar tax could be a challenge as well.

Market Takeaway: Sugar confectionery

Consumption: The sugar confectionery market was worth about EUR 799 million in 2022. The market is forecast to grow at a faster pace in the coming years, although some segments (e.g. gums) will remain in decline.

Competition: The market is dominated by international companies and brands, many of which produce domestically in Canada. The market leaders are Cadbury Adams Canada Inc, Ferrero Canada Ltd, and Hershey Canada Inc. Exports mainly come from the US, but China and Mexico are strong competitors as well.

Distribution: Nearly exclusively through offline retailers such as health and beauty specialists, small local grocers, and discounters. E-commerce is forecast to continue to grow in popularity.

Challenges: EU products are more expensive, due also to transport costs. To deal with the rising health consciousness of consumers. The foreseen introduction of front of pack nutrition labelling on foods high in sugar, and the possibility of a sugar tax.

Opportunities: Mints, and medicated confectionery are forecast to grow at the fastest pace. Healthier and functional sugar confectionery with natural ingredients. New flavour profiles and other innovations. E-commerce as a distribution channel is growing rapidly.

5.10 Pasta

5.10.1 SWOT analysis

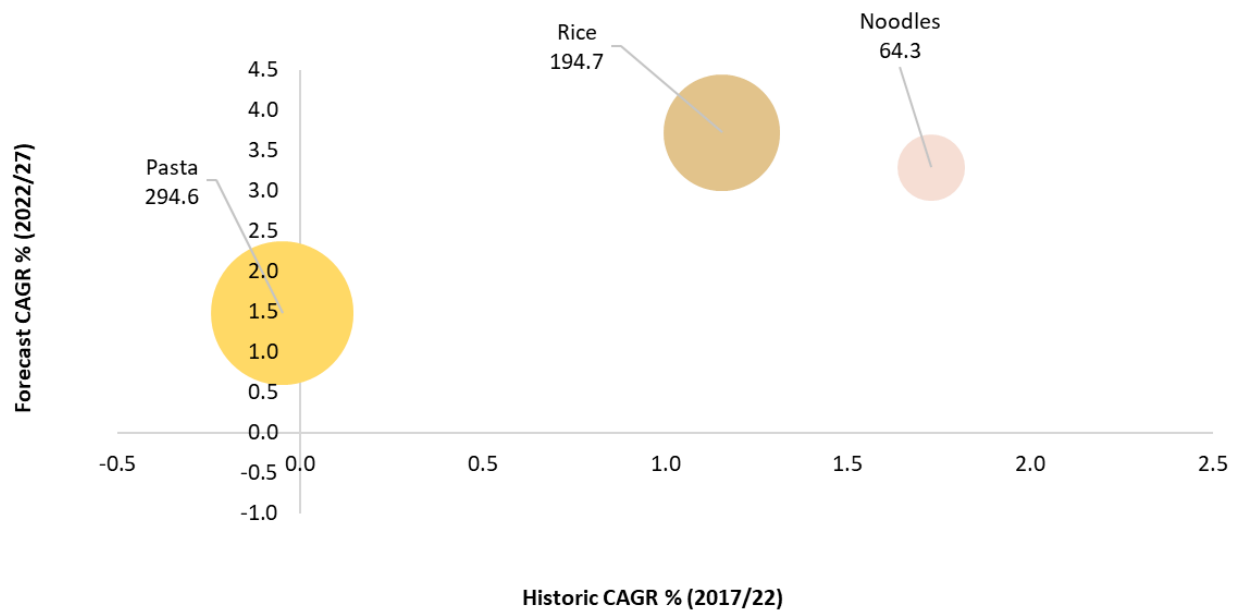
STRENGTHS (+)	WEAKNESSES (-)
▪ The pasta market is larger than the markets for rice and noodles. Pasta is a staple product in the Canadian diet. ▪ Canada is a net importer of pasta.	▪ The pasta market is forecast to grow at a slower pace than the markets for rice and noodles. ▪ Even though Italy is the second largest exporter of pasta to Canada, the EU in total only accounts for 13% of Canadian imports.
OPPORTUNITIES (+)	THREATS (-)
▪ Demand for healthier varieties of pasta (e.g. alternative grains pasta, gluten-free pasta, wholewheat pasta, and pasta made with dried vegetables) is increasing rapidly. ▪ Additional positioning of pasta in stores, e.g. with other ingredients to prepare a meal, drives sales.	▪ Domestic production of pasta, and competition from the market leader which is Heinz Co Canada Ltd. ▪ The main exporter of pasta is the US. ▪ Competition from noodles and other staples imported from China.

5.10.2 Consumption

Evolution of consumption

Figure 5-44 below shows that pasta is the most consumed staple with a volume of 295 000 tonnes in 2022. Rice is the second-largest category with a total volume of 195 000 tonnes in 2022, followed at a distance by noodles with 64 000 tonnes in 2022. Despite being the largest category, pasta will grow at the slowest pace with a predicted CAGR of 1.5% between 2022 and 2027.

Figure 5-44: Evolution and forecast of the pasta, noodle and rice market in Canada, 2017-2027 (000 tonnes)



Source: Euromonitor International: Packaged Food, 2022.

Consumer profile and purchase criteria

Consumers

As Canada is a large producer of wheat, wheat-based diets which include pasta are popular. Thus, pasta is a staple in the Canadian diet. Per capita consumption stands at around 7.6 kg and is forecast to increase to 7.8 kg by 2027.¹⁰⁹ Consumers of all ages and social groups consume pasta in the country. However, it is particularly popular with lower income consumers due to its affordability and versatility. For these reasons families are also major pasta consumers. In addition to being a low-cost and versatile meal, pasta is also quick to cook which suits busy parents and anyone else who lives a busy life.

Drivers and method of consumption

At the beginning of the COVID-19 pandemic, the demand for pasta was strong because consumers stocked up on shelf stable goods. With people spending more time at home, pasta consumption was also driven by the home cooking trend. Pasta is familiar, adaptable, and budget-friendly. Consumers became curious and many tried different styles of pasta for the first time. Even after the COVID-19 pandemic is over, the demand for pasta continues to be driven mainly by household demand.¹¹⁰

In addition to at-home consumption, pasta is also an important ingredient of dishes in the foodservice industry. More than half of restaurants offer pasta dishes. Pasta dishes are commonly

¹⁰⁹ What Are the Staple Foods of Canada?, https://www.ehow.com/list_6293009_staple-foods-canada_.html

¹¹⁰ The ultimate comfort food (2021), <https://canadiangrocer.com/ultimate-comfort-food>

served in casual and contemporary restaurants, but also at fine dining places. Pasta dishes also become a more common sight on children's menus.

The ongoing inflation which leads to increasing pasta prices is driving the value of the market. Industry costs increased by nearly 20% in 2021 mainly because of B2B costs and salary increases.

Pasta is versatile in use. It can be a real comfort food, an easy meal that is quick to make, or even an extravagant dish served at a party. There are countless recipes and options to prepare pasta dishes. Methods of consumption mirror other countries such as having pasta as a quick snack or incorporating pasta into larger meals for dinner. It is often eaten with a sauce. A typical Canadian pasta dish is called Kraft dinner, which is the Canadian version of macaroni with cheese.¹¹¹

Purchase criteria

The price is one of the main purchase criteria for pasta in Canada. Pasta, in particular shelf-stable dry pasta, is very budget friendly, which is why it is a popular choice. The price of fresh pasta tends to be higher and is more likely to be chosen by consumers with a decent income.

Another criterion is the pasta style. There are many different styles to choose from such as classic ones but also more extravagant kinds of pasta. The top pasta styles in Canada are spaghetti followed by penne, fettuccine alfredo, linguini, macaroni, and lasagne. Thus, the traditional pasta styles are the most popular ones. What pasta type is purchased also depends on the dish consumers are planning to make with it.

Health-conscious consumers are more likely to purchase pasta varieties that are perceived to be healthier. Yet, most consumers, even some health-conscious ones, continue to mainly purchase regular pasta.

Recent market trends

The following recent market trends for pasta stand out:

- **Health:** Due to the strong health consciousness of Canadian consumers, the popularity of healthy pasta variants grows. Better-for-you options such as pasta made from alternative grains, gluten-free pasta, and pasta made with dried vegetables are trending. Pastas that fit specific diets (e.g. keto diet) are popular such as pasta made from lentils and chickpeas or whole grain brown rice pasta. Consumers also increasingly prefer whole wheat and fibre pasta over traditional ones.
- **Positioning:** To be more successful, it is common that pasta is paired with complementary items such as pasta sauces on displays in shops. One example of such a display is 'pasta night' which shows a complete meal solution in one display. Adding a secondary display is helping overall as well.¹¹²

¹¹¹ Kraft Dinner, <https://www.tasteatlas.com/kraft-dinner>

¹¹² The ultimate comfort food (2021), <https://canadiangrocer.com/ultimate-comfort-food>

5.10.3 Offer

Domestic production

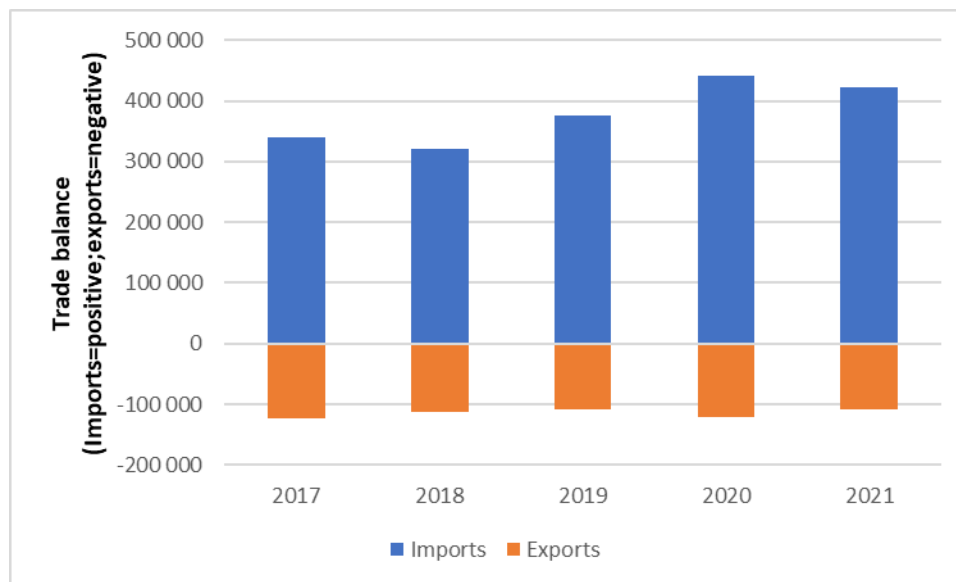
Canada's pasta and noodle industry is the seventh biggest by value among the top 20 developed countries. In 2021 the industry grew by over 17%. However, the number of companies that work in this industry in Canada declined to a total of around 370 companies.

The pasta and noodle market in Canada is dominated by domestic players, as imports only represent around 35% of the total market size. Nevertheless, the overall share of domestic companies declined a lot since 2016. Today, the industry is quite fragmented. The biggest five companies make up around 40% of production value. Heinz Co of Canada Ltd is the market leader as it accounts for approximately 20% of production value.

Imports and exports

Figure 5-45 below shows that Canada is a net importer of pasta. In 2021, the country imported pasta worth EUR 423 million, whereas it exported EUR 108 million. Thus, in 2021 Canada imported close to four times as much as it exported.

Figure 5-45: Trade balance (imports and exports) of pasta, noodles, and couscous in Canada, 2017-21, EUR 000

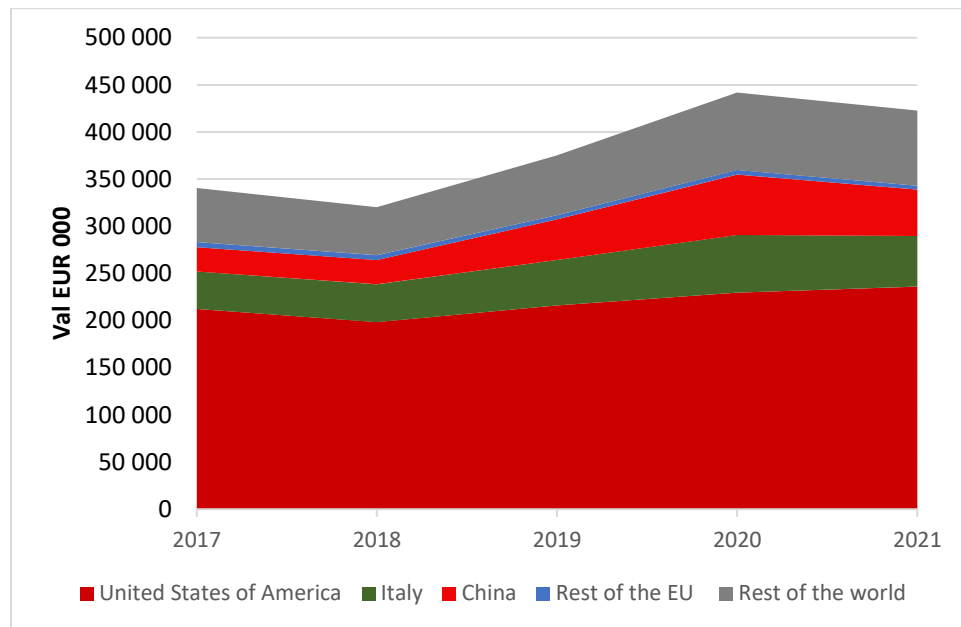


Source: Trade Map, International Trade Centre – <https://www.trademap.org/>

Data for CN codes 1902

Figure 5-46 shows that the US is the largest exporter of pasta to Canada, exporting around EUR 236 million in 2021. Italy is the second-largest exporter with EUR 54 million, followed by China with EUR 49 million. The EU in total accounts for around 13% of the Canadian import market value, with Italy being the only EU country in the list of the top ten exporters to Canada.

Figure 5-46: Canadian imports of pasta, noodles, and couscous, by country, 2017-21, EUR 000



Source: Trade Map, International Trade Centre – <https://www.trademap.org/>

Data for CN code 1902

EU GI products

No pasta products from the EU are protected in Canada. More information can be found in section 4.2.4. To see the full list of protected GIs follow the link: [List of Geographical Indications](#).

Main competitors

The pasta and noodle market in Canada is dominated by domestic players. Nonetheless, the overall share of domestic companies declined in recent years. Heinz Co Ltd is the market leader as it accounts for approximately 20% of production value. The main competitor in the import market is Canada's neighbour, the US. However, China is a competitor as well as it ranks third right after Italy, notably with its noodles range.

5.10.4 Specific market entry requirements

Market access and entry

All food products sold in Canada including pasta must meet the general labelling and compositional requirements of the federal Food and Drugs Act (FDA) and Food and Drug Regulations (FDR).

Regarding tariffs for pasta, under the EU-Canada Comprehensive Economic and Trade Agreement, the EU preferential rate is 0%, which in most cases is better than the MFN tariff.

A list of standard documents required for imports into Canada, as well as an overview of the procedure is presented in section 4.2.1. To ship pasta to Canada additional documents are required, as listed below:

- EIPA File
- Import Licence for Foodstuffs
- General Import Permit for Wheat, Barley and Their Products
- Request for Documentation Review

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link – pasta, noodles, couscous (1902) from Italy to Canada

<https://trade.ec.europa.eu/access-to-markets/en/search?product=1902&origin=IT&destination=CA>

SPS measures, Standards

Several federal laws and regulations concerning food safety exist in Canada that need to be followed. These are administered by 'Health Canada', which is responsible for establishing policies and standards related to the safety and nutritional quality of food sold in the country. More information about these laws can be found in 4.2.2.

No SPS related issues are identified at present for pasta.

Labelling

As described in section 4.2.4, imported pasta products are subject to the labelling provisions of the Safe Food for Canadians Act (SFCA), Safe Food for Canadians Regulations (SFCR), Food and Drugs Act (FDA), and the Food and Drug Regulations (FDR). When sold interprovincially, pasta is subject to the labelling requirements under the FDA and FDR, as well as specific requirements of the SFCA and SFCR that apply to pre-packaged foods sold in Canada.

The Industry labelling tool is a food labelling reference for all industry that outlines the requirements for food labelling and advertising. Pasta products need to provide the following information on the label:

- Common name
- List of ingredients
- Net quantity
- Nutrition labelling

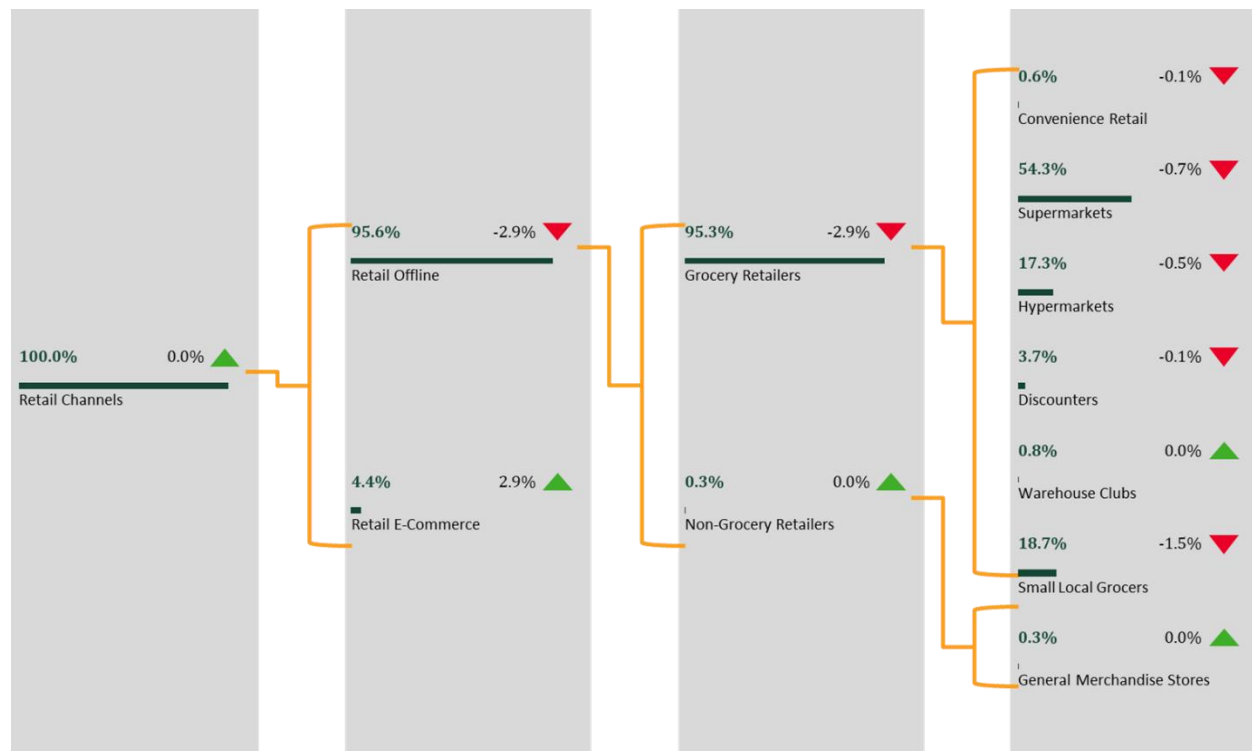
More detailed information on the labelling of pasta products can be found [here](#).

5.10.5 Distribution

Figure 5-47 outlines the main distribution channels for pasta in the Canadian market. Grocery retailers are the largest distribution channel accounting for 95.3% of all sales, with supermarkets being the largest sub-channel with a share of 54.3%. Small local grocers account for 18.7% of

sales while hypermarkets account for 17.3% of sales. The e-commerce channel is growing in importance. In 2022 it accounted for around 4.4% of the retail value. It increased by 2.9% between 2018 and 2022 and is forecast to continue to grow. Grocery retailers on the other hand got less popular.

Figure 5-47: Distribution channel overview of pasta in Canada (2022); retail value



Source: Euromonitor International: Packaged foods, 2022.

5.10.6 Challenges for EU products

A notable challenge in the Canadian market is the strong domestic production. With wheat being available in Canada the country can produce its own pasta products. In addition, even though the market is fragmented it is dominated mainly by Heinz Co Canada Ltd.

Moreover, the EU only accounts for a fraction of the import market value because competition mainly from Canada's neighbouring US is strong. Although the EU and China may not compete directly in the same product segments, China can offer products (noodles and similar staples) within the pasta category at a lower price point than many EU countries. Also, Italy is a strong exporter and the only popular EU country that exports pasta to Canada, which makes it more complicated for other EU countries to enter the market.

Going forward, pasta growth rates are forecasted to slow down as people cook less at home and spend more time outside.

Market Takeaway: Pasta

Consumption: The pasta market had a volume of 295 000 tonnes in 2022 and is forecast to grow in the coming years. Current per capita consumption of pasta is around 7.6 kg.

Competition: Competition from domestic production. The market is dominated by Heinz Co Canada Ltd. The main exporter is the US, with China being another important exporter.

Distribution: Mainly through grocery retailers such as supermarkets and small local grocers as well as hypermarkets. E-commerce is on the rise.

Challenges: To compete with market leaders and domestic production as well with geographically close-by exporters and exporters that can sell their products at lower prices than the EU. Italy is the main EU exporter, which makes it more complicated for other EU countries to enter the market.

Opportunities: The export of pasta with perceived health properties such as alternative grains pasta, gluten-free pasta, wholewheat pasta, and pasta made with dried vegetables. Additional positioning of pasta in shops e.g. with other products that can be used to prepare a meal. Growing opportunities of sales through e-commerce.

5.11 Processed fruit and vegetables

5.11.1 SWOT analysis

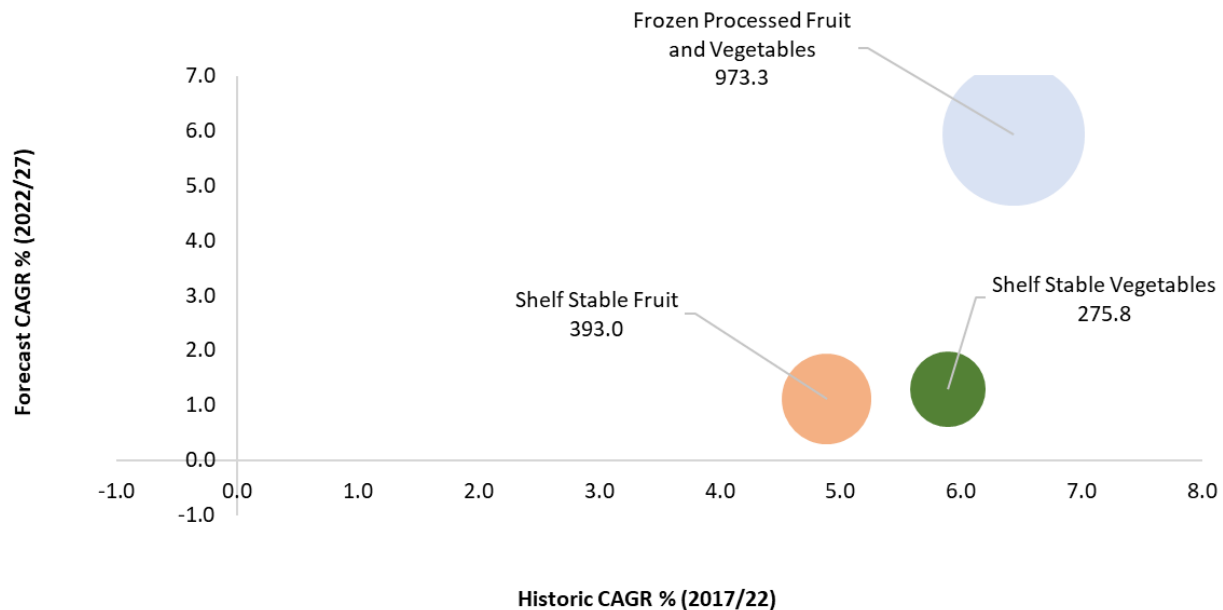
STRENGTHS (+)	WEAKNESSES (-)
▪ The market grew in recent years and is forecast to continue to grow. ▪ Processed fruit and vegetables are convenient, quick and affordable.	▪ Even though the market continues to grow, it will grow slower than in previous years. ▪ Some consumers continue to hold concerns about processed fruit and vegetable consumption and tend to prefer fresh alternatives.
OPPORTUNITIES (+)	THREATS (-)
▪ Frozen processed fruit and vegetables are the largest category and are forecast to grow at the fastest pace. ▪ The demand for functional foods such as legume-based products, as well as organic products that are pesticide-free is on the rise. ▪ The importance of e-commerce is on the rise; however, the overall use of this channel remains small.	▪ Canada is a producer of certain processed fruit and vegetable products such as frozen fries. ▪ International companies lead the market such as Bonduelle Canada Inc, General Mills Canada Corp, and McCain Foods Ltd. ▪ The US is a strong competitor in the import market due to its close geographic location.

5.11.2 Consumption

Evolution of consumption

The processed fruit and vegetable market in Canada was worth around EUR 1.64 billion in 2022. Frozen processed fruit and vegetables had the highest retail value at EUR 973 million. This was followed by shelf-stable fruit with a retail value of EUR 393 million, and shelf-stable vegetables with EUR 276 million. Between 2017 and 2022 the market grew at a faster pace than it is forecast to grow between 2022 and 2027. Frozen processed fruit and vegetables are forecast to grow at the highest CAGR of around 5.9%, while shelf-stable vegetables are forecast to grow at a CAGR of 1.3% and shelf-stable fruit at a CAGR of approximately 1.1%, as shown below in Figure 5-48.

Figure 5-48: Evolution and forecast of the processed fruit and vegetable market in Canada, 2017-2027; retail value (EUR million)



Source: Euromonitor International: Packaged Food, 2022.

Consumer profile and purchase criteria

Consumers

Per capita consumption of processed fruit and vegetables in Canada stands at over 28 kg per year. Busy consumers are likely to purchase processed fruit and vegetables because they have less time during the day to prepare fresh fruit and vegetable dishes which consequently results in this consumer base being more likely to seek out these types of products. The affordability of processed fruit and vegetables in Canada also makes mixed packages of multiple frozen or shelf-stable processed fruit and vegetables appealing to lower-income earners. Health-conscious consumers are likely to use frozen fruit and vegetables in their diets as these are viewed to be better for health than processed fruit and vegetables.

Drivers and method of consumption

Processed fruit and vegetables are staples in most Canadian households. They are popular because they offer convenient and quick meal options at reasonable price points, and they also benefit from having a prolonged shelf life.

The retail volume of processed fruit and vegetables is forecast to decline in the coming years. During the COVID-19 pandemic, sales increased because consumers stocked up on shelf-stable staples such as processed fruit and vegetables. As life went back to normal consumers spend more time outside, which negatively affects demand. The foodservice demand is increasing again, and consumers generally spend less time cooking at home. This limits the growth potential of staple foods.

Nevertheless, the retail value is forecast to continue to grow. Due to inflation, the price points of processed fruit and vegetables increase as costs of raw materials, energy costs, shipping costs and labour wages continue to rise as well.

Health-conscious consumers tend to prefer fresh produce which negatively impacts the market for canned products. However, the demand for frozen processed fruit and vegetables in particular is positively driven by the strong health consciousness of Canadian consumers, who perceive frozen products to be healthier than processed shelf-stable products. The popularity of smoothies is positively affecting the demand for frozen fruit.

The demand for frozen processed fruit and vegetables is also positively affected by a growing desire of Canadian consumers to minimise their food waste.

Purchase criteria

Consumers in Canada overwhelmingly prefer frozen processed fruit and vegetable products over shelf-stable variants. The most popular frozen vegetable options are mixed packs, followed by vegetables with sauce, corn, green beans, broccoli florets, asparagus, cauliflower florets, onion, and then lima beans. Frozen processed vegetables are more often chosen than frozen fruit. Besides the type, the price plays an important role. Shelf-stable products tend to be cheaper than frozen ones, which is why they are often chosen by lower-income consumers. Frozen products are mainly bought by health-conscious consumers as they are perceived to be healthier. Consumers that look for convenience are in general more likely to purchase processed fruit and vegetables than fresh produce because these products are faster to prepare. Moreover, these products offer the convenience of a long shelf life.

Recent market trends

There are several recent market trends producers should take note of in the Canadian processed fruit and vegetable market which include:

- **Frozen processed fruit and vegetables:** This category is forecast to be best performing in the years to come because of the growing health consciousness of consumers. Frozen processed fruit and vegetable products are generally viewed to be healthier than shelf-stable products because nutrients are preserved, and frozen products have fewer preservatives overall. The growing popularity of smoothies further increases the demand for frozen fruit and vegetables as these products offer a convenient, healthy and quick meal solution. Frozen processed potatoes are also popular.
- **Functional foods:** The demand for greater functionality and specific benefits is on the rise. As consumers look for foods that enhance their immunity, their digestive health and overall wellbeing, certain products such as legume-based varieties benefit from this trend because of their high nutritional value and perceived health benefits. However, it is not easy for manufacturers of these products to compete with fresh produce, which is why they have to convince consumers of their value and innovation.
- **Organic products:** Due to the strong health consciousness of Canadian consumers, which has been further heightened by the COVID-19 pandemic, consumers prefer more natural products. This means organic processed fruit and vegetables are becoming increasingly popular because they are pesticide free. Bonduelle for example stated that they will aim to reduce the use of pesticides in their products.
- **E-commerce:** E-commerce is on the rise and offers new opportunities for manufacturers. The channel's popularity increased drastically during the COVID-19 pandemic, when many consumers purchased products online for the first time. The consumer base grew from technology interested younger Canadians to also include older age groups. The confidence of consumers to purchase groceries online also increased since the pandemic. However, the channel remains a niche.

5.11.3 Offer

Domestic production

The domestic production of processed fruit and vegetables in Canada is quite substantial as the country itself is an important producer of fruit and vegetables during certain times of the year. There are around 240 businesses involved in the processed fruit and vegetable industry that employ close to 7 400 people. The industry is concentrated in Quebec, Ontario and British Columbia.

The market is dominated by international companies that also produce in Canada. Bonduelle Canada Inc is the market leader with a share of 17%, mainly due to the popularity of brands such as Del Monte, and Arctic Gardens. General Mills Canada Corp ranks second with a market share close to 12%; its most popular products are from the Green Giant brand. McCain Foods Ltd ranks third with close to 12% as well, due to its brands such as McCain. McCain Foods Ltd is a Canadian multinational company that sells mainly frozen food. The headquarter is located in Florenceville, which is in New Brunswick. It is known for its frozen potato products.¹¹³

Imports and exports

Identifying data on trade in processed fruit and vegetable product is extremely complicated due to the number of different lines under which such products can be imported. Data on trade in processed fruit and vegetables is ultimately captured under the trade data for fruit and vegetables in section 5.2.

EU GI products

Various fresh and processed fruits and vegetables from different EU countries are protected in Canada. More information can be found in section 4.2.4. To see the full list of protected GIs follow the link: [List of Geographical Indications](#)

Germany:

- Spreewälder Gurken

Greece:

- Elia Kalamatas
- Fassolia Gigantes Elefantas Kastorias
- Fassolia Gigantes Elefantas Prespon Florinas
- Konservolia Amfissis

Spain:

- Cítricos Valencianos / Cítricos Valencians

France:

- Pruneaux d'Agen / Pruneaux d'Agen mi-cuits
- Lentille verte du Puy

Italy:

- Arancia Rossa di Sicilia

¹¹³ About us, <https://www.mccain.com/about-us/>

- Cappero di Pantelleria
- Kiwi Latina
- Lenticchia di Castelluccio di Norcia
- Mela Alto Adige
- Südtiroler Apfel
- Pesca e nettarina di Romagna
- Pomodoro di Pachino
- Radicchio Rosso di Treviso

Austria:

- Steirischer Kren

Portugal:

- Pêra Rocha do Oeste
- Ameixa d'Elvas
- Ananás dos Açores / S. Miguel

Romania

- Magiun de prune Topoloveni

Main competitors

The main competitors in this market come from domestic production of certain processed fruit and vegetable products such as frozen fries. The market is dominated mainly by large international companies. Bonduelle Canada Inc is the market leader, followed by General Mills Canada Corp, and McCain Foods Ltd (which has its headquarters in Canada). The strong position of General Mills, a US-based company, shows the US is a strong competitor on the market, which is also due to its close geographic location.

5.11.4 Specific market entry requirements

Market access and entry

All food products sold in Canada including processed food must meet the general labelling and compositional requirements of the federal Food and Drugs Act (FDA) and Food and Drug Regulations (FDR).

Regarding tariffs for processed fruit and vegetables, under the EU-Canada Comprehensive Economic and Trade Agreement, the EU preferential rate is generally 0%, which in most cases is better than the MFN tariff. Please consult the link in the box below using the exported product's HS code to confirm tariffs.

A list of standard documents required for imports into Canada, as well as an overview of the procedure is presented in section 4.2.1. To ship processed fruit and vegetables to Canada additional documents are required, as listed below:

- Import Licence for Foodstuffs
- Import Declaration for Certain Agricultural Commodities
- Request for Documentation Review

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link – frozen fruit category (0811) from Spain to Canada

<https://trade.ec.europa.eu/access-to-markets/en/search?product=0811&origin=ES&destination=CA>

SPS measures, standards

Several federal laws and regulations concerning food safety exist in Canada that need to be followed. These are administered by 'Health Canada', which is responsible for establishing policies and standards related to the safety and nutritional quality of food sold in the country. More information about these laws can be found in 4.2.2.

As noted in section 4.3.4, there may be SPS related challenges which affect the documentation required for importing EU processed fruit and vegetables into Canada. Furthermore, there are challenges with the protection of EU GIs in Canada. It is recommended to consult this section for further details.

Labelling

As described in section 4.2.4, imported processed fruit and vegetables are subject to the labelling provisions of the Safe Food for Canadians Act (SFCA), Safe Food for Canadians Regulations (SFCR), Food and Drugs Act (FDA), and the Food and Drug Regulations (FDR). When sold interprovincially, processed fruit and vegetables are subject to the labelling requirements under the FDA and FDR, as well as specific requirements of the SFCA and SFCR that apply to pre-packaged foods sold in Canada.

The Industry labelling tool is a food labelling reference for all industry that outlines the requirement for food labelling and advertising. Processed fruit and vegetables need to provide the following information on the label:

- Common name
- Net quantity
- Other required markings
- Name and principal place of business
- Country of origin
- Size designation for processed fruit or vegetable products
- Lot code

More detailed information on the labelling of processed fruit and vegetable products can be found [here](#).

5.11.5 Distribution

As can be seen in Figure 5-49, grocery retailers account for the majority of sales of processed fruit and vegetable products in Canada with a share of 87.8%. Within grocery retail outlets, supermarkets have the largest share at 58.3% of sales. Discounters have a share of 19.5%, followed by general merchandise stores with a share of 10.2% which are non-grocery retailers.

E-commerce sales are marginal but continue to grow from a low base and currently account for 1.1% of sales.

Figure 5-49: Distribution channel overview of processed fruit and vegetables in Canada (2022); retail value



Source: Euromonitor International: Packaged Food, 2022.

5.11.6 Challenges for EU products

The main challenge for processed fruit and vegetable products comes from competition from fresh fruit and vegetables which remain preferred by many consumers. Domestic production is significant and so is the competition from e.g. the neighbouring US. Nonetheless, the sector is expected to continue to grow between 2022 and 2027.

Market Takeaway: Processed fruit and vegetables

Consumption: The processed fruit and vegetable market in Canada was worth around EUR 1.64 billion in 2022. The market grew in recent years and is forecast to continue to grow, although at a slower pace. Frozen processed fruit and vegetables are the largest category.

Competition: Largely comes from the domestic market as well as from international companies such as Bonduelle Canada Inc, General Mills Canada Corp, and McCain Foods Ltd. The US is a strong competitor in the market due to its close geographic location.

Distribution: Mainly sold through retail channels such as supermarkets and discounters. E-commerce has emerged as a new channel of distribution in recent years, albeit from a currently low share of 1.1%.

Challenges: Increasing health-conscious consumers that might prefer fresh produce. Domestic production is significant and so is the competition from e.g. the neighbouring US.

Opportunities: Demand for frozen processed fruit and vegetables is strong. Functional foods and organic products are on the rise. The importance of e-commerce is growing and offers new opportunities.

5.12 Processed meat

5.12.1 SWOT analysis

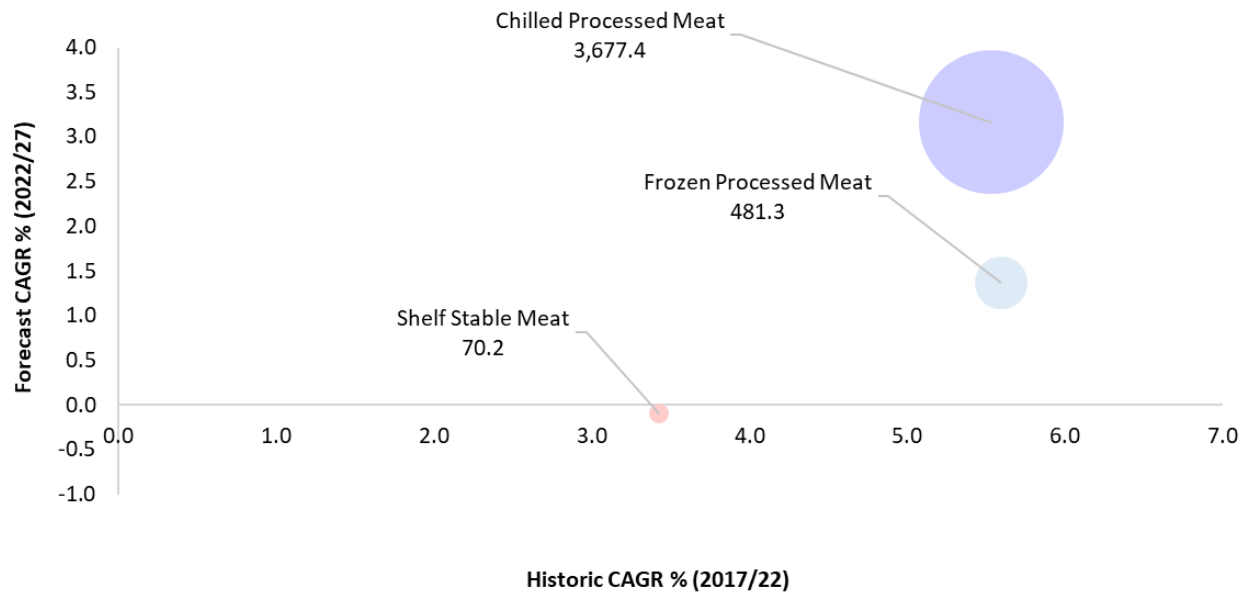
STRENGTHS (+)	WEAKNESSES (-)
- Canada has a high level of processed meat consumption, with a wide variety of products consumed. - While raw products for further cooking are the largest category, there is also a tradition of eating cold cuts and hence demand for such products.	- Total consumption in volume terms is in long term decline. - While Canada is a net importer, there is ultimately considerable domestic production, albeit quite fragmented.
OPPORTUNITIES (+)	THREATS (-)
- Strong interest in products which emphasise production methods, sustainability and comparative healthiness. - Some opportunities for quality / premium products against a product category generally getting more expensive.	- Competitive market – most notably, the US holds a dominant position among import origins. - Increasing health consciousness is impacting the market, as witnessed by increasing interest and fast growing market in meat alternatives / plant-based products.

5.12.2 Consumption

Evolution of consumption

Figure 5-50 illustrates the evolution of the retail value of various processed types of meat in Canada. Chilled processed meat is by far the largest category, with a market worth EUR 3.68 billion in 2022, having grown at 5.5% per year over the period 2017 to 2022. Furthermore, at 3.2% per year it is forecast to grow the fastest of all categories over the coming five years (until 2027). Frozen processed meat is the second largest category, with a market value of EUR 481 million. At 5% per year, it grew slightly more quickly than the chilled meat category over the five years up until 2022, though going forwards it will grow much more slowly at 1.4% per year. Shelf stable meat is by far the smallest category, with the market worth only EUR 7 million. Furthermore, it is the slowest growing – both historically and going forwards.

Figure 5-50: Evolution and forecast of the market for processed meat in Canada, 2017-2027 (EUR million)



Source: Euromonitor International: Processed meat, 2022.

Consumer profile and purchase criteria

Consumers

Processed meat is widely consumed in Canada, with the average Canadian consuming around 23kg per year. Most of this - around 80% - is red meat, with pork particularly popular. Indeed, around 1/3 of all the red meat consumed in Canada is processed – demonstrative of how processed meat is universally consumed. That said, there is an increasing segment of the younger population which abstains from meat consumption or limits it (red and / or processed meat in particular) due to health concerns. The average processed meat consumer therefore skews slightly towards the older age groups. Different demographic groups tend to have slightly different consumption patterns and preferences – most notably the consumption patterns of ethnic minorities may be influenced by traditions.

Drivers and method of consumption

A wide range of processed meat products are consumed in Canada. The most popular in broad terms are: hamburgers, sausages (of different types, though hotdogs in particular), cold cuts, spare ribs and chicken wings. Overall, raw products requiring further cooking such as burgers, sausages and chicken wings / cuts are by far the most popular overarching category of processed meat product. A cross-cutting driver for processed meat products is the convenience factor. This is witnessed by the continuing increase in demand for products which are cooked or ready for consumption, despite the aforementioned overall dominance of raw products.

The method of consumption of processed meat varies between products. It is common for sausages to be consumed in the form of hotdogs. Cold cuts are most commonly consumed in sandwiches e.g. with cheese, salad and/or spreads; though charcuterie boards are also popular, leading to consumption alongside other nibbles such as olives and cheese. More niche methods

of consumption of cold cuts are as topping on pizza and in sauces. Ribs are a popular barbecue item, as are some other products such as burgers and chicken cuts.

Purchase criteria

The purchase criteria for processed meat products vary somewhat by the precise nature of the product. Nonetheless, certain criteria are commonly considered across products. Price is a common purchase criterion, particularly in view of the increasing price of processed meat products in recent years (see below). Against the overarching increase in prices, there are often increasing expectations in terms of quality and taste. For some consumers, this leads to an interest in new products from different cultural backgrounds. Convenience / ease of preparation are also commonly taken into account when making purchasing decisions.

In addition to the above, health considerations are growing in importance. While this causes some consumers to reduce consumption of processed meat products, others pay attention to the product itself, including notably the ingredients, how natural they are and type of meat used in the product. Nitrate and preservative free plus low sodium are health-related indications that consumers may look for when purchasing products. Health considerations have also led to increased interest in meat alternative products (see next section). Production methods – most notably organic – are also increasingly considered by consumers; as are wider sustainability factors. The consideration of production methods also extends to a preference for traceable production, the absence of hormones and local products among a segment of Canadian consumers. Finally, it should be noted that consumers from Canada's various ethnic groups may take into account specific criteria when purchasing processed meat products; and indeed may specifically choose to buy products from smaller, specialist ethnic shops as a result.¹¹⁴

Recent market trends

Overall there has been downward pressure on the processed meat market in volume terms over recent years; and this is likely to continue going forwards. This is primarily due to increased health concerns about the consumption both of meat and of processed products. The growth in the value of the market seen in Figure 5-50 can be attributed to an increase in unit prices, which can at least partly be attributed to rising meat prices in Canada (stemming from livestock supply challenges) over the last few years. While there was a slight recovery around 2020, this can be attributed to the COVID-19 pandemic and increased at-home demand for processed meat products. Subsequent to this, volume growth has returned to its previous slightly negative trajectory.

Against the background of increased health concerns, meat substitute products have shown high growth in recent years. Both larger multinationals (such as Beyond Meat) and smaller niche producers have entered the market in recent years. Furthermore, some retailers have started to offer private label meat substitute products – a clear affirmation of the growth of the segment. The growth of this segment has not only been at the expense of processed meat products, but also at the expense of tofu (which has historically been popular in Canada due to the notable population of south-east Asian origin). It should, however, be noted that the legislative framework around these products is likely to evolve in coming years.

¹¹⁴ Most Frequently Consumed Red/Processed Meat Dishes and Plant-Based Foods and Their Contribution to the Intake of Energy, Protein, and Nutrients-to-Limit among Canadians; Mojtaba Shafiee et al; Analysis of the meat market in Canada, UPEMI October 2019; Euromonitor International: packaged foods, 2022; <https://canadiangrocer.com/new-day-deli>.

5.12.3 Offer

Domestic production

Domestic production of processed meat products is strong, but also fragmented. The largest four producers are Maple Leaf foods, the supermarket chain Loblaw, Olymel LP and Maple Lodge Farms. However, these four companies only account for around 30% of the overall Canadian market. All four of these companies offer a combination of processed meat products requiring cooking and cold cuts. Maple Lodge farms are focused exclusively on processed poultry products.

After these four larger producers, there are a number of smaller domestic producers, none of which account for more than 5% of the total market.

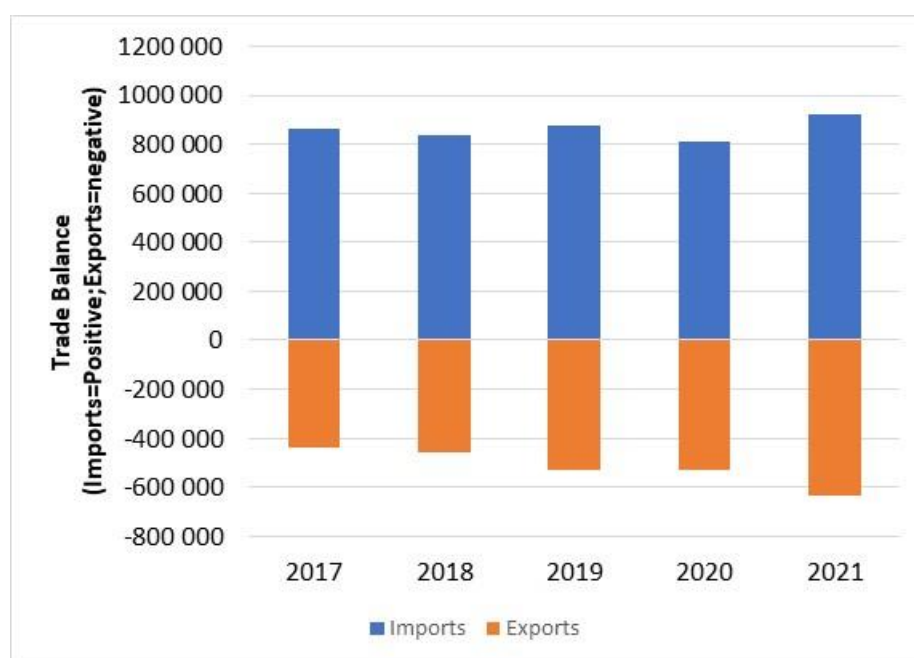
Geographically, there is quite a high concentration of processing facilities in the two provinces of Ontario and Quebec. Combined they account for over half of meat processing facilities in the country. However, the proportion of processing facilities in these two provinces is actually lower than their proportion of the overall Canadian population. Alberta, Saskatchewan and Manitoba stand out as provinces with a disproportionately high presence of meat processing facilities when compared to their own populations.

Imports and exports

Canada is a net importer of processed meats (Figure 5-51). At EUR 922 million, imports in 2021 were around 1.5 times the level of exports. Both imports and exports have increased over the last five years, albeit with dips along the way in the case of imports (exports have increased steadily).

The US dominates exports of processed meat to Canada (Figure 5-52). It has constantly accounted for between 80 and 90% of processed meat imports over the last five years. Italy is next, followed by Thailand. The former accounts for around 6% of imports and the latter closer to 3%. Overall, the EU (including Italy) accounts for just under 10% of Canadian processed meat imports. Notable EU countries other than Italy include: Hungary, Spain, Germany, Denmark and France.

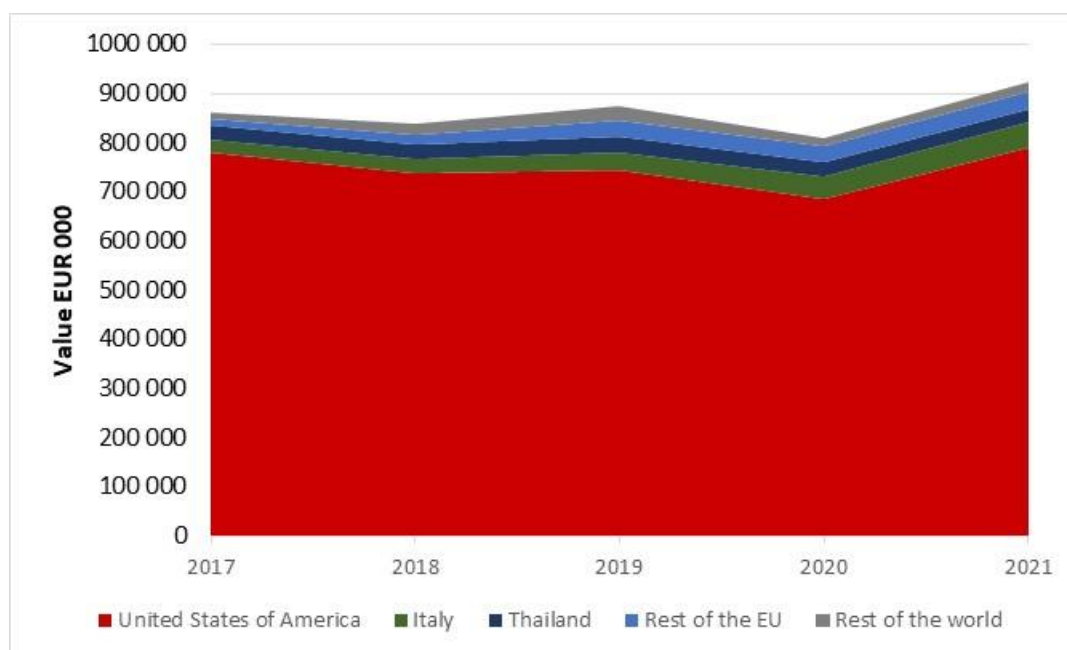
Figure 5-51: Trade balance (imports and exports) of processed meats in Canada, 2017-21, EUR 000



Source: Trade Map, International Trade Centre – <https://www.trademap.org/>

Data for CN code 1601, 1602 and 0210

Figure 5-52: Canadian imports of processed meats by country, 2017-21, EUR 000



Source: Trade Map, International Trade Centre – <https://www.trademap.org/>

Data for CN code 1601, 1602 and 0210

EU GI products

Several processed meat products from seven different EU countries are protected in Canada under CETA. More information can be found in section 4.2.4 or under the following link: [List of Geographical Indications](#)

Germany:

- Nürnberger Bratwürste / Nürnberger Rostbratwürste
- Schwarzwälder Schinken

Spain:

- Guijuelo
- Jamón de Huelva
- Jamón de Teruel
- Salchichón de Vic / Llonganissa de Vic
- Sobrasada de Mallorca

France:

Canards à foie gras du Sud-Ouest: Châlosse / Gascogne / Gers / Landes / Périgord / Quercy

- Jambon de Bayonne

Italy:

- Cotechino Modena
- Zampone Modena
- Bresaola della Valtellina
- Mortadella Bologna
- Prosciutto di Parma
- Prosciutto di S. Daniele
- Prosciutto Toscano
- Prosciutto di Modena
- Speck Alto Adige / Südtiroler Markenspeck / Südtiroler Speck
- Culatello di Zibello
- Lardo di Colonnata
- Salame Piacentino
- Salame Felino
- Prosciutto di Carpegna
- Pancetta Piacentina
- Finocchiona
- Coppa Piacentina

Hungary:

- Szegedi téliszalámi / Szegedi szalámi

Austria:

- Tiroler Speck

Portugal:

- Chouriça de carne de Vinhais / Linguiça de Vinhais
- Chouriço de Portalegre
- Presunto de Barrancos
- Salpicão de Vinhais

Main competitors

Competition comes from two main sources. Firstly, domestic production is considerable, despite recent challenges around livestock availability and an overall trade deficit. It is, however, also highly fragmented, with no one company accounting for over 15% of the overall Canadian processed meat market. Secondly, the US dominates imports of processed meat products into Canada with an almost 90% share of all imports.

5.12.4 Specific market entry requirements

Market access and entry

The Canadian Food Inspection Agency (CFIA) is in charge of measures concerning live animals, animal reproduction material, animal products and by-products, and animal pathogens.

For most processed meat products, under the EU-Canada Comprehensive Economic and Trade Agreement, there are 0% tariffs. However, in order to qualify for the zero tariff, the product must originate in the EU or Canada. The preferential tariff is for exports that are within the access commitment. In a few cases, EU exporters have to pay a certain percentage of FOB value but not less than a specific amount EUR/kg if they are over the access commitment for a certain product. It is recommended that the link in the box below be consulted using the HS code of the product in question in order to confirm the applicable tariff rate.

A list of standard documents required for imports into Canada, as well as an overview of the procedure is presented in section 4.2.1. Additional documents are listed below:

- (Potentially) EIPA File Number
- Import Licence for Foodstuffs
- CITES Permit
- General Import Permit for Designated Commercial Agricultural Goods
- Permit to Import Animals and Animal Products
- Request for Documentation Review
- Veterinary Health Certificate for Animal Products
- BSE Certificate

information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link – sausages or similar (1601) from Italy to Canada

<https://trade.ec.europa.eu/access-to-markets/en/search?product=1601&origin=IT&destination=CA>

SPS measures, standards

As noted in section 4.3.4, there are SPS related challenges, which affect the documentation required for importing EU processed meat products into Canada. These include:

- Absence of EU harmonised certificates for exports of animal products to Canada

Furthermore, there are challenges with the protection of EU GIs in Canada. It is recommended to consult this section for further details.

Labelling

As described in section 4.2.4, imported processed meat products must meet the labelling and packing requirements outlined in the Safe Food for Canadians Regulations (SFCR). The Industry labelling tool is a food labelling reference for all industry that outlines the requirement for food labelling and advertising. Processed meat products need to provide the following information on the label:

- Common name
- List of ingredients
- Net quantity
- Name and principal place of business
- Country of origin
- Date markings and storage instructions
- Nutrition labelling

More detailed information on the labelling of processed meat products can be found [here](#).

5.12.5 Distribution

Figure 5-53 below shows that modern grocery retailing plays the key role in the distribution of processed meat products. Supermarkets account for almost 58% of retail sales, and hypermarkets for 18%. Nonetheless, small local grocers account for just over 10% of sales. As previously noted, some ethnic groups in particular may choose to purchase from more specialist retailers in this category. E-commerce accounts for just over 2% of sales.

Figure 5-53: Distribution of processed meat, seafood and alternatives to meat in Canada (2022); retail value



Source: Euromonitor International: Packaged Food, 2022.

5.12.6 Challenges for EU products

Arguably the greatest challenge is the long term decline, in volume terms, of the market for processed meat products; even if this decline is starting from a high level. This volume decline is being masked by increased prices (largely driven by supply chain issues), leading to a growing market in value terms. These increased prices however are accompanied to an extent by increased consumer expectations around quality and taste; creating some opportunities for premium products.

A second major challenge stems from competition in the market place. Domestic production is considerable, but it is also quite highly fragmented. On the other hand, the US has a dominant position among importers.

Market Takeaway: Processed meat

Consumption: More or less universally consumed with a high level of consumption (over 20kg per capita per year). Market, while increasing in value is in a longer term volume decline.

Competition: Strong but highly fragmented domestic production. The US dominates imports of the category, accounting for close to 90% of imports.

Distribution: The main channels are modern grocery retailers such as supermarkets and hypermarkets. Smaller local grocers play a role, most notably for certain more specialist products.

Challenges: Long term market decline. Increasing health consciousness, as witnessed by increasing interest in meat alternatives / plant-based products.

Opportunities: Products which emphasise production methods, sustainability and comparative healthiness. Most notably, this includes organic products. Quality / premium products and non-meat alternatives, where feasible.

5.13 Biscuits / cereal bars

5.13.1 SWOT analysis

STRENGTHS (+)	WEAKNESSES (-)
▪ The market has been growing in recent years and is forecast to continue to grow. ▪ Even though the EU is not the market leader it still accounts for more than 25% of the import value (the main EU exporter is Belgium). ▪ The value of Canadian imports from the EU has overall increased in recent years.	▪ The overall market is forecast to grow at a slower pace. The markets for plain biscuits and cookies are not growing much. ▪ Canada is an important producer and net exporter of biscuits and cereal bars. ▪ The health consciousness of consumers decreases the demand for sugar-dense and high calorie biscuits and cereal bars.
OPPORTUNITIES (+)	THREATS (-)
▪ Snack bars stand out as the largest market and are forecast to have the second highest growth rate. Wafers are a small category but forecast to experience the strongest growth. ▪ The demand for healthier varieties of biscuits and cereal bar products that include natural ingredients is increasing – and so is the demand for sustainability. ▪ The e-commerce channel continues to grow in popularity due to its convenience and competitive pricing.	▪ The market is dominated by few companies (General Mills Canada, followed by Mondelez Canada Inc, and retailer Loblaw Cos Ltd) ▪ The main non-EU exporters are the US and Mexico. ▪ Competition from domestic small-scale producers that focus on offering high quality products with good ingredients.

5.13.2 Consumption

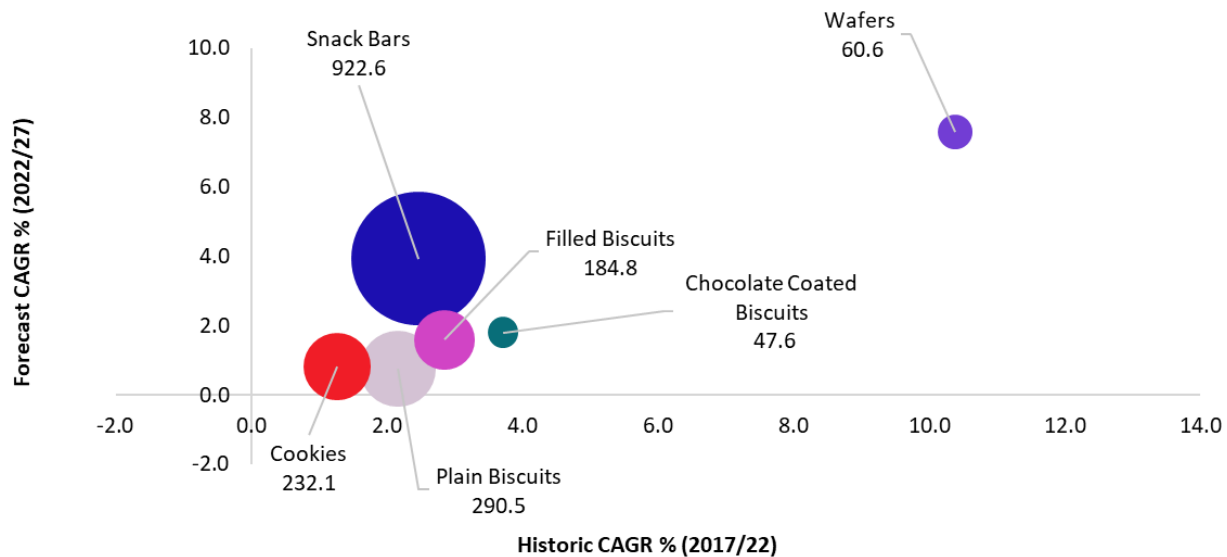
Evolution of consumption

The biscuits and cereal bar market in Canada was worth around EUR 1.74 billion in 2022. As shown below in Figure 5-54, snack bars was the largest product category, with a value of EUR 923 million. This was followed by plain biscuits with close to EUR 291 million, cookies with just over EUR 232 million and filled biscuits with about EUR 185 million. Wafers and chocolate coated biscuits were the smallest categories, with a value of around EUR 61 million and EUR 48 million respectively.

Historically, the market has been growing. In particular wafers stand out as this category grew at a CAGR of 10.4% between 2017 and 2022, which is by far the highest growth rate of any of the categories. The chocolate coated biscuits market grew at the second strongest with a CAGR of about 3.7%. All other categories grew at lower rates.

Between 2022 and 2027, the market for biscuits and cereal bars is forecast to continue to grow, although at a slower pace. Wafers are forecast to continue to have the highest CAGR of around 7.6%. This is followed by the largest category (snack bars) with a forecasted CAGR of 3.9%.

Figure 5-54: Evolution and forecast of the market for biscuits and cereal bars in Canada, 2017-2027; retail value (EUR million)



Source: Euromonitor International: Packaged Food, 2022.

Consumer profile and purchase criteria

Consumers

Biscuits and snack bars are fairly universally consumed in Canada with a per capita consumption of around 3.8 kg per year. Busy consumers are more likely to purchase snack bar products as they offer a quick on-the-go snack or indulgence treat during a day of working. Biscuits and cookies are enjoyed by consumers who want to treat themselves and particularly children. Health-conscious consumers enjoy cereal bars and other snack bars with healthy ingredients to get an energy boost in the gym or in general to have a quick – but healthy – treat during the day.

Drivers and method of consumption

The COVID-19 pandemic boosted the demand for biscuits as consumers spent much more time at home snacking. Snack bars, however, were rather negatively impacted as they are a common on-the-go snack and thus not consumed at home as much. Protein and energy bars were particularly impacted because Canadian consumers were not able to go to their gyms or other sports facilities or groups during lockdowns.

The situation changed after the lockdown, as consumers spend much more time outside again and go to their offices again. This change negatively impacts the demand for sweet biscuits but positively drives sales for snack bars including cereal bars. Snack bars moreover are positively driven by the health and wellness as well as convenience trends. The demand for portable, flexible, and compact shelf-stable snack bars that are also healthy is high. The health trend negatively impacts the demand for sweet biscuits on the other hand as these usually contain more sugar than cereal bars.

Purchase criteria

As is the case for most products, the price is an important purchasing factor for consumers when it comes to biscuits and cereal bars. As the costs of food and energy increase in combination with

the threat of growing inflation rates, consumers pay more attention to what they spend their money on. Nevertheless, price in many cases is not the main criterion for Canadian consumers as they are generally wealthy. This means the quality of ingredients and taste are important purchase criteria. Consumers are also more likely to pay a higher price point for products that have an added value. One example are protein bars which are seen to be a good choice after a gym session.

Thus, what type of product is bought also depends on the occasion or reason for purchase. Consumers who wish to indulge themselves are likely to purchase sweet biscuits. The most popular choice in this category are cereal bars, followed by plain biscuits, cookies, filled biscuits, and then protein/energy bars. Wafers, chocolate-coated biscuits, and fruit and nut bars are not chosen as often by consumers. Consumers who look for a healthy snack often choose snack bars such as cereal bars because these are perceived to be healthier than sweet biscuits.

Canadian consumers who look for an on-the-go snack choose snack bars because of their convenience.

Recent market trends

Several trends are visible on the market at the moment:

- **Healthy and natural ingredients:** Canadian consumers increasingly care about what they eat. As a result, healthy products with natural ingredients are trending. This trend is particularly visible in the snack bar market. Many companies launch new snack bars that contain fewer ingredients than former versions. Snack bars usually do not contain additives or unnecessary ingredients and are non-GMO and preservative-free. Other companies launch organic snack bars to keep up with the trend.
- **Sustainability:** Sustainability is another topic that becomes increasingly important to Canadian consumers. Biscuit and cereal bar manufacturers know about the concerns about climate change and social equality which is why some aim to introduce more sustainable practices. Loacker for example introduced a holistic approach to sustainability by increasing the transparency of their supply chains, by using green energy and sustainable packaging. They also redesigned their logo to convey a message about sustainability to consumers. Other companies are putting forward their low carbon footprints. Sustainability is likely to become gradually more important to Canadian consumers in the next few years.
- **Protein / energy bars:** These types of bars are forecast to be the absolute top performers in this category because of consumers that are interested in health, and fitness. These bars are consumed away from home either on-the-go, at work, or in the gym. Their convenience further makes them more appealing to consumers.
- **E-commerce:** E-commerce has been growing rapidly in recent years and now is an important distribution channel for biscuits and cereal bars in Canada. The number of consumers using e-commerce continues to grow. Currently, mainly the younger age groups use this channel, but during the COVID-19 pandemic consumers from other age groups also started to shop online. Its popularity continues to increase due to its convenience and often competitive pricing. Retailers invest in e-commerce as well. The number of on-demand delivery apps and one-hour delivery services available is growing.

5.13.3 Offer

Domestic production

The biscuit and cereal market in Canada is mainly dominated by large international players. General Mills Canada Corp ranks first with a market share of 12% due to brands such as Nature Valley, Betty Crocker, and Fiber One. Mondelez Canada Inc also has a market share of 12% due to brands including Oreo, and Chips Ahoy!. Loblaw Cos Ltd, which is a Canadian supermarket chain, ranks third with a market share of around 8% due to its President's Choice, which is a private label brand.

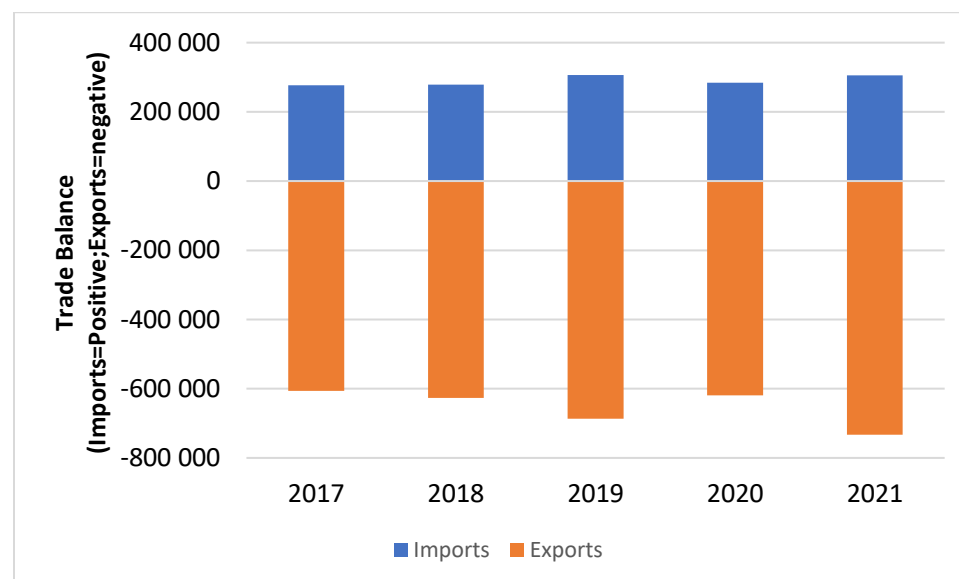
The leader of sweet biscuits is Mondelez Canada Inc which has a market share of 30% in this category. Snack bars on the other hand is headed by General Mills Canada Corp with a market share of 18%.

Both leaders are forecast to remain the top players in the market; however, they continue to lose retail value share to smaller players that focus on the quality of their ingredients.

Imports and exports

Figure 5-55 below shows that Canada is a net exporter of biscuit and cereal bar products, importing a value of EUR 305 million in 2021 and exporting close to EUR 733 million. Between 2020 and 2021 imports increased by around EUR 21 million.

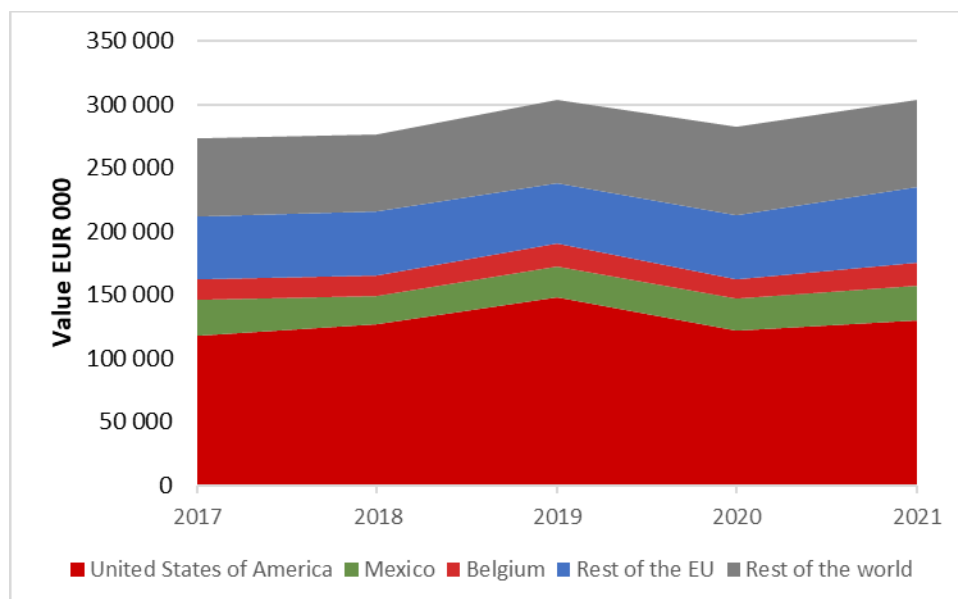
Figure 5-55: Trade balance (imports and exports) of biscuits and cereal bars in Canada, 2017-21, EUR 000



Source: Trade Map, International Trade Centre – <https://www.trademap.org/>

Data for CN codes 190531 and 190532

Figure 5-56 shows that the US was the largest exporter of biscuit and cereal bar products to Canada in 2021 with EUR 130 million. The US alone accounts for 43% of the Canadian import market value. This was followed by Mexico with approximately EUR 27 million, and Belgium with over EUR 18 million. The EU in total accounted for more than 25% of the Canadian import market value in 2021. In total, four of Canada's top ten importers were from the EU. These include Belgium but also Italy, Poland, and the Netherlands.

Figure 5-56: Canadian imports of biscuits and cereal bars by country, 2017-2021, EUR 000

Source: Trade Map, International Trade Centre – <https://www.trademap.org/>

Data for CN code 190531 and 190532.

EU GI products

No biscuit and cereal bar products from the EU are protected in Canada. More information can be found in section 4.2.4. To see the full list of protected GIs follow the link: [List of Geographical Indications](#)

Main competitors

The biscuits and cereal market in Canada is dominated mainly by international players. General Mills Canada is the market leader followed by Mondelez Canada Inc. Loblaw Cos Ltd, which is a Canadian supermarket chain, ranks third with its private label products.

The US dominates imports of biscuits and cereal bars in Canada as it accounts for around 43% of the total import market's value. This is followed by Mexico. The EU accounts for around 25% of the market, with Belgium having the lead.

5.13.4 Specific market entry requirements

Market access and entry

All food products sold in Canada including biscuits and cereal bars must meet the general labelling and compositional requirements of the federal Food and Drugs Act (FDA) and Food and Drug Regulations (FDR).

Regarding tariffs for biscuits and cereal bars, under the EU-Canada Comprehensive Economic and Trade Agreement, the EU preferential rate is 0%, which in most cases is better than the MFN tariff.

A list of standard documents required for imports into Canada, as well as an overview of the procedure is presented in section 4.2.1. To ship biscuits and cereal bars to Canada additional documents are required, as listed below:

- EIPA File
- Import Licence for Foodstuffs
- General Import Permit for Wheat, Barley and Their Products
- Request for Documentation Review

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link – sweet biscuits (190531) from Poland to Canada

<https://trade.ec.europa.eu/access-to-markets/en/search?product=190531&origin=PL&destination=CA>

Standards

Several federal laws and regulations concerning food safety exist in Canada that need to be followed. These are administered by 'Health Canada', which is responsible for establishing policies and standards related to the safety and nutritional quality of food sold in the country. More information about these laws can be found in 4.2.2. As mentioned above, all food products sold in Canada must meet the general labelling and compositional requirements of the federal Food and Drugs Act (FDA) and Food and Drug Regulations (FDR).

Labelling

As described in section 4.2.4, imported biscuits and cereal bars are subject to the labelling provisions of the Safe Food for Canadians Act (SFCA), Safe Food for Canadians Regulations (SFCR), Food and Drugs Act (FDA), and the Food and Drug Regulations (FDR). When sold interprovincially, biscuits and cereal bars are subject to the labelling requirements under the FDA and FDR, as well as specific requirements of the SFCA and SFCR that apply to pre-packaged foods sold in Canada.

The Industry labelling tool is a food labelling reference for all industry that outlines the requirement for food labelling and advertising. Biscuits and cereal bars need to provide the following information on the label:

- Common name
- List of ingredients
- Net quantity
- Nutrition labelling

More detailed information on the labelling of biscuits and cereal bars can be found [here](#).

5.13.5 Distribution

Sweet biscuits distribution is focused mainly on offline retail which accounts for 97.2% of sales (Figure 5-57). E-commerce accounts for the remaining 2.8%, but this channel is growing rapidly; between 2018 and 2022 it increased by 2.4%. The main grocery retailers are supermarkets, which account for 56.6% of all sales, and hypermarkets with around 15.5%. The retail value of all grocery stores has been increasing in recent years.

Figure 5-57: Distribution channels of sweet biscuits in Canada (2022); retail value

Source: Euromonitor International: Packaged Food, 2022.

Offline retail accounts for 93.5% of sales and e-commerce for the remaining 6.5% (2022). The e-commerce channel is popular in the distribution of snack bars in Canada; its retail value has grown significantly from just 1.5% in 2018. Supermarkets remain by far the most popular channel with about 38.9% of the retail value, followed by health and beauty specialists with 27.7%. The retail value of both channels declined during the last few years. Hypermarkets ranked third with around 14.7% (Figure 5-58).

Figure 5-58: Distribution channels of snack bars in Canada (2022); retail value

Source: Euromonitor International: Packaged Food, 2022.

5.13.6 Challenges for EU products

In general, the biscuit and cereal market presents some good opportunities for EU exporters because even though the EU is not the market leader it has a substantial presence in Canada. Nonetheless, the market is dominated by large international and domestic companies. In addition, many smaller players have a presence in the market. Thus, it is crucial to know the Canadian market and the main consumer trends to be successful as there is a lot and diverse competition.

It is particularly challenging that the US leads the import market, with important competitive advantages including its close geographic location and its similar consumption habits. Furthermore, products from the US or Mexico tend to be cheaper than products from the more distant EU.

Due to the strong health consciousness of Canadian consumers, it might be more complicated to introduce high-calorie products such as sweet biscuits to the market.

Market Takeaway: Biscuits and cereal bars

Consumption: The biscuit and cereal bar market had a value of EUR 1.74 billion in 2022. The market is forecast to grow at a faster pace than previously. Snack bars are the largest market.

Competition: International and domestic players such as General Mills Canada, Mondelez Canada Inc, and Loblaw Cos Ltd are leaders in the market. The US and Mexico are the biggest non-EU competitors in the import market.

Distribution: Sweet biscuits are largely distributed through modern grocery retailers such as supermarkets and hypermarkets. Snack bars are mainly distributed through supermarkets and health and beauty specialists. E-commerce sales are forecast to increase.

Challenges: Competing with international brands and domestic production which is in touch with the local market trends and competing with close by countries (US, Mexico) that can export products to Canada at a lower price point. The health consciousness of Canadian consumers limits the demand for high-calorie products such as sweet biscuits.

Opportunities: Snack bars are the largest market and wafers are forecast to experience the strongest growth. The demand for healthier varieties with natural ingredients is increasing and sustainable sourcing / packaging is growing. The e-commerce channel offers new opportunities.

5.14 Baked goods

5.14.1 SWOT analysis

STRENGTHS (+)	WEAKNESSES (-)
▪ The market grew in the last few years, and it is forecast to continue to grow. ▪ Even though the EU does not lead the market, three EU countries are in the top ten importer list (Italy, Germany, and France). ▪ Baked goods consumption habits are similar to the EU.	▪ Canada is an important producer and net exporter of baked goods. ▪ Even though the market is forecast to continue to grow, it will be at a much slower pace. Dessert mixes is the smallest category and forecast to grow the least. ▪ The EU only accounts for 7% of the import market value.
OPPORTUNITIES (+)	THREATS (-)
▪ Pastries stand out because the market is growing fast; bread stands out because it is the largest market by far. ▪ Healthy, natural, and value-added products such as bread with grains and seeds, bread high in fibre and protein as well as organic and gluten-free bread. ▪ Sustainable and plant-based products, as well as products with new flavours.	▪ The market is dominated by domestic players including Canada Bread Co, FGF Brands Inc, and Loblaw Cos Ltd. ▪ The main non-EU exporter is the US, which accounts for over 80% of the export market value. China is another competitor. ▪ Artisanal bakeries are a competition for premium products.

5.14.2 Consumption

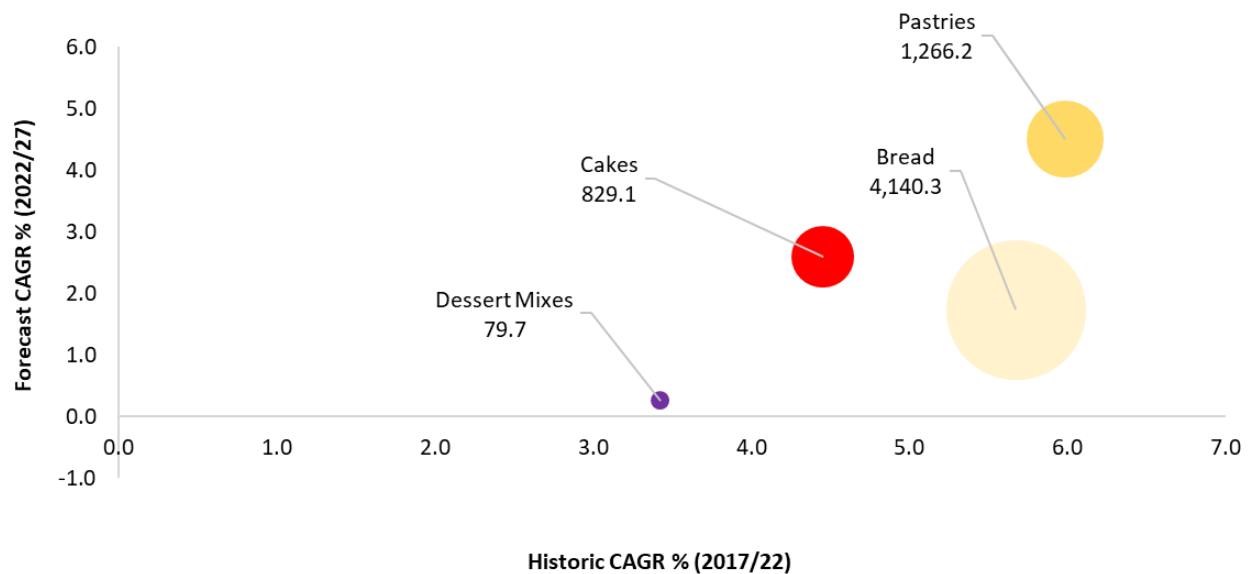
Evolution of consumption

Figure 5-59 depicts the evolution of the consumption of baked goods in Canada. In 2022, the total market value was close to EUR 6.28 billion. Bread was by far the most popular category with a market value of about EUR 4.14 billion and thus accounted for around 66% of the total market. Pastries ranked second with close to EUR 1.27 billion, followed by cakes with over EUR 829 million. The market for dessert mixes was the smallest at close to EUR 80 million.

Historically, between 2017 and 2022 the market overall grew. The second largest market for pastries grew with the strongest CAGR of about 6.0%; this was closely followed by the biggest category, bread, which grew at around 5.7%. Cakes grew at a CAGR of 4.5% and desert mixes at about 3.4%.

The baked goods market is forecast to continue to grow between 2022 and 2027, although at a slower pace than in previous years. Pastries continues to be the category with the largest CAGR as it is forecast to grow at 4.5% per year. Cakes is forecast to grow at 2.6% per year, followed by bread at 1.7%. The smallest category, dessert mixes, is predicted to have the slowest growth rate at around 0.3%.

Figure 5-59: Evolution and forecast of the baked goods market in Canada, 2017-2027; total retail value (EUR million)



Source: Euromonitor International: Packaged Food, 2022.

Consumer profile and purchase criteria

Consumers

Baked goods include a lot of very different products from sweet to savoury which is why the consumer base is very diverse as well. Consumers from all genders, income types, social statuses and age groups consume baked goods in Canada.

The Canadian per capita consumption of baked goods stands at close to 27 kg per year. Bread is a staple food in Canada which is why it is consumed by most Canadians.

Pastries and cakes are consumed by all different consumer types as well, but are especially favoured as a treat, both by adults and children. Health-conscious consumers are less likely to consume these products as they are generally viewed to be less healthy than e.g. bread. However, some mainly middle-aged consumers even aim to reduce their bread consumption because they view it to be not a healthy choice.

High-income consumers tend to consume premium and artisanal products, which are more likely to be unpackaged. In particular, middle-aged to older Canadian consumers are likely to pay a higher price for artisanal baked goods. Lower-income consumers on the other hand might opt for cheaper packaged bread, pastries, cakes etc.

Drivers and method of consumption

Due to inflationary pressure, prices of baked goods continue to rise because of higher raw material, shipping, labour and energy costs, which drives up the retail value. In addition, the war in Ukraine further increased prices as Russia and Ukraine are large exporters of wheat, which is needed for the production of baked goods. However, the market of baked goods is forecast to slightly decline in the coming years in volume terms, due to a slowdown in demand.

One reason for the decreasing demand is that people stockpiled staples such as baked goods during COVID-19-related lockdowns. Now that consumers go back to busier lifestyles, they do

not stockpile as much, also because the foodservice industry is open again. Consumption continues to shift back from at-home consumption to foodservice in the coming years.

Even though consumption is negatively affected by the above reasons, indulgence is the key positive driver for the demand for baked goods. This will be particularly visible in categories such as cakes and pastries as these products offer indulgence.

Canadian consumers tend to have three meals per day - breakfast, lunch and dinner. Bread can be eaten in all these meals. It can be toasted for breakfast, or a sandwich eaten for lunch at work. Dinner is the most important meal of the day for many Canadians, which is why bread is often served as a side dish for a warm cooked meal.¹¹⁵ Besides bread, bagels are very popular in Canada. Cakes and pastries are consumed either as desserts or as a sweet treat and snack during the day.

Purchase criteria

Price and quality are important purchase criteria for consumers. Higher-income consumers are likely to pay higher prices for premium and artisanal products, whereas lower-income consumers probably pay more attention to the price.

The type of product plays an important role too. Bread overall is the most popular choice, and most consumers prefer packaged over unpackaged bread due to convenience. This is followed by pastries, cakes, frozen baked goods, and dessert mixes. Unlike bread, consumers prefer unpackaged pastries and cakes over packaged ones. One reason for this might be that unpackaged products often are perceived as fresher and of higher quality. This means freshness is another criterion for some consumers.

For health-conscious consumers ingredients are important. These consumers are unlikely to choose high calorie products and thus rather avoid cakes and pastries, or frozen baked goods. When it comes to bread, health-conscious consumers prefer bread with added value such as bread with grains or high in proteins. Consumers who are looking for indulgence are likely to purchase a sweet treat like a pastry or cake, even if they do not perceive it as healthy. This means the occasion/reason for which a product is bought is a criterion too.

The packaging is taken into consideration as well. If consumers purchase something on-the-go they prefer to choose individually wrapped baked goods in smaller portions, whereas they tend to choose larger packs for at-home consumption.

Recent market trends

The following market trends are currently visible:

- **Healthy, natural, and value-added products:** Canadian consumers' interest in health has already been high prior to the COVID-19 pandemic, however, its importance was further boosted by it. Today, Canadian consumers demand great functionality and added benefits from what they consume. This trend is particularly visible in the bread category, where manufacturers come up with new varieties that contain added ingredients such as super grains and seeds. New launches of bread high in fibre and protein as well as organic and gluten-free bread are trending as well. The ingredients used are important to consumers which is why they pay attention to clean labels.
- **Sustainability:** The importance of sustainability for Canadian consumers is comparatively high and likely to continue to further increase. As a result, many producers focus on

¹¹⁵ Canadian foods, <https://thecanadaguide.com/symbols/foods/>

offering more sustainable products, and make sure to highlight sustainable aspects of their products on the packaging. Bimbo Canada for example highlights on its Orowheat brand that the bread is made with non-GMO ingredients and is baked sustainably using electricity from renewable sources.

- **Plant-based products:** In line with the interest in sustainability, an increasing number of consumers are interested in plant-based baked goods. Some producers in the sector consciously adjust the recipes of their existing brands to fit into this trend. In addition, many new launches continue to enter the market. One example of a popular product in this category is the Stonemill Honest Wellness Plant-Based Protein bread.
- **Flavour innovation:** Manufacturers continue to release baked goods with new flavours and tastes as consumers like to try something new every once in a while. In particular younger generations have an interest in novelty. Umo for example is a brand that offers Japanese style steam baked cakes and doughnuts in a variety of new flavours and formats, each for a limited time to attract consumers.

5.14.3 Offer

Domestic production

Canada produces many of the ingredients that are used to make baked goods domestically such as wheat, canola, barley, corn for grain, soybeans, and oats, but also sugar.¹¹⁶ The Canadian retail market for baked goods is the 12th largest in the world.

The demand for baked goods is high, particularly for bread which is a staple. Currently, there are around 2 100 establishments that manufacture baked goods and over 1 200 retail bakeries. Most bakeries are situated in Ontario.

The market, even though a bit fragmented, is dominated by domestic Canadian producers. Canada Bread Co takes the lead with a market share of 11% mainly due to the popularity of its Dempster's brand. The company produces and distributes packaged fresh bread and other baked goods. It has a total of 17 bakeries and more than 4 800 employees. The headquarter of Canada Bread Co is located in Toronto.¹¹⁷ FGF Brands Inc, which advertises itself as a tech company that focuses on baking¹¹⁸, follows closely behind with a share of 11%. Its most popular brands are Wonder Bread, D'Italiano, and Casa Mendosa. Retailer Loblaw Cos Ltd ranks third with a market share of around 10% due to the company's private label products called President's Choice.

Imports and exports

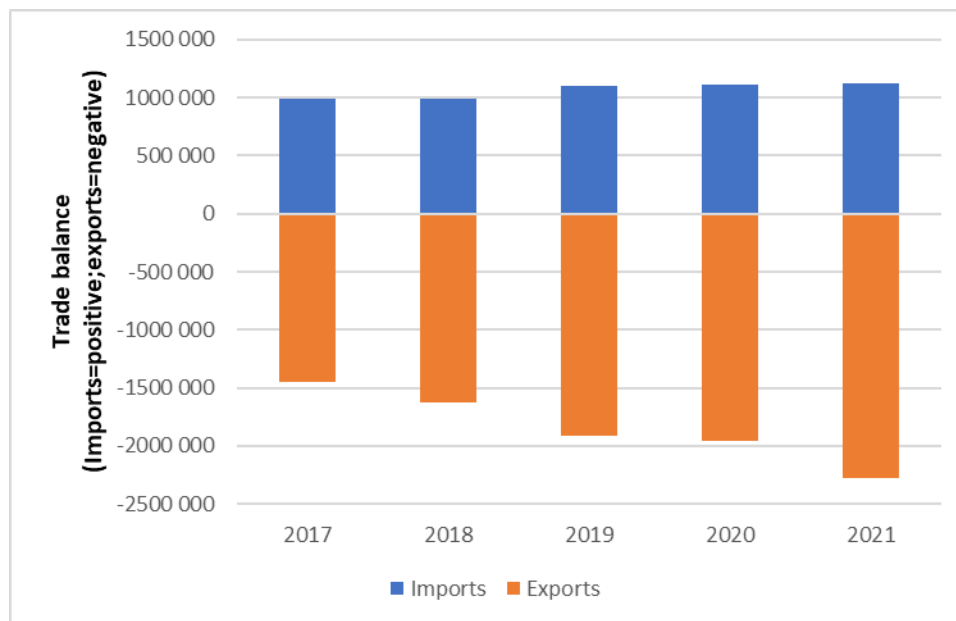
As shown in Figure 5-60 Canada is a net exporter of baked goods. The country exported double as much as it imported in 2021. Canada imported baked goods worth about EUR 1.29 billion, whereas it exported about EUR 2.27 billion. Between 2017 and 2021 imports of baked goods grew year on year, and in total by around EUR 142 million. The value of exports increased as well during this period.

¹¹⁶ Production of principal field crops, November 2022, <https://www150.statcan.gc.ca/n1/daily-quotidien/221202/dq221202b-eng.htm>

¹¹⁷ Canada Bread, <https://www.canadabread.com/>

¹¹⁸ FGF, <https://www.fgfbrands.com/>

Figure 5-60: Trade balance (imports and exports) of baked goods in Canada, 2017-21 (EUR 000)

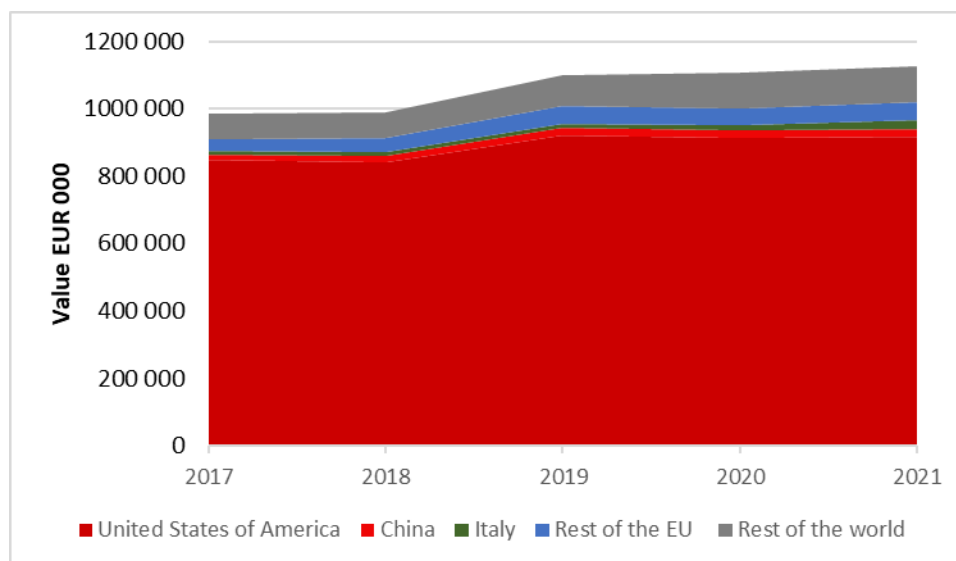


Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 190590

The main exporter of baked goods to Canada in 2021 was the US, with a value of around EUR 918 million. Thus, the US alone accounts for over 80% of Canada's import market value. This was followed by China with around EUR 23 million and Italy with over EUR 23 million as shown in Figure 5-61. Three out of the top ten exporting countries are from the EU. These also include Germany and France. The EU in total accounted for 7% of Canadian imports by value in 2021.

Figure 5-61: Canadian imports of baked goods by country, 2017-21 (EUR 000)



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 190590

EU GI products

Several baked goods from different EU countries are protected in Canada. More information can be found in section 4.2.4. To see the full list of protected GIs follow the link: [List of Geographical Indications](#)

Germany:

- Aachener Printen
- Nürnberger Lebkuchen
- Bremer Klaben

Italy:

- Ricciarelli di Siena

Main competitors

The relatively fragmented market for baked goods in Canada is dominated by domestic companies. Canada Bread Co is the market leader followed closely by FGF Brands Inc, and Loblaw Cos Ltd. Loblaw is a prominent supermarket chain in the country that offers baked goods under its private label.

Artisanal production also competes with high quality premium products from the EU. The number of bakeries has been growing and is forecast to continue to do so.

Regarding imports, the US dominates the market with an 80% share of all imports. China is the second largest non-EU competitor.

5.14.4 Specific market entry requirements

Market access and entry

All food products sold in Canada including baked goods must meet the general labelling and compositional requirements of the federal Food and Drugs Act (FDA) and Food and Drug Regulations (FDR).

Regarding tariffs for baked goods, under the EU-Canada Comprehensive Economic and Trade Agreement, the EU preferential rate is 0%, which in most cases is better than the MFN tariff.

A list of standard documents required for imports into Canada, as well as an overview of the procedure is presented in section 4.2.1. To ship baked goods to Canada additional documents are required, as listed below.

Specific market entry requirements may include:

- EIPA File
- Import Licence for Foodstuffs
- General Import Permit for Wheat, Barley and Their Products
- Request for Documentation Review

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link – baked goods (190590) from Italy to Canada

<https://trade.ec.europa.eu/access-to-markets/en/search?product=190590&origin=IT&destination=CA>

Standards

Several federal laws and regulations concerning food safety exist in Canada that need to be followed. These are administered by 'Health Canada', which is responsible for establishing policies and standards related to the safety and nutritional quality of food sold in the country. More information about these laws can be found in 4.2.2. As mentioned above, all food products sold in Canada must meet the general labelling and compositional requirements of the federal Food and Drugs Act (FDA) and Food and Drug Regulations (FDR).

Labelling

As described in section 4.2.4, imported baked goods are subject to the labelling provisions of the Safe Food for Canadians Act (SFCA), Safe Food for Canadians Regulations (SFCR), Food and Drugs Act (FDA), and the Food and Drug Regulations (FDR). When sold interprovincially, baked goods are subject to the labelling requirements under the FDA and FDR, as well as specific requirements of the SFCA and SFCR that apply to pre-packaged foods sold in Canada.

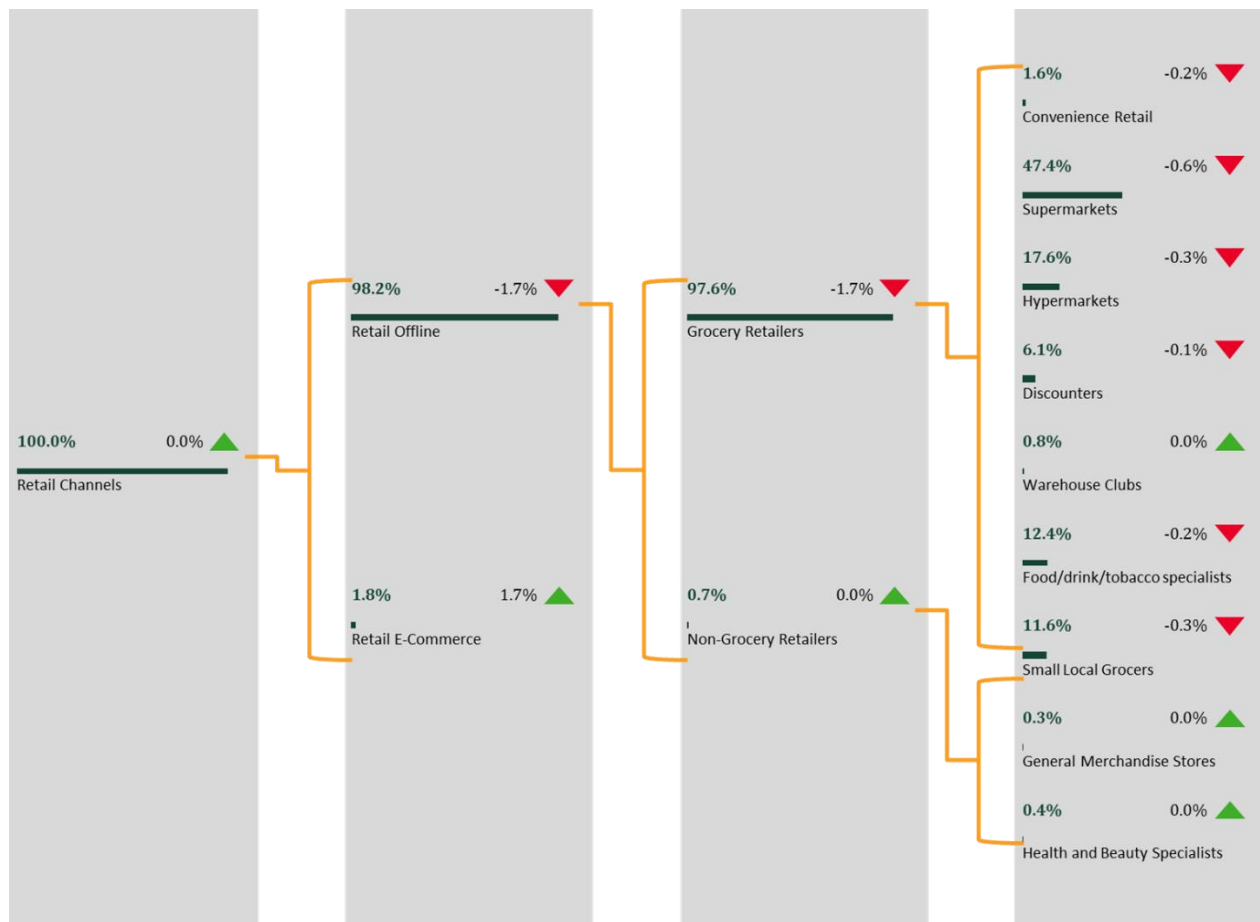
The Industry labelling tool is a food labelling reference for all industry that outlines the requirement for food labelling and advertising. Baked goods need to provide the following information on the label:

- Common name
- List of ingredients
- Net quantity
- Nutrition labelling

More detailed information on the labelling of baked goods can be found [here](#).

5.14.5 Distribution

In 2021 nearly all the retail value of baked goods came from store-based retailing (98.2%) as shown in Figure 5-62. The remaining 1.8% of the retail value came from e-commerce, which has grown from a very low base in 2018, and is forecast to continue to grow. Grocery retailers overall accounted for about 97.7% of the retail value in 2021, although they are losing popularity. The two main grocery channels are supermarkets with about 47.4% and hypermarkets with 17.6%. Both channels have decreased their retail value in recent years. Food/drink/tobacco specialists are important as well.

Figure 5-62: Distribution channel overview of baked goods in Canada in 2022; retail value

Source: Euromonitor International: Packaged Food, 2022.

5.14.6 Challenges for EU products

The market for baked goods in Canada can be challenging for EU producers. Firstly, because Canada is a net exporter of baked goods which shows the large size of the domestic production. Moreover, competition in the import market is significant. Due to the close geographic location and similar culture, Canada's neighbour the US is the main exporter of baked goods. Furthermore, other exporters such as China can offer products at a lower price point than many EU exporters.

Another challenge might be the ongoing inflation. The increasing prices of baked goods might influence the behaviour of consumers and demand. It will be more complicated for higher priced EU products to be successful in the Canadian market.

Moreover, premium products from the EU have to compete with local artisanal production from different bakeries. Also, premium EU products must remain price competitive as they not only compete with artisanal production but also with the premium private label segment.

Domestic manufacturers might know better what consumers want, which makes it important to do market research and keep up with the latest consumer trends.

Market Takeaway: Baked goods

Consumption: The baked goods market in Canada was worth about EUR 6.28 billion in 2022, of which around 66% was accounted for by bread. The market is forecast to continue to grow but at a slower pace than in previous years.

Competition: The market is dominated by domestic players including Canada Bread Co, FGF Brands Inc, and Loblaw Cos Ltd. Artisanal bakeries are a competition for premium products. The US is the main non-EU competitor in the import market, followed by China.

Distribution: Mainly via modern grocery channels such as supermarkets, and hypermarkets. E-commerce is in a nascent but growing phase.

Challenges: Competition from geographically closer countries, price competition, artisanal local production, keeping up with recent domestic trends.

Opportunities: Bread and pastries. Healthy, natural, and value-added products. Sustainable and plant-based products, as well as products with new flavours and added ingredients.

5.15 Jams

5.15.1 SWOT analysis

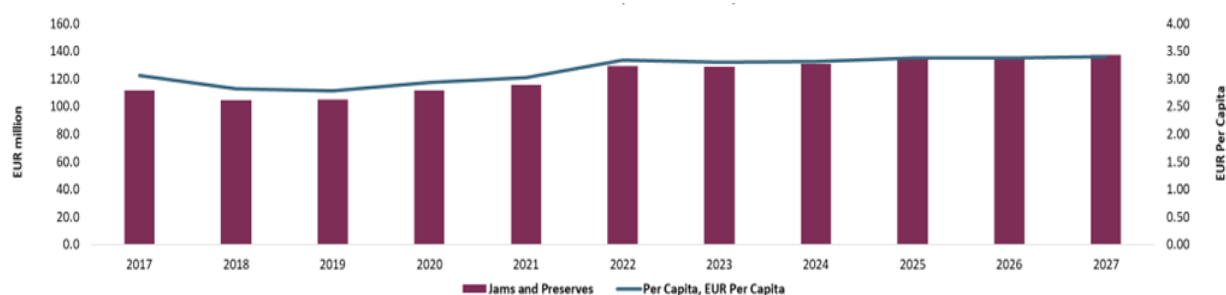
STRENGTHS (+)	WEAKNESSES (-)
- The market grew during the last few years and is forecast to continue to grow. - Canada is a net importer of jams. Imports increased year on year between 2017 and 2021. - The EU accounted for close to 20% of jams imports to Canada (mainly France and Italy).	- Even though the market continues to grow in value terms, per capita consumption is falling. - The health consciousness of Canadian consumers limits the growth of high-sugar jams. - Increasing food prices and the threat of inflation might impact consumers' choices.
OPPORTUNITIES (+)	THREATS (-)
- Consumers are interested in new flavours, e.g. superfruit jams or chia fruit jams. - Healthy jams such as sugar-free options, jams rich in antioxidants or naturally sweetened jams that are functional and have added health benefits are trending. - The growing e-commerce sector offers new ways for distribution.	- The jams market in Canada is strongly dominated by multinational and domestic players (JM Smucker, TreeHouse Inc, and Crofters Food Ltd). - Strong competition from the US (the main exporter), followed by Mexico and Turkey. - Competition from other sweet spreads, such as those based on nut and seed butter, is strong.

5.15.2 Consumption

Evolution of consumption

The jams market had a size of EUR 129 million in 2022. Between 2017 and 2022 the market grew at a CAGR of 2.9%. The category is forecast to continue to grow although at a slower pace. Between 2022 and 2027 the market is forecast to grow at a CAGR of 1.2%. The jams market should reach a total value of EUR 137 million in 2027.

Figure 5-63: Evolution and forecast of the jams market in Canada, 2017-2027; retail value (EUR million)



Source: Euromonitor International: Packaged Food, 2022.

Consumer profile and purchase criteria

Consumers

Canadian consumers on average consume around 1.3 kg of jams and preserves per capita per year. This is lower than in 2017 when per capita consumption was 1.6 kg. However, per capita consumption is expected to slightly increase again to 1.4 kg by 2027.

Although consumption has been falling, most Canadians enjoy eating jams no matter their age, social status, or geographic location. Around three in four consumers of jam are adults. Health-conscious consumers eat jam less often due to its high sugar content. However, some health-conscious consumers opt for healthier varieties of jam e.g. sugar-free.

Drivers and method of consumption

During the COVID-19 pandemic, demand for sweet spreads saw an overall surge because consumers spent more time at home and were stockpiling shelf stable foods. However, retail volume sales continue to decline now that life is back to normal, and part of the demand is shifting back to the foodservice channel. On the other hand, retail sales are set to increase in value terms mainly due to inflationary pressures.

Jams are a comfort food and a staple breakfast in Canadian households. Jams are not eaten alone but generally with other food products such as bread. Jams are commonly eaten for breakfast on toast, but consumers also consume jams at other times of the day if they feel like a sweet treat or a quick snack. Jams are often an ingredient in sandwiches that parents make for their children to take to school.

The jams market is negatively affected mainly by the strong health consciousness of consumers. Many of them try to cut back on high-sugar foods which include jams. Nevertheless, the health consciousness of consumers positively affects the demand for healthier variants of jam such as sugar-free jams.

Purchase criteria

Price plays an important role. There are offers available in different price ranges, so there is the right price point available for every consumer. Consumers can choose between purchasing a branded product or private label products. Well-off consumers are more likely to spend more for a high-quality product.

Flavour is probably one of the most important criteria. The most popular flavours of jams and preserves are classic ones such as strawberry and raspberry. However other flavours such as orange, blueberry, blackberry, cherry, blackcurrant, apricot, peach, and lemon are popular as well. Some consumers even look for more unconventional flavours.

Another important factor is health. As many Canadians aim to eat healthier and thus reduce their sugar intake, they prefer to purchase jams with higher fruit content, other natural ingredients and less sugar.

Recent market trends

The following recent trends are visible in the Canadian jams market:

- **Flavour innovation:** Even though the bestselling flavours are rather traditional, some consumers are interested to try something new. Manufacturers pick up this trend by coming up with new flavour combinations or new flavours in general such as making jams from so-called superfruits or chia fruit spread. The offer of unusually flavoured jams is

increasing. Jams are not limited to fruit jams as some manufacturers also introduce red pepper jams. These options bring a new punch to an already mature market.

- **Healthy jams:** The already strong health consciousness of Canadian consumers further increased during the COVID-19 pandemic, which is why demand for healthy jams is increasing. Consumers look for sugar-free options, antioxidants in fruits or naturally sweetened jams that are functional and have added health benefits because they claim to improve immunity, digestive health and overall wellbeing.
- **E-commerce:** Even though still a niche, the e-commerce market has been growing at a very fast pace in recent years. The growth was boosted by the COVID-19 pandemic during which many consumers chose to shop for their groceries online for the first time. Online shopping is forecast to become more mainstream. The channel works particularly well for jams because they usually have a long shelf life and do not need refrigeration to be transported. Retailers and distributors continue to invest more in setting up the necessary infrastructure and systems for e-commerce.

5.15.3 Offer

Domestic production

Canada produces jam domestically partly with fruit grown in the country as well as with imported fruit. JM Smucker is the leader in the jams and preserves market with a share of 36%. The company is a US manufacturer of food and beverage products. Smuckers is its flagship brand offering all different kinds of jams. The company was founded in 1897, however, first exported Smuckers products to Canada in 1988.¹¹⁹

TreeHouse Inc ranks second with a market share of over 15%. It is a multinational food processing company that specialised in the production of private label products. This company also has its headquarters in the US. In 2007, it bought E.D Smith which is a Canadian jam manufacturer.¹²⁰

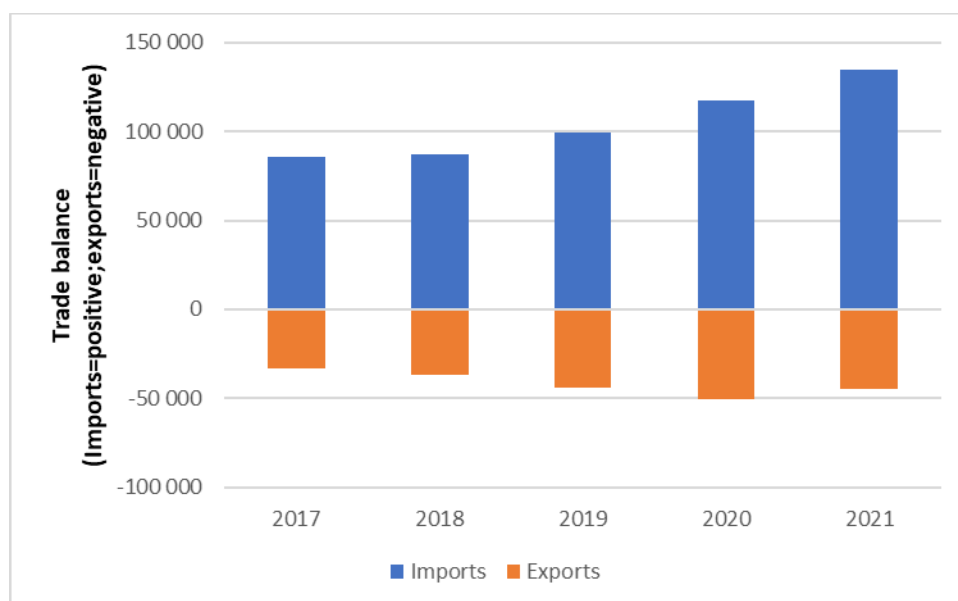
Crofters Food Ltd ranks third with a share of more than 10%. It is a Canadian producer of organic jams, which is based in Ontario. Some fruit such as cranberries and blueberries are sourced from Canada, whereas other fruit are imported from places around the world.

Imports and exports

Canada is a net importer of jams as shown in Figure 5-64. In 2021, Canada imported jams worth EUR 135 million, which represents a significant growth from the EUR 85 million imported in 2017. Canada exported jams with a value of around EUR 45 million in 2021. Thus, Canada imports three times as much as it exports.

¹¹⁹ About Smuckers, <https://www.smuckers.ca/About-Smuckers>

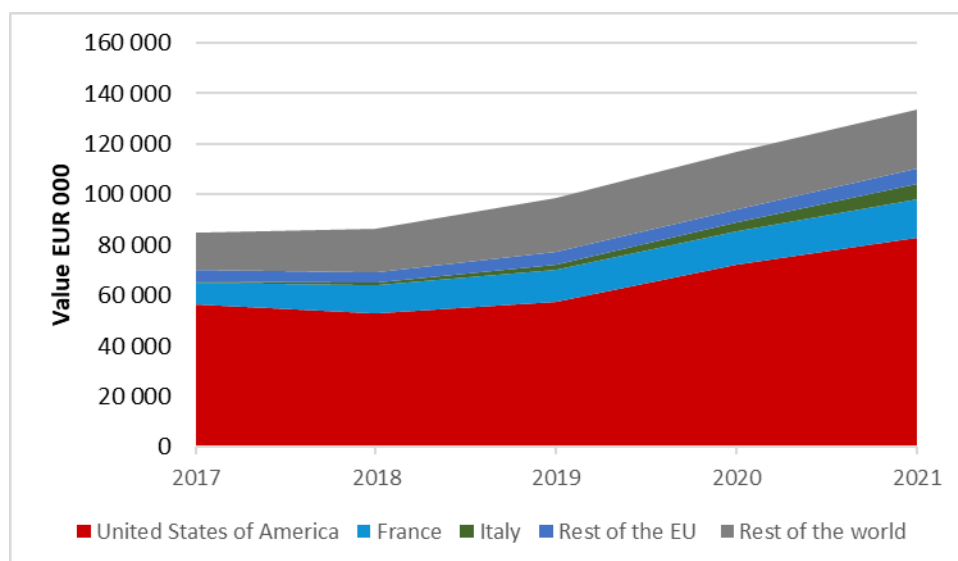
¹²⁰ Our story, <https://www.edsmith.com/our-story/>

Figure 5-64: Trade balance (imports and exports) of jams in Canada, 2017-21 (EUR 000)

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 2007.

The largest exporters of jam to Canada are the US, France, and Italy (Figure 5-65). The US exported jam with a value close to EUR 83 million in 2021, and thus accounted for around 61% of the total import market. France exported over EUR 15 million and Italy close to EUR 6 million. Including Spain, three of the top ten exporters are from the EU. The EU in total accounted for close to 20% of jam imports to Canada. Besides the US, the main non-EU exporters are Mexico and Turkey.

Figure 5-65: Canadian imports of jams by country, 2017-21 (EUR 000)

Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Data for CN code 2007.

EU GI products

No jams from the EU are protected in Canada. More information can be found in section 4.2.4. To see the full list of protected GIs follow the link: [List of Geographical Indications](#)

Main competitors

The jams and preserves market in Canada is largely dominated by the following multinational as well as Canadian companies: JM Smucker, TreeHouse Inc, and Crofters Food Ltd. Some of these companies, such as Crofters Food Ltd, produce their products locally using domestically sourced fruit but also imported fruit.

As the market is dominated by companies with headquarters in the US, it is no wonder that the US is the main competitor regarding jams exports to Canada. It accounts for over 60% of the total Canadian import market. Mexico and Turkey are non-EU competitors as well.

The competition also comes from other sweet spreads such as nut and seed-based products, which overall are more popular than jams. Moreover, jams also have to compete with honey, chocolate spreads and other sweet spreads.

5.15.4 Specific market entry requirements

Market access and entry

All food products sold in Canada including jams must meet the general labelling and compositional requirements of the federal Food and Drugs Act (FDA) and Food and Drug Regulations (FDR).

Regarding tariffs for jams, under the EU-Canada Comprehensive Economic and Trade Agreement, the EU preferential rate is 0%, which in most cases is better than the MFN tariff.

A list of standard documents required for imports into Canada, as well as an overview of the procedure is presented in section 4.2.1. To ship jams to Canada additional documents are required, as listed below:

- Import Licence for Foodstuffs
- Request for Documentation Review

Detailed information on import duties and Rules of Origin and customs procedures can be consulted on the European Commission website:

Main page – select product, country of origin and destination country:

<https://trade.ec.europa.eu/access-to-markets/en/home>

Example link – jams (2007) from France to Canada

<https://trade.ec.europa.eu/access-to-markets/en/search?product=2007&origin=FR&destination=CA>

Standards

Several federal laws and regulations concerning food safety exist in Canada that need to be followed. These are administered by 'Health Canada', which is responsible for establishing policies and standards related to the safety and nutritional quality of food sold in the country. More information about these laws can be found in 4.2.2. As mentioned above, all food products sold

in Canada must meet the general labelling and compositional requirements of the federal Food and Drugs Act (FDA) and Food and Drug Regulations (FDR).

Labelling

As described in section 4.2.4, imported jams are subject to the labelling provisions of the Safe Food for Canadians Act (SFCA), Safe Food for Canadians Regulations (SFCR), Food and Drugs Act (FDA), and the Food and Drug Regulations (FDR). When sold interprovincially, jams are subject to the labelling requirements under the FDA and FDR, as well as specific requirements of the SFCA and SFCR that apply to pre-packaged foods sold in Canada.

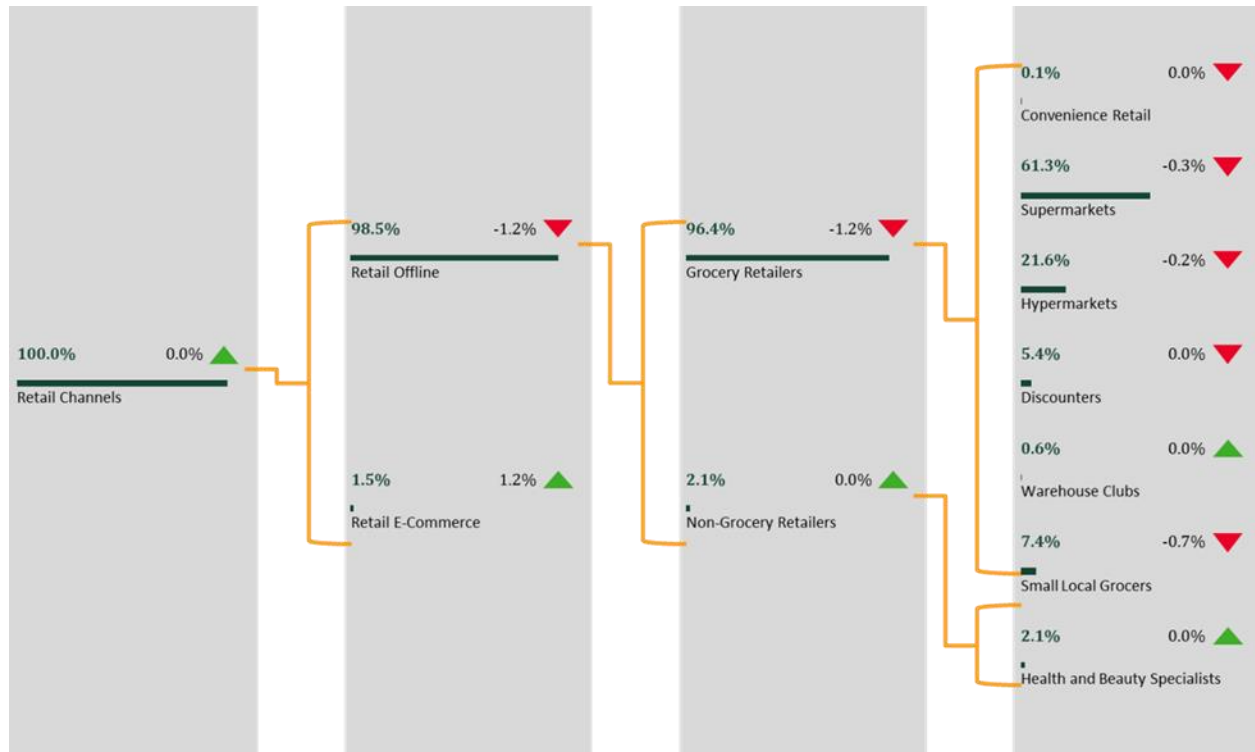
The Industry labelling tool is a food labelling reference for all industry that outlines the requirement for food labelling and advertising. Jams need to provide the following information on the label:

- Common name
- Net quantity
- Other required markings
- Name and principal place of business
- Country of origin
- Size designation for processed fruit or vegetable products
- Lot code

More detailed information on the labelling of jams can be found [here](#).

5.15.5 Distribution

As shown in Figure 5-66 grocery retailers make up the majority of sweet spread sales in Canada with a 96.4% share of sales. In 2022, supermarkets accounted for 61.3% of sales followed by hypermarkets with a 21.6% share. The popularity of grocery retailers decreased in recent years. E-commerce remains a niche (1.5% of the retail value in 2022) but is growing.

Figure 5-66: Distribution channel overview of sweet spreads in Canada (2022); retail value

Source: Euromonitor International: Packaged Food, 2022.

5.15.6 Challenges for EU products

The jams market in Canada is well-suited for imports from the EU because Canada is a net importer of jams. However, currently, the EU only accounts for around 20% of the import market value, whereas the US accounts for more than 60%. The market is dominated by large multinational and domestic companies that offer products from well-known brands. Although companies from France and Italy are successful as well, this might make it harder for other EU suppliers with less known brands to enter the market.

Another challenging factor in this market is the strong health consciousness of Canadians which do not favour traditional sugar dense jams. An additional challenge is competition with other sweet spreads, such as nut and seed-based products which are overall more popular than jams. Finally, inflation is driving up prices which makes some consumers more price sensitive and thus influences their choice of jam products.

Market Takeaway: Jams

Consumption: The jams market had a size of EUR 129 million in 2022. Consumption per capita declined in previous years but is forecast to recover slightly in the coming years.

Competition: The market is dominated by JM Smucker, TreeHouse Inc, and Crofters Food Ltd, which are multinational and domestic companies. Competition with imports from non-EU countries comes mainly from the US but also from Mexico and Turkey.

Distribution: Mainly through store-based grocery retailers such as supermarkets and hypermarkets. The E-commerce channel is forecast to grow in popularity albeit from a low base.

Challenges: Strong competition from domestic production as well as US exporters. Strong health consciousness of consumers affects traditional sugar-rich products. Competition from other sweet spreads. Ongoing price increases due to inflation.

Opportunities: New flavours, as well as healthy and natural jams and lower-sugar products are in demand. The growing e-commerce sector offers new ways for distribution.

6 Communication

6.1 Communication strategy

Companies wanting to market products and advertise in Canada have different channels to consider. The aim of this section is to break down each section of the mass media landscape in Canada and to introduce the main communication channels (new and traditional media, as well as fairs) available in the country; as well as to provide a brief overview of key regulations for the advertisement of food and beverages.

6.1.1 Online & digital media

Internet usage in Canada is nearly universal. In 2022 Canada had over 37 million internet users (94% of the population). By 2026, this number is forecast to increase to 98%. Already between 2021 and 2022, the number of internet users in Canada grew by more than 300 000. Issues related to the COVID-19 pandemic boosted the use of the internet in recent years.

Digital advertising agencies may support companies to develop a successful digital marketing strategy. The box below shows examples of some larger digital advertising companies that are in operation in the Canadian market.

Notable Canadian Digital Advertising Agencies:¹²¹

Search Engine People - <https://www.searchenginepeople.com/>

seoplus+ - <https://seoplus.com/>

Let's get Optimized - <https://letsgetoptimized.com/>

Blue Meta - <https://wearebluemeta.com/>

Brand & Mortar - <https://brandandmortar.com/>

Brand Vision - <https://www.brandvm.com/>

Momentum Digital - <https://www.momentum.co/>

Signature Video Group - <https://www.signaturevideogroup.com/>

Art & Science - <https://artscience.ca/>

Social Media 55 - <https://socialmedia55.com/>

¹²¹ Top Digital Marketing Agencies in Canada, <https://clutch.co/ca/agencies/digital-marketing>

Social media platforms

At the beginning of 2022, over 22 million people in Canada used social media platforms, which was around 87% of the country's total population. Between 2021 and 2022 the social media user base increased by about 1.1 million, which is around 3.4%.

In 2022 approximately 39 million mobile phone connections existed, however as some people use more than one mobile phone this does not mean that 39 million people used the internet. That number is lower as mentioned below. Otherwise, this would mean that 102% of the population has a mobile connection. Thus, there are more mobile phones than people in Canada.¹²²

The time people spend on social media on their mobile phones has been and still is increasing in Canada. Around 88% of the time spent on mobile phones is spent on social media applications.¹²³

Each person in Canada currently spends around 1h and 46 minutes per day on social media, and over six hours on the internet overall. An increasing number of people also spend time on social media for work-related reasons.

YouTube

YouTube is a popular platform in Canada and is the largest video-sharing website in the country. More than 33 million people use YouTube in Canada, which means the platform reaches more than 90% of Canada's total internet user base. YouTube's ads reach more than 87% of Canada's total population. Around 50.5% of users are female and 49.5% are male. The use of YouTube to showcase food and beverages from abroad is high, with many of the larger food and beverage-oriented YouTube channels showcasing both domestic and foreign products.

Notable YouTube food-orientated channels in Canada¹²⁴

Hot For Food (Lauren Toyota) - <https://www.youtube.com/@hotforfoodblog/featured>
 Glen & Friends Cooking - <https://www.youtube.com/@GlenAndFriendsCooking/featured>
 Domestic Geek - <https://www.youtube.com/@thedomesticgeek1/featured>
 Vijaya Selvaraju - <https://www.youtube.com/@vijaya16/featured>
 Vegan Lovlie - <https://www.youtube.com/@Veganlovlie/featured>
 Food Network Canada - <https://www.youtube.com/@FoodNetworkCanadaOfficial/featured>

Facebook

Facebook is the most popular social media platform in Canada. The platform has about 21 million users in the country. Around 54% of users are female and 46% are male. Ads on Facebook reach around 57% of internet users in Canada. The use of Facebook marketplace has grown in recent years, and can be utilised to advertise grocers selling food and beverage products.¹²⁵

¹²² Digital Canada (2022), [https://datareportal.com/reports/digital-2022-canada#:~:text=Internet%20use%20in%20Canada%20in,percent\)%20between%202021%20and%202022.](https://datareportal.com/reports/digital-2022-canada#:~:text=Internet%20use%20in%20Canada%20in,percent)%20between%202021%20and%202022.)

¹²³ The Average Time Spent on Mobile Phones and Social Media Increases in Canada, <https://eye-in.com/blog/post/the-average-time-spent-on-mobile-phones-and-social-media-increases-in-canada>

¹²⁴ 5 Canadian Food YouTubers We Love to Watch, <https://byuagency.com/5-canadian-food-youtubers-love-watch/>

¹²⁵ Digital Canada (2022), [https://datareportal.com/reports/digital-2022-canada#:~:text=Internet%20use%20in%20Canada%20in,percent\)%20between%202021%20and%202022.](https://datareportal.com/reports/digital-2022-canada#:~:text=Internet%20use%20in%20Canada%20in,percent)%20between%202021%20and%202022.)

Instagram

Instagram has over 17 million users in Canada. Close to 58% of users are female and 42% are male. The platform's ads reach around 45.5% of the country's total population and more specifically over 47% of internet users. Instagram is very popular in Canada, being commonly used to advertise goods and services in the country, particularly among the younger generation. The role of influencers acting through Instagram has grown to become normalised. Because of this, influencers are increasingly important in the advertising sector of the country. Canadian influencers might be paid to help promote one's product in Canada.

Notable Food Instagram influencers in Canada¹²⁶

@tiffy.cooks
 @cheftawnyabrant
 @allisondaycooks
 @blackfoodie.co
 @katherinewants
 @taraobradly
 @9jafoodie
 @cococakeland
 @aimeebourque
 @vijayaselvaraju

TikTok

TikTok started to trend particularly due to the young age groups, although other generations start to be interested in it as well. More than 11 million people in Canada use this social media platform. Around 60% of users are female and 40% are male. Marketers can use the platform for ads and might reach more than 30% of internet users in Canada.¹²⁷

Notable Food Tiktokers in Canada¹²⁸

gal akbari - @q.gal
 Jamie Milne - @everything_delish
 TIFFY COOKS - @tiffycooks
 BrianVSMin - @brian.min
 Twincoast - @twincoast
 Carleigh Bodrug - @plantyou
 Logan - @logagm
 Bilal Bhatti - @goldengully
 Nofancyshit - @nofancyshit
 Jack – @ruesaint

¹²⁶ 10 Drool-Worthy Canadian Food Accounts to Follow on Instagram (2021), <https://www.besthealthmag.ca/article/10-canadian-food-accounts/>

¹²⁷ Digital Canada (2022), [https://datareportal.com/reports/digital-2022-canada#:~:text=Internet%20use%20in%20Canada%20in,percent\)%20between%202021%20and%202022.](https://datareportal.com/reports/digital-2022-canada#:~:text=Internet%20use%20in%20Canada%20in,percent)%20between%202021%20and%202022.)

¹²⁸ Top 10 food tiktokers in Canada, <https://www.heepsy.com/ranking/top-food-tiktokers-in-canada>

Other platforms

The above platforms are the most popular ones in Canada. However, others are used as well such as WhatsApp, LinkedIn, Snapchat, Twitter, and Pinterest. Most users of social media platforms will be readily exposed to targeted advertisements relating to food and beverages making the social media space a key area of interest for food and beverage producers.

Food blogs

Another interesting option to promote EU food products in Canada is to work closely together with food bloggers. There are possibilities to hire food bloggers and ask them to promote certain products on their blogs.

Well-known food bloggers are influencers as well and increasingly cross over between written blogs and several social media accounts. This diversity of channels used diversifies the exposure of a product on several platforms.

The box below contains a selection of notable food bloggers in Canada, though this list is not exhaustive and certain blogs may be particularly relevant for certain food and beverage products.

Notable Canadian Food Bloggers¹²⁹

A Canadian Foodie - <https://www.acanadianfoodie.com/>
 Simple Bites - <https://www.simplebites.net/>
 Family Feedbag - <http://www.familyfeedbag.com/>
 Sweet Potato Chronicles - <http://sweetpotatochronicles.com/>
 eat. live. travel. write. - <https://www.eatlivetravelwrite.com/>
 Sweetopia - <https://sweetopia.net/>
 Crumb - <https://www.crumbblog.com/>
 Tara O Brady - <https://www.taraobradys.com/>
 Seasons and Suppers - <https://www.seasonsandsuppers.ca/>
 oh she glows - <https://ohsheglows.com/>

6.1.2 Traditional media

Historically, traditional media has been an extremely important channel of information distribution in Canada; however, in recent years the way media is consumed is changing.

More than 70% of Canadian consumers between the age of 18 and 44 years do not have a subscription to linear TV, have reduced services or plan to stop using it soon.¹³⁰ However, nine in ten Canadian adults still watch TV or video content on different screens for around 21 hours per

¹²⁹ Canada's top 25 food bloggers, <https://williamsfoodequipment.com/blog/top-25-must-follow-canadian-food-bloggers-b9c409/>

¹³⁰ supported streaming continues (2022), <https://www.thetradedesk.com/us/news/press-room/new-research-shows-majority-of-canadian-tv-viewers-are-cordless-as-shift-to-ad-supported-streaming-continues>

week (11 hours of this are spent streaming). The most watched TV network for at least two decades has been CTV. Other important networks are CBC, RDS, CTV, TSN, and RDS. About half of Canadian consumers are open to having advertisements be part of streaming television if that means the subscription costs are less high. Nevertheless, traditional mass market advertising on Canadian TV is highly expensive.¹³¹

In 2021 the paid and free newspaper circulation stood at over 19 million copies for one week. About 60% of daily newspaper circulation was paid and the remaining 40% was free. The most popular newspapers in Canada include: The Globe and Mail, The Toronto Star, National Post, The Toronto Sun, Vancouver Sun, and the Calgary Herald. Advertising printed in newspapers continues to have a strong impact on Canadian consumers, even though some changed printed copies for online versions. Because of this change, the printed newspaper industry is declining, and advertisement strategies continue to shift to digital.¹³²

Around 40% of Canadian consumers listen to commercial radio every day, which makes it the most used broadcast platform in Canada. Close to 70% of Canadians listen to the radio at least weekly. Most people who enjoy listening to the radio do so in the car.¹³³ In total, 85% of Canadians are reached by radio, which means that the radio reaches more Canadians in a week than any existing social media platform. Even millennials and other younger generations who spend a lot of time on social media platforms listen to the radio. The main radio stations in Canada include ICI Première Montréal, Classic Metal Radio, CHOI Radio X 98.1, CBLA-FM CBC Radio One Toronto, BPM Sport 91.9, Global News Radio 980 CKNW, CIDC Z103.5, and Classic Rock 109. Radio advertising is mainly local and can also get expensive depending on the channel.¹³⁴

Canadians continue to have higher trust in traditional media channels when it comes to news, and less trust in news spread on social media channels.¹³⁵ Even though younger generations have higher trust in news spread on social media channels than older generations, they still tend to use traditional sources on top of social media such as newspapers (but mainly online). New sources such as podcasts also grow in popularity as a source of news and information.¹³⁶

In total companies spend close to EUR 8 billion on digital advertisements and over EUR 4 billion on traditional advertisements.

6.1.3 Fairs and exhibitions

In addition to the digital approach or traditional media, companies may decide to promote their products at various trade fairs. Trade fairs are numerous, cover a broad range of sectors and are

¹³¹ Canadians spend 21 hours a week watching TV and video content (2022), <https://mediaincanada.com/2022/02/11/canadians-spend-21-hours-a-week-watching-tv-and-video-content/#:~:text=Nine%20out%20of%2010%20Canadian,of%20which%20is%20spent%20streaming>.

¹³² Four in 10 Canadians listening to commercial radio daily (2021), Top 10 Canadian Newspapers (2022), <https://www.agilitypr.com/resources/top-media-outlets/top-10-canadian-print-outlets/>

¹³³ <https://broadcastdialogue.com/four-in-10-canadians-listening-to-commercial-radio-daily/>

¹³⁴ New stats say that radio is doing just fine in Canada, thank you (2021), <https://www.ajournalofmusicalthings.com/new-stats-say-that-radio-is-doing-just-fine-in-canada/>

¹³⁵ Traditional media continue to be the most trusted source for news, research shows [https://nmc-mic.ca/2022/02/17/traditional-media-continue-to-be-the-most-trusted-source-for-news-research-shows/#:~:text=17%20February%202022-.Traditional%20media%20continue%20to%20be%20the%20most%20trusted%20source%20for,media%20\(down%201%20point\)](https://nmc-mic.ca/2022/02/17/traditional-media-continue-to-be-the-most-trusted-source-for-news-research-shows/#:~:text=17%20February%202022-.Traditional%20media%20continue%20to%20be%20the%20most%20trusted%20source%20for,media%20(down%201%20point)).

¹³⁶ Traditional media still has a role with millennials: report (2021), <https://mediaincanada.com/2021/02/08/traditional-media-still-has-a-role-with-millennials-report/>

generally becoming a more attractive and sophisticated method for in-country product promotion and industry networking.

While the majority of trade fairs take place in the bigger cities such as Montreal, Toronto and Vancouver, there are also some fairs in other cities/areas such as Edmonton, Calgary, or Niagara Falls. Overall, however, it is very likely that most major food and beverage fairs and exhibitions will take place in Toronto or Vancouver.

A list of selected major upcoming food-related events and fairs can be found in section 8.4. Further, more comprehensive lists including more specialist fairs can also be found online at websites such as:

- [Food & Beverages Trade Shows in Canada - Expos, Trade Fairs & Exhibitions \(10times.com\)](http://10times.com)
- [Trade Fairs Canada – Appointments from January 2023 | worldwide \(tradefairdates.com\)](http://tradefairdates.com)

6.2 Advertising regulations

The Canadian Code of Advertising Standards¹³⁷, which was created in 1963 and is administered by Ad Standards, ensures that advertising is fair, correct and truthful. In total, the Code includes 14 rules that are to be followed by companies wishing to advertise certain products. The Code continues to be updated regularly to ensure that it stays up to date. It builds the foundation of advertising self-regulation in the country, and is widely supported by the industry. Any complaints that arise under the Code are handled by Advertising Standards Canada, which is an industry self-regulatory body.

The Code covers the following topics: accuracy and clarity, disguised advertising techniques, price claims, bait and switch, guarantees, comparative advertising, testimonials, professional or scientific claims, imitation, safety, superstitions and fears, advertising to children, advertising to minors, and unacceptable depictions and portrayals.

Advertising to children (under 13 years old) is not allowed in the Province of Quebec. In other provinces, advertising for children has to comply with the 'Canadian Code of Advertising Standards', as well as the 'Broadcast Code for Advertising to Children' and general misleading advertising legislation.

Internet advertising for **food and beverage products** is regulated by the Foods and Drugs Act (FDA) as well as by the Safe Food for Canadians Act (SCFA) advertisement definitions. The Canadian Food Inspection Agency (CFIA) has authority over Canadian-based websites that advertise food. This means internet advertisements must follow the same criteria as other advertisements in Canada. If the rules are broken by an advertisement, an action might be enforced by CFIA.

According to the Code of Ethics of the Canadian Association of Broadcasters, no commercial message which contains a claim or endorsement of a food product or non-alcoholic beverage is allowed to be broadcasted unless the commercial message has been previously approved by the Food and Beverage Clearance Section of Advertising Standards Canada (ASC) and has a script

¹³⁷ The Canadian Code of Advertising Standards, <https://adstandards.ca/code/>

clearance number. Nevertheless, advertisements that do not make a 'Food and Beverage Claim' do not need clearance.¹³⁸

The advertisement of **alcoholic beverages** (radio and TV) is regulated under the Radio Regulations and Television Broadcasting Regulations, under the Broadcasting Act. Ads need to follow the 'Code for Broadcast Advertising of Alcoholic Beverages' to be able to receive a Canadian Radio-Television and Telecommunication Commission (CRTC) license.¹³⁹

Special provisions exist for the labelling and advertisement of gluten-free foods. The claim 'gluten-free' is prohibited for certain products, when there is scientific uncertainty that the manufacturing process can remove all gluten; for example, it is prohibited for beer, and may be used only under certain conditions for vodka.¹⁴⁰

¹³⁸ Food advertising requirements, <https://inspection.canada.ca/food-labels/labelling/industry/food-advertising-requirements/eng/1623969383781/1623969384171>

¹³⁹ Inspection Canada: Advertising, <https://inspection.canada.ca/food-labels/labelling/industry/alcoholic-beverages/eng/1624281662154/1624281662623#c7>

¹⁴⁰ Inspection Canada: Gluten-free claims, <https://inspection.canada.ca/food-labels/labelling/industry/allergens-and-gluten/eng/1388152325341/1388152326591?chap=2>

7 Canadian Etiquette

7.1 Quick facts

There are many traits which are particularly important for Canadians such as politeness. It is important to say 'please' when asking someone for a favour or help and to say 'sorry' in a situation that seems to be socially weird. Another example is that Canadians do not skip lines as this is viewed to be rude.

It is impolite to ask too direct questions concerning topics such as wealth, weight, salary and age. Personal questions in general should only be asked if the person is a friend or at least more than just an acquaintance. Asking about politics might also make some Canadians feel uncomfortable.

Manners are important to Canadians as well. Spitting in public or loudly clearing one's throat is not accepted, and so is getting loud in public.

It is viewed to be weird to get too close to someone who is picking up money at a cash machine. Keeping a distance and waiting for one's turn is important.

Overall, Canadians are patient and not pushy, however, they still highly value punctuality. If someone is going to be late it is polite to call and warn the other person.

In a restaurant it is impolite to speak with a full mouth or to loudly call over a waiter. It is common to rather make eye contact with the waiter and then slightly raise a hand, so they know to come over.

When going to someone else's place it is important to be invited first as it is not common to arrive unannounced at someone else's door. It is considered bad-mannered to bring other people that have not been invited to someone else's house. Some Canadians prefer their guests to take off their shoes before entering a house. Once at the table, dishes are normally passed around and everyone takes the food they like. In Canada, it is not considered to be impolite to refuse food when asked by the host.¹⁴¹

¹⁴¹ Etiquette, <https://culturalatlas.sbs.com.au/canadian-culture/canadian-culture-etiquette>

7.2 Key DOs and DON'Ts

DOs	DON'Ts
• It is important to be trustworthy and to do what you say. Follow through on your words. • Be culturally sensitive as Canada is a country with a long history and different cultures coming together. • Communicate formally, except if you know someone very well, and choose suitable subjects. • If you did something wrong and you realise it, point it out and apologise. Canadians are generally forgiving people who realise their mistakes. • Always try to be yourself while staying light-hearted and calm.	• Do not make Canadians feel like you think you are better than them. They tend to find this unnatural and annoying. • Do not compare Canadians to US Americans as they see themselves in a different light and do not think they are like US Americans. It might be seen as a negative comparison. • Do not raise your voice in public or display strong emotions. • Do not get too emotional when discussing controversial topics. Keep your calm and open-mindedness. Canadians do not like to feel disrespected in discussions. • Do not use the term 'Natives' or 'Indians' when speaking about the indigenous people of Canada. 'Indigenous' is the correct term to use when talking about First Nations, Métis and Inuit people.¹⁴²

¹⁴² Do's and Don'ts, <https://culturalatlas.sbs.com.au/canadian-culture/canadian-culture-do-s-and-don-ts>

8 Directory of Trade Support Projects, Organisations, and Service Providers

There are a variety of services available, both within the EU and in Canada, for producers wishing to export to Canada. These service providers include EU-funded projects, services provided by the Member States and their embassies, other organisations and service providers, as well as buyers, importers, and distributors.

- Section 8.1 contains the project profiles for EU-funded initiatives operating in Canada.
- Section 8.2 contains the contact information for Member State embassies within Canada.
- Section 8.3 contains a listing of service providers including some information on the services available.
- Section 8.4 provides a calendar of exhibitions, trade shows, and other events to be held in Canada.
- Section 8.5 contains a database of professional contacts (buyers, importers, and distributors).

8.1 European Union organisations

Certain EU-funded, or co-funded, projects within Canada offer a range of business-enabling services and information providing important insights into the Canadian market. Depending on your company profile these services can be free or fee-based; and are available for companies from any EU Member State.



European Union Chamber of Commerce in Canada (EUCCAN)

EUCCAN is a main resource and important point of contact for EU businesses in Canada and for EU businesses wishing to enter the Canadian market. EUCCAN works together with many EU state based Chambers of Commerce and Business Associations and furthermore is supported by the Delegation of the European Union. By 2025, EUCCAN is set to be the principal, united voice for EU business interests in Canada.

Contacts

 5096 South Service Road, Suite 102, Burlington

 info@euccan.com

 <https://euccan.com/contact/>



European Union Chamber of Commerce in Canada - West

The European Union Chamber of Commerce in Canada West is an independent, privately organised, non-profit, bilateral trade organisation, established in 2013 in Vancouver, British Columbia. It is a service-centre for providing information and business assistance to European SMEs interested in doing business in Canada.



EUROCHAMBRES

Eurochambres is one of the largest business representative organisations in the EU and incorporates chambers of commerce from both the EU and Canada. Based on regular consultation with its members, Eurochambres represents European business interests.

Contacts

📍 Avenue Des Arts 19/A-D Brussels

☎ (+32) 02 282 08 50

✉ eurochambres@eurochambres.eu

💻 <https://www.eurochambres.eu/>



Delegation of the European Union to Canada

The EU Delegation in Canada represents the common interests of the European Union in Canada and works on enhancing and developing trade relations between the two markets. The EU Delegation in Ottawa is the natural contact point in Canada between EU and Canadian authorities. It also has a strong public diplomacy mandate designed to enhance the knowledge and understanding of the European Union and EU-Canada relations.

Contacts

📍 Metcalfe Street, Suite 1900, Ottawa

☎ 1-613-238-6464

 delegation-Canada@eeas.europa.eu

 <https://www.eeas.europa.eu/delegations/canada>

8.2 Directory of EU Member State Embassies/Consulates

EU MS	Address	Contact information
Austria (Embassy)	445 Wilbrod Street Ottawa	☎ +1 (613)-789-1444 ✉ ottawa-ob@bmeia.gv.at 💻 https://www.bmeia.gv.at/en/austrian-embassy-ottawa/
Belgium (Embassy)	360 Albert Street, Ottawa	☎ +1 613 236 72 67 ✉ ottawa@diplomel.fed.be 💻 https://canada.diplomatie.belgium.be/en
Bulgaria (Embassy)	25 Stewart Street Ottawa	☎ +1 613 789 3215 ✉ Embassy.Ottawa@mfa.bg 💻 https://www.mfa.bg/en/embassies/canada
Croatia (Embassy)	229 Chapel Street Ottawa	☎ +1 613 562 7820 ✉ croemb.ottawa@mvep.hr 💻 https://mvep.gov.hr/
Czech Republic (Embassy)	251 Cooper Street Ottawa	☎ +1 613 562 3875 ✉ ottawa@embassy.mzv.cz 💻 https://www.mzv.cz/ottawa/en/
Denmark (Embassy)	47 Clarence Street Ottawa	☎ +1 613 562 1811 ✉ ottamb@um.dk 💻 https://canada.um.dk/en
Estonia (Embassy)	168 Daly Avenue Ottawa	☎ +1 613 789 4222 ✉ embassy.ottawa@mfa.ee 💻 https://ottawa.mfa.ee/
Finland (Embassy)	55 Metcalfe Street Ottawa	☎ +1-613-288 2233 ✉ embassy.ott@formin.fi 💻 https://um.fi/
France (Embassy)	42 Sussex Drive Ottawa	☎ +1 (613) 789 1795 ✉ Contact through website 💻 https://no.ambafrance.org/
Germany (Embassy)	1 Waverley Street Ottawa	☎ +1 613-232-1101 ✉ Contact through website 💻 https://canada.diplo.de/
Greece (Embassy)	80 MacLaren Street Ottawa	☎ (+1) 613 238-6271 ✉ gremb.otv@mfa.gr 💻 https://www.mfa.gr
Hungary (Embassy)	229 Waverley Street Ottawa	☎ +1 (613) 230-2717

EU MS	Address	Contact information
		✉ mission.ott@mfa.gov.hu 🌐 https://ottawa.mfa.gov.hu/
Ireland (Embassy)	130 Albert Street Ottawa	☎ + 1 613 233 6281 ✉ Contact through website 🌐 https://www.dfa.ie/
Italy (Embassy)	275 Slater Street Ottawa	☎ +1-613-232-2401 ✉ ambasciata.ottawa@esteri.it 🌐 https://ambottawa.esteri.it/
Latvia (Embassy)	350 Sparks Street Ottawa	☎ +1 613 238 6014 ✉ embassy.canada@mfa.gov.lv 🌐 https://www2.mfa.gov.lv/
Lithuania (Embassy)	150 Metcalfe Street Ottawa	☎ +1 613 567 54 58 ✉ amb.ca@urm.lt 🌐 https://ca.mfa.lt
Luxembourg (Consulate)	150 Elgin Street, Floor 10 Ottawa	☎ (+1) (613) 816-1955 ✉ ottawa@consul-hon.lu
Malta (Consulate)	3280 Bloor Street West Toronto	☎ +1 416-207-0922 ✉ maltaconsulate.toronto@gov.mt
The Netherlands (Embassy)	350 Albert Street Ottawa	☎ (+1) 6132375031 ✉ Contact through website 🌐 https://www.netherlandsworldwide.nl
Poland (Embassy)	443 Daly Avenue Ottawa	☎ +1 613 789-6542 ✉ ottawa.info@msz.gov.pl 🌐 https://www.gov.pl
Portugal (Embassy)	Island Park Drive Ottawa	☎ (+1) 613 72 90 883 🌐 https://otava.embaixadaportugal.mne.gov.pt/
Romania (Embassy)	655 Rideau Street Ottawa	☎ + 1 (613) 789 3709 ✉ ottawa@mae.ro 🌐 https://ottawa.mae.ro/en
Slovenia (Consulate)	150 Metcalfe Street Ottawa	☎ +16135655781 ✉ sloembassy.ottawa@gov.si 🌐 www.ottawa.embassy.si
Slovakia (Embassy)	50 Rideau Terrace Ottawa	☎ +1 6137494442 ✉ emb.ottawa@mzv.sk 🌐 https://www.mzv.sk/
Spain (Embassy)	74 Stanley Avenue Ottawa	☎ +1 613 747-2252 ✉ emb.ottawa@maec.es

EU MS	Address	Contact information
		 https://www.exteriores.gob.es/
Sweden (Embassy)	377 Dalhousie Street Ottawa	 +1 613-244-8200  ambassaden.ottawa@gov.se  https://www.swedenabroad.se/en/embassies/canada-ottawa/

8.3 Other organisations and service providers

8.3.1 Trade promotion organisations (TPOs) and agri food promotion organisations (APOs)

In-country offices

EU MS	Address	Contact information
Belgium (Flanders) FIT (TPO)	Consulate General of Belgium, 1000 Rue Sherbrooke Ouest, suite 1400 Montréal	☎ +1 514 289 99 55 ✉ montreal@fitagency.com , vancouver@hub.brussels
Belgium (Wallonia) AWEX / Wallonia-Brussels, (TPO)	Consulate General of Belgium – Trade Commission 2 Bloor Street West, Suite 2508 Box 86 Toronto-Ontario ON M4W 3E2	☎ +1 416 515 77 77 ✉ toronto@awex-wallonia.com
Cyprus Trade Service of the Ministry of Energy, Commerce and Industry (TPO)	13, East 40th Street, New York, N.Y., 10016 USA	☎ +1212 2139100 ✉ ctcny@ctcny.org 💻 www.ctcny.org
France Business France in Canada (TPO)	1010 Sainte-Catherine O Ste 200, Montréal, QC H3B 5L1, Canada	☎ +1 416 569 6967 ✉ emilie.dyan@businessfrance.fr
Greece Enterprise Greece / Office of Economic and Commercial Affairs (TPO)	1075 Bay Street, Suite 600 Toronto, Ontario M5S 2B1 Canada	☎ +1 416 515 0132/0133/0134 ✉ toronto@mfa.gr
Ireland BoardBia (APO)	345 Park Avenue, Ireland House, 17th Floor, New York, NY 10154-0037, US	☎ + 1 212 935 4505
Italy Italian Trade Agency (TPO)	Toronto 480 University Avenue #800 M5G 1V2, Toronto	☎ 001416/5981555 001.514/284.0265 ✉ toronto@ice.it / montreal@ice.it 💻 www.ice.it/en/index.php/markets/canada
Spain ICEX (TPO)	University Ave., 170, Floor 7th; Suite 700 Toronto M5H3B3	☎ +1 (416) 967 04 88 ✉ toronto@comercio.mineco.es

Central offices inside EU Member States

EU MS	Address / location	Contact information
Austria Agrarmarkt Austria Marketing (APO)	Austria	 https://www.ama.at/Home
Belgium (Flanders) FIT (TPO)	Belgium	 michele.surinx@fitagency.be  www.flandersinvestmentandtrade.com
Belgium (Flanders) Flanders' Agricultural Marketing Board (APO)	Koning Albert II-laan 35 box 50 - 1030 Brussels Belgium	 +32 491861700  gert.vancausenbroeck@vlam.be export@vlam.be  https://www.vlaanderen.be/vlam/
Belgium (Wallonia) AWEX / Wallonia- Brussels, (TPO)	Place Saintelette 2, Brussels, Belgium	 agrifood@awex.be  http://wallonia.be/fr/investir
Belgium (Brussels) (TPO)	Belgium	 https://hub.brussels/en/
Bulgaria Bulgarian Small and Medium Enterprises Promotion Agency (TPO)	Bulgaria	 https://www.sme.government.bg/en/
Cyprus Trade Service of the Ministry of Energy, Commerce and Industry (TPO)	6, Andreas Araouzos Street, 1421, Nicosia, Cyprus	 00357 22867268  ts@meci.gov.cy  http://www.mcit.gov.cy/mcit/mcit.nsf/index_en/index_en
France Business France	77 Boulevard Saint- Jacques, 75014 Paris, France	 agroalimentaire@businessfrance.fr  https://www.businessfrance.fr/
France SOPEXA (APO)	France	 (+33) 01 55 37 50 00  mybusiness@sopexa.com
Estonia Enterprise Estonia (TPO)	Estonia	 (+372) 6279421  info@eas.ee  https://www.eas.ee/?lang=en
Germany Federation of German Food and Drink (APO)	Germany	 (+49) 30 200786-157  bve@bve-online.de  https://www.bve-online.de/english
Greece Enterprise Greece / Office of Economic and Commercial Affairs (TPO)	109 Vasilisis Sophias Avenue, 115 21 Athens, Greece	 +30 210 335 5779 /+30 210 3355 729  v.kyrkou@eg.gov.gr a.gravanis@eg.gov.gr

EU MS	Address / location	Contact information
		 https://www.enterprisegreece.gov.gr/en/
Hungary Hungarian Export Promotion Agency (TPO)	Hungary	 (+36) 1 922 2600  info@hepa.hu  https://hepa.hu/en
Ireland Enterprise Ireland (TPO)	Ireland	 https://www.enterprise-ireland.com/en/
Ireland BoardBia (APO)	Ireland	 https://www.bordbia.ie/
Italy Italian Trade Agency (TPO)	Via Liszt 21, Rome, Italy	 segreteria.marketing@ice.it  https://www.ice.it/en/
Lithuania Enterprise Lithuania (TPO)	Lithuania	 https://www.versli Lietuva.lt/en/
Malta Trade Malta (TPO)	Malta	 https://www.trademalta.org/
Netherlands Netherlands Enterprise Agency (TPO)	Netherlands	 https://english.rvo.nl/
Portugal Portuguese Trade & Investment Agency – AICEP (TPO)	Portugal	 https://www.portugalglobal.pt/EN/Pages/Index.aspx
Slovenia Spirit Slovenia (TPO)	Slovenia	 sonja.demsar@spiritslovenia.si ; info@spiritslovenia.si  https://www.sloveniabusines.eu/
Spain FIAB (APO)	Spain	 +34 91 411 72 11  internacionalizacion@fiab.es , v.puente@fiab.es
Spain ICEX	Paseo de la Castellana, 278 - 28046 Madrid, Spain	 maria.naranjo@icex.es  https://www.icex.es/icex/es/index.html

8.3.2 Other service providers

Service provider	Address	Contact information
SERVICES FOR AUSTRIAN COMPANIES		
Advantage Austria Toronto	30 St. Clair Avenue West Toronto	 +1 416 967 3348  toronto@advantageaustria.org  https://www.advantageaustria.org/ca
SERVICES FOR BELGIAN COMPANIES		

Service provider	Address	Contact information
Chamber of Commerce Canada-Belgium- Luxembourg	Avenue Louise 500, Brussels	✉ office@cccbl.org 🌐 https://canchambelux.org/
SERVICES FOR BULGARIAN COMPANIES		
Canadian Bulgarian Chamber of Commerce	132A Georgi Rakovski Street, Sofia	☎ + 359 2 851 72 27 ✉ office@cbcc.bg 🌐 https://cbcc.bg/
SERVICES FOR CROATIAN COMPANIES		
Croatian Chamber of Economy	Rooseveltovej trg 2, 10000 Zagreb, Croatia	✉ investicije@hgk.hr ; hgk@hgk.hr 🌐 www.investincroatia.hr
SERVICES FOR CZECH COMPANIES		
Czech Chamber of Commerce	300 Florentinum Prague	☎ +420 266 721 ✉ office@komora.cz 🌐 https://www.komora.cz/en/
SERVICES FOR CYPRIOT COMPANIES		
Cyprus Chamber of Commerce and Industry	38, Grivas Dhigenis Ave. & 3, Deligiorgis Str., P.O.Box 21455, 1509 Nicosia	☎ +357 22889800 ✉ chamber@ccci.org.cy
SERVICES FOR DANISH COMPANIES		
Danish Canadian Chamber of Commerce	2 Bloor Street West Toronto	✉ dccc@um.dk 🌐 https://dccc-toronto.ca/
SERVICES FOR DUTCH COMPANIES		
Netherlands Chamber of Commerce	De Ruijterkade 5 Amsterdam	☎ +31 88 585 2222 ✉ Contact via website 🌐 https://www.kvk.nl/
SERVICES FOR ESTONIAN COMPANIES		
Estonian Chamber of Commerce & Industry	Toom-Kooli 17, 10130 Tallinn	☎ +372 604 0060 ✉ koda@koda.ee
SERVICES FOR FRENCH COMPANIES		
CCI France-Canada	1455 rue Drummond Montréal	☎ +1 514-281-3200 ✉ info@ccifcmtl.ca 🌐 https://www.ccifcmtl.ca/
SERVICES FOR GERMAN COMPANIES		
AHK Canada	480 University Avenue Toronto	☎ +1 416 598 33 55 ✉ info@germanchamber.ca 🌐 https://www.ahk.de/en/canada
SERVICES FOR GREEK COMPANIES		
Union of Hellenic chamber of commerce	6 Akadimias, Athens	☎ +210 3387 104 ✉ keeuhcci@uhc.gr 🌐 https://www.uhc.gr/
SERVICES FOR HUNGARIAN COMPANIES		
Hungarian chamber of commerce and industry	7 Szabadsag, Budapest	☎ +36 1 474 5100 ✉ mkik@mkik.hu 🌐 https://mkik.hu/

Service provider	Address	Contact information
SERVICES FOR IRISH COMPANIES		
Enterprise Ireland	East point business park, Dublin 3	☎ +353 1 727 2000 ✉ Contact through website 🌐 https://www.enterprise-ireland.com/
SERVICES FOR ITALIAN COMPANIES		
Italian Chamber of Commerce of Ontario Canada	474 College Street Toronto	☎ +1 416 789 7169 ✉ trade@italchambers.ca 🌐 https://www.italchambers.ca/
SERVICES FOR LATVIAN COMPANIES		
Latvian Chamber of commerce and industry	35 Krisjana Valdemara str., Riga, LV-1010, Latvia	☎ +371 67225592 ✉ info@chamber.lv
SERVICES FOR LITHUANIAN COMPANIES		
Lithuanian Chamber of commerce and industry	Vašingtono sq. 1-63a, LT-01108 Vilnius	☎ +370 2613 102 ✉ info@chambers.Lt 🌐 https://chambers.lt/en/
SERVICES FOR LUXEMBURG COMPANIES		
Chamber of Commerce Canada-Belgium-Luxembourg	Avenue Louise 500, Brussels	✉ office@cccbl.org 🌐 https://canchambelux.org/
SERVICES FOR MALTESE COMPANIES		
The Malta Chamber of Commerce, Enterprise and Industry	64, Republic Street, Valletta, Malta	☎ + 356 2203 2000 🌐 https://www.maltachamber.org.mt/
SERVICES FOR POLISH COMPANIES		
Polish Canadian Chamber of Commerce	ul. Wiejska 17 Warsaw	☎ 525 22 80 527 ✉ Contact via website 🌐 http://pccc.pl/
SERVICES FOR PORTUGUESE COMPANIES		
Camara de comercio (Portuguese Chamber of commerce)	Rua Das portas de Santo Antao,89	☎ + 351 213 224 050 ✉ geral@ccip.pt 🌐 https://www.ccip.pt/en/
SERVICES FOR ROMANIAN COMPANIES		
Chamber of Commerce and Industry of Romania	Address: 2, Octavian Goga Blvd, sector 3, 030982 Bucharest	☎ +40 21 3117534 ✉ narcis.pirnaeu@ccir.ro 🌐 www.ccir.ro
SERVICES FOR SLOVAK COMPANIES		
Slovak Chamber of Commerce & Industry	Gorkého 9, 81603 Bratislava, Slovakia	☎ +421 2 54433272
SERVICES FOR SLOVENIAN COMPANIES		
Chamber of Commerce and Industry of Slovenia	Dimičeva 13, SI-1504 Ljubljana	☎ +386 1 5898 000 ✉ info@gzs.si
SERVICES FOR SPANISH COMPANIES		
ASEMPEA	Velazquez 37 Madrid	☎ +34 91 420 24 27 ✉ info@asempea.com 🌐 https://www.asempea.com/

Service provider	Address	Contact information
SERVICES FOR SWEDISH COMPANIES		
Swedish Canadian Chamber of Commerce	2 Bloor Street West Toronto	 +1 416 925 8661  info@sccc.ca  https://sccc.ca/

8.4 Calendar of 2023

Attending Canadian trade and consumer shows can help EU exporters better understand the market and identify partners. A list with some examples is provided below.

Event	Date	Recurrence	Venue	Organiser Details
January 2023				
Victoria Whisky Festival	19 th – 22 nd	Annual	Hotel Grand Pacific	✉ info@victoriawhiskyfestival.com 🌐 https://www.victoriawhiskyfestival.com/
Alberta Food & Beverage Expo	21 st	Annual	Exhibition Park Lethbridge	✉ Contact via Website 🌐 https://eatdrinkalberta.com/
February				
Ontario Fruit and Vegetable Convention	22 nd - 23 rd	Annual	Niagara Falls Convention Centre	☎ +1 905-945-5363 ✉ glenna@ofvc.ca 🌐 https://www.ofvc.ca/
Winefest Edmonton	24 th – 25 th	Annual	Edmonton Convention Centre	✉ info@celebratewinefest.com 🌐 https://celebratewinefest.com/
March 2023				
Edmonton Craft Beer Fest	9 th – 11 th	Annual	Edmonton Expo Centre	☎ +1 825 945 3377 ✉ contact via website 🌐 https://albertabeerfestivals.com/festivals/edmonton-craft-beer-festival/
Food & Drink Fest	17 th – 18 th	Annual	Hamilton Convention Centre by Carmens	🌐 https://www.eventbrite.ca/e/hamiltons-food-drink-fest-tickets-460475583867
April 2023				
CHFA NOW	1 st – 2 nd	Annual	Vancouver Convention Centre, Vancouver	✉ contact via website 🌐 https://chfanow.ca/vancouver/
RC Show	10 th – 12 th	Annual	1155 Queen Street West Toronto	☎ 1-800-387-5649 ✉ rcshow@restaurantscanada.org 🌐 https://www.rcshow.com/
Bellavita Expo Toronto	10 th – 12 th	Annual	Energare Centre Toronto	✉ Contact via Website 🌐 https://www.bellavita.com/en/expo/toronto/
Food Safety Summit	18 th – 19 th	Annual	Hilton Toronto Airport Hotel & Suites	☎ 1 866 298 9343 ✉ customercare@strategyinstitute.com 🌐 https://www.foodsafetycanada.com/
Vancouver International Wine Festival	22 nd - 30 th	Annual	Vancouver Convention Centre East	☎ 604 872 6623 ✉ Contact via website 🌐 https://vanwinefest.ca/
Grocery & Specialty Food West	24 th – 25 th	Annual	Vancouver Convention Centre East Building	✉ Events@cfig.ca 🌐 https://gsfshow.com/
May 2023				

Event	Date	Recurrence	Venue	Organiser Details
Gordon Food Service Show	3 rd	Annual	Montreal	☎ (616) 530 7000 ✉ Contact via website 🌐 https://gfs.com/en-us/inspired/food-shows/
UNFI Canada West Table Top Show	6 th – 7 th	Annual	Toronto	✉ Contact via website 🌐 http://www.unfi.ca
SIAL Canada	9 th to 11 th	Biennial	Enercare Centre Toronto	☎ +1 (514) 289 9669 ✉ info@sialcanada.com 🌐 https://sialcanada.com/
Bakery Showcase Trade Show and Conference	14 th 15 th	Biennial	Vancouver Convention Centre West,	✉ CCross@annexbusinessmedia.com 🌐 https://www.bakeryshowcasecanada.ca/
The Ground Up Trade Show	18 th	Annual	PNE Forum, Vancouver	☎ 1 604 454 8806 ✉ info@goodtogrowproducts.com 🌐 https://goodtogrowproducts.com/tradeshow-23/#:~:text=Good%20to%20Grow%27s%205th%20a,37%20exhibitors%20to%2060%2B%20exhibitors.
Food & Beverage Ontario Conference	25 th	Annual	Steam Whistle Brewery, 255 Bremner Blvd, Toronto	☎ 1 905 467 3751 🌐 https://foodandbeverageontario.ca/events/fbo-annual-conference-2023/
June 2023				
FoodPro23	15 th	Annual	PARQ VANCOUVER 39 Smithe St, Vancouver	✉ info@bcfb.ca 🌐 https://www.foodprobc.com/
Niagara Grape & Wine Festival	16 th – 18 th , 23 rd – 25 th	Annual	Montebello Park, St. Cathrines	☎ +1 (905) 688-0212 ✉ gabby@niagarawinefestival.com 🌐 https://niagarawinefestival.com/
The Red River Ex	16 th – 25 th	Annual	Red River Exhibition Park Winnipeg	☎ +1 (204) 888-6990 ✉ info@redriverex.com 🌐 https://www.redriverex.com/
London International Food & Drink Festival	23 rd to 25 th	Annual	Victoria Park, London Canada	☎ +1 519-432-5189 🌐 https://canadasbiggestparty.com/london-international-food-festival/
July 2023				
Chatham-Kent Ribfest	7 th – 9 th	Annual	Tecumseh Park Chatham-Kent	✉ Contact via website 🌐 https://www.chathamribfest.ca/
Toronto Festival of Beer	28 th - 30 th	Annual	Bandshell Park at Exhibition Place Toronto	☎ +1 (204) 888-6990 ✉ Contact via website 🌐 https://www.beerfestival.ca/
August 2023				
Toronto Food Truck Festival	4 th – 7 th	Annual	Woodbine Park Toronto	✉ Contact via website 🌐 http://www.canadianfoodtruckfestivals.com/toronto/

Event	Date	Recurrence	Venue	Organiser Details
Taste of Calgary	3 rd – 7 th	Annual	Calgary	☎ +1 403 453 7424 ✉ Contact via website 🌐 https://tasteofcalgary.com/
September 2023				
Roanoke Greek Festival	13 th – 17 th	Annual	Holy Trinity Greek Orthodox Church London	☎ +1 540 362-3601 ✉ info@roanokegreekfestival.com 🌐 https://www.roanokegreekfestival.com/
CHFA NOW Toronto	23 rd -24 th	Annual	Exhibition Place, Toronto	✉ Contact via website 🌐 https://chfanow.ca/toronto/
Caledonia fair	28 th – 1 st	Annual	Caledonia Fairgrounds Caledonia	☎ +1 905 765 6861 ✉ Contact via website 🌐 https://www.caledoniafair.ca/
October 2023				
BENEFIQ	3 rd – 5 th	Triennial	Quebec City Convention Center	☎ +1 418 656-3527 ✉ info@inaf.ulaval.ca 🌐 https://benefiq.ca/en/
Grocery Innovations Canada	24 th – 25 th	Annual	The Toronto Congress Centre	✉ events@cfig.ca 🌐 https://groceryinnovations.com/

8.5 Database of professionals' contacts

8.5.1 List of relevant buyers, importers, and distributors

Company name	Type	Area of interest	Contact information
AC Distributors	Import/Wholesale	Fine Foods	☎ 604-278-7442 ✉ orders@acdistributors.ca 🌐 https://www.acdistributors.ca/
Amphora Imports Ltd	Import/Distribution	Wine	☎ 204 284 9463 ✉ info@amphoraimports.com 🌐 http://www.amphoraimports.com/
Athena Gourmet Greek Imports	Import/Distribution	Greek foods	☎ 613 234 5555 ✉ greekfoodpluscanada@gmail.com 🌐 https://www.greekfoodpluscanada.com/
Authentic Wine and Spirits Merchants	Import/Distribution	Wine	☎ +1 905-238-3222 ✉ contact via website 🌐 https://www.awsm.ca/

Company name	Type	Area of interest	Contact information
Bacchus Group	Import/Distribution	Alcoholic beverages	☎ 604 836 8508 ✉ contact via website 🌐 https://www.bacchusgroup.ca/
Bosa Foods	Import/Distribution	Italian & Mediterranean specialty foods	☎ 604 253 5578 ✉ sales@bosafoods.com 🌐 https://bosafoods.com/
Berchicci	Import/Distribution	Italian specialty foods	☎ +1 (514) 325 2020 ✉ contact via website 🌐 https://www.berchicci.ca/
Canadian Sweets	Wholesale	Confectionery	☎ 416 919 9014 ✉ info@canadiansweets.com 🌐 https://canadiansweets.com/
Canadawide Fruit Wholesalers Inc.	Import/Wholesale	Fruit and vegetables	☎ 514 382 3232 🌐 https://www.canadawidefruits.com/
CFI Foods	Distribution	Food	☎ 1-403-347-7000 ✉ info@cfifoods.ca 🌐 http://cfifoods.ca/
Corby and Limited Spirit Wine	Distribution	Alcoholic beverages	☎ (416) 479 2400 ✉ contact via website 🌐 http://www.corby.ca/
Courchesne Larose Ltd.	Import	Fruit and Vegetables	☎ 514 525 6381 ✉ mathew.whitlock@clarose.com 🌐 https://courchesnelarose.com/en/
Craft Beer Importer	Import/Distribution	Beer	☎ 1 877 519 9955 ✉ contact via website 🌐 https://craftbeerimports.ca/
Christopher Steward	Import/Distribution	Alcoholic beverages	☎ 604 274 8481 ✉ info@christopherstewart.com 🌐 https://www.christopherstewart.com/

Company name	Type	Area of interest	Contact information
Coop Italian Food Canada	Import/Wholesale	Italian Foods Fine	☎ +1 604 555 5554 ✉ Info@coopitalianfoodna.com 💻 http://www.italianfood-canada.com/
CTS Foods	Distribution	Fine Foods	☎ (514) 956 0356 ✉ reception@ctsfoods.ca 💻 https://ctsfoods.ca/en/
Crush Imports	Import/Distribution	Wine	☎ 403 874 7927 ✉ contact via website 💻 https://www.crushimports.com/
Cucina Foods Fine	Import/Distribution	Italian foods fine	☎ (514) 619 8686 ✉ contact via website 💻 https://cucinafinefoods.com/en/
Dal Borgeo	Import/Distribution	Food	☎ 613 852 6637 ✉ contact via website 💻 https://dalborgoimports.com/
Damiani Foods Fine	Import/Wholesale	Fine Foods	☎ 1 604 872 8593 ✉ info@damianifinefoods.ca 💻 https://damianifinefoods.ca/
Dandurand	Import/Distribution	Wine	☎ 514 932 2626 ✉ info@pdandurand.com 💻 https://www.vinsdandurand.com/en/
Dot Foods	Import/Distribution	Food and beverages	✉ contact via website 💻 https://www.dotfoods.com/
Dovre Import & Export Ltd.	Import/Distribution	Specialty foods	☎ (604) 234 4545 ✉ contact via website 💻 https://dovre.ca/
Edelweiss Imports	Wholesale	European foods	☎ 403 282 6600 ✉ contact via website 💻 https://edelweissimports.com/
Empson Wines Canada	Import/Distribution	Wine	☎ 1 866 367 7661 ✉ info@empsoncanada.com

Company name	Type	Area of interest	Contact information
			 https://www.empsoncanada.com/
Enoteca Bacco	Import/Distribution	Alcoholic beverages	 +1 (604) 254-1137  info@enotecabacco.ca  https://www.enotecabacco.ca/
Essence Food Service Inc.	Import/Distribution	Italian food	 416 742 2702  info@essencefoodservice.com  https://www.essencefoodservice.com/
Euro Excellence	Import/Distribution	European fine foods and confectionery	 1 800 461 3876  info@euro-excellence.ca  https://euro-excellence.ca/
Euro Fine Foods	Import/Distribution	European fine foods	 contact via website  https://eurofinefoods.com/
European Foods Inc.	Wholesale	European specialty foods	 780 433 0014  eurofood@telus.net  http://www.europeanfoodsinc.ca/
European Imports	Import/Distribution	European foods	 800 323 3464  contact via website  http://www.eiltd.com/
Fine Beers Agency	Import/Distribution	Beer	 +1 (416) 443-2020  fred@finebeers.ca  http://finebeers.ca/
Flanagan Foodservice	Distribution	Food	 519 748 6878  michelle.keating@flanagan.ca  https://www.flanagan.ca/
Forest City Distribution	Distribution	Dairy	 519 457 7884  info@forestcitydistribution.com  https://www.forestcitydistribution.com/
Franklin Imports	Import/Distribution	Alcoholic beverages	 902 425 0280  franklin@franklinimports.ca  https://www.franklinimports.ca/

Company name	Type	Area of interest	Contact information
Fresh Direct Produce Ltd.	Import/Distribution	Fruit and vegetables	☎ 604 255 1330 ✉ hello@freshdirectproduce.com 🌐 https://www.freshdirectproduce.com/
Fresh Taste Produce Ltd.	Import/Distribution	Fruit and Vegetables	☎ +1 (416) 255 0157 ✉ sales@freshtasteproduce.com 🌐 https://freshtasteproduce.com/
FWM	Wholesale	Alcoholic beverages	☎ 905 684 9771 ✉ info@fwmcanada.com 🌐 https://fwmcanada.com/
Gambles Ontario Produce	Import/Distribution	Fruit and vegetables	☎ 416 259 6397 ✉ customer.service@goproduce.com 🌐 https://www.goproduce.com/
Gingerbread World European Market	Wholesale	European confectionery	☎ 1 800 309 5559 ✉ info@gingerbread-world.com 🌐 https://gingerbread-world.com/
Global Reach Confections and more	Wholesale	Confectionery and fine foods	☎ 587 885 0292 🌐 https://globalreachconfections.com/
Gloucester Fine Foods	Distribution	Fine foods	✉ contact via website 🌐 https://gloucesterfinefoods.com/
Gordon Food Service	Import/Distribution	Food and beverages	☎ 1 (616) 530 7000 ✉ contact via website 🌐 https://gfs.com/
Gourmet Trading	Import/Distribution	Specialty foods	☎ 1 (888) 482 3278 ✉ info@gourmettrading.com 🌐 https://www.gourmettrading.com/
Harlan's	Distribution	Foods and beverages	✉ contact via website 🌐 https://harlans.ca/
Hardy Sales	Import/Warehouse/Distribution	Perishable Foods	☎ (604) 856 3911 ✉ contact via website 🌐 https://www.hardysales.com/

Company name	Type	Area of interest	Contact information
Husky Food Importers	Import/Distribution	Packaged goods	☎ (905) 850 8288 ✉ contact via website 💻 https://huskyfoods.com/
ICON Fine Wine & Spirits	Distribution	Alcoholic beverages	☎ 604 687 8199 ✉ contact via website 💻 https://iconvinsfins.ca/
Italpasta	Import/Distribution	Italian specialty products	☎ 905 792 9928 ✉ contact via website 💻 https://www.italpasta.com/
Itaca	Distribution	Italian fine foods	☎ 1 800 518-5333 ✉ info@itacadirect.com 💻 http://www.itacadirect.com/
Italfoods	Import/Distribution	Fine foods	☎ (613) 831 4446 ✉ store@italfoods.ca 💻 https://italfoods.ca/
Italianmart	Wholesale	Italian foods	☎ 416 259 3737 ✉ nfo@italianmart.ca 💻 https://italianmart.ca/
Italvine	Import/Distribution	Italian alcoholic beverages	☎ (514) 722 4363 ✉ info@italvine.com 💻 http://italvine.com/
Jan K Overweel Limited	Import/Distribution	Fine foods	☎ (905) 850 9010 ✉ contact via website 💻 https://jkoverweel.com/
John L. Norget & Co. Ltd.	Import/Distribution	European foods	☎ 204 775 4630 ✉ sales@norget.ca 💻 http://www.norget.ca/
Kasseler Food Products Inc.	Import/Distribution	Fine foods	☎ 905 629 2142 ✉ sales@kasselerfoods.com 💻 http://www.kasselerfoods.com/
KeHe	Distribution	Fine foods	✉ contact via website

Company name	Type	Area of interest	Contact information
			 https://www.kehe.com/
Kolonaki Fine Foods and Beverages	Wholesale	Greek fine foods	 1 (888) 477 4654  sales@kolonakigroup.com  https://kolonakifinefoods.com/
Krinos	Import/Distribution	Greek fine foods	 contact via website  https://krinos.ca/
La Grotta Del Formaggio	Distribution/Wholesale	Italian specialty foods	 (604) 255 3911  contact via website  https://www.lagrottadelformaggio.com/
LCG Foods	Distribution/supply	Natural and organic food	 866 328 9214  contact via website  https://www.lcgfoods.com/
Lekker Food Distribution	Distribution	Fine Foods	 1 877 788 0377  contact via website  https://lekkerfoods.com/
Les Aliments Jardi Inc.	Distribution	Confectionery	 1 800 363 3050  info@jardi.ca  https://jardi.ca/
Lifford Wine and Spirits	Distribution	Alcoholic beverages	 416 440 4101  enquiries@lifford.com  http://www.lifford.com/
Lorenz Food Distributor	Distribution	Food	 (905) 896 3543  contact via website  https://www.lorenzfood.ca/
Loyal Imports	Import/Distribution	Alcoholic beverages	 +1 (888) 494 4334  info@loyalimports.com  https://loyalimports.com/
Majestic Wine Cellars Inc.	Import/Distribution	Alcoholic beverages	 905 851 2618  info@majesticwine.ca  https://majesticwine.ca/

Company name	Type	Area of interest	Contact information
Mark Anthony Wine and Spirits	Import/Distribution	Wine	✉ contact via website 🌐 https://www.markanthonywineandspirits.ca/
Mass Logistic	Import/Logistics	Alcoholic beverages	☎ +1 403 679 2769 ✉ eric@masslogistik.com 🌐 http://massimports.ca/
McClelland Premium Imports	Imports/Logistics	Beer	☎ (905) 238 3330 ✉ contact via website 🌐 https://www.mcclellandbeers.ca/
Mediterranean Specialty Foods	Import/Wholesale	Mediterranean specialty foods	☎ (604) 438 4033 ✉ info@msfoods.ca 🌐 https://msfoods.ca/
Miron	Import/Wholesale	Greek fine foods	☎ (514) 344 5558 ✉ info@groupmiron.com 🌐 https://www.groupemiron.com/
Montalvin Imports	Import/Distribution/Promotion	Italian wine	☎ 514 274 5115 ✉ montalvin@montalvin.com 🌐 https://www.montalvin.com/en
Neos Foods	Imports/Distribution	Greek foods	✉ contact via website 🌐 https://www.neosfoods.com/
Nobel Estates	Import/Distribution	Alcoholic beverages	☎ (905) 943 7272 ✉ orders@nobleestates.com 🌐 https://nobleestates.com/
Nobel Imports	Import/Distribution	Food	☎ (905) 856 3411 ✉ emilio@nobelimports.com 🌐 http://www.nobelimports.com/
Olio & Cie	Import/Distribution	Olive Oil	☎ 514 657 2211 ✉ contact via website 🌐 https://oliocie.com/
Olive Emporium	Distribution	Olive oil	☎ 416 902 9060 ✉ info@OliveOilEmporium.com

Company name	Type	Area of interest	Contact information
			 https://www.oliveoilemporium.com/
Olives en folie	Import/Distribution	Olive oil	 contact via website  https://olivesenfolie.com/
Omega Food Importers	Import	Food	 905 212 9252  info@omega-foods.com  http://www.omega-foods.com/
Oyster Bay Wines Canada	Import/Distribution	Wine	 contact via email  https://oenopole.ca/
Patagonia Imports	Import/Distribution	Wine	 604 904 8686  info@patagoniaimports.com  http://www.patagoniaimports.com/
Philippe-Aubert Wines	Import/Distribution	Alcoholic beverages	 514 932 2626  info@pdandurand.com  https://www.vinsdandurand.com/en
Polaner Selections	Import/Distribution	Wine	 (914) 244 0404  info@polanerselections.com  https://polanerselections.com/
Pusateri's	Wholesale	Food	 info@pusateris.com  https://www.pusateris.com/
Quality Cheese	Import/Distribution	Italian cheese	 905 265 9991  info@qualitycheese.com  https://qualitycheese.com/
Quality Food Co.	Import/Distribution	Food and beverages	 1 877 233 3462  contact via website  https://www.qualityfoodcompany.com/
Renaissance Wine Merchants	Import/Distribution	Alcoholic beverages	 4032960170  contact via website  https://www.renwine.com/
Revelry Imports Company	Import/Distribution	Wine	 778 903 4299  gail@revelryimports.com  https://revelryimports.com/

Company name	Type	Area of interest	Contact information
Rogers & Company	Import/Distribution	Wine	 (416) 961 2294  contact via website  https://rogcowines.com/
Sabrina Wholesale Foods	Wholesale	Fine foods	 (416) 665 1533  orderdesk@sabrinafoods.com  https://www.sabrinafoods.com/
Samora's	Import/Distribution/Wholesale	Fine Foods	 905 760-8188  info@samoras.com  https://samoras.com/
Sarafino	Import/Wholesale	Speciality foods	 (905) 649 6467  heather@sarafino.com  https://www.sarafino.com/
Sardo Foods	Import/Distribution	Italian specialty foods	 (905) 951 9096  contact via website  https://sardofoods.ca/
Select wines	Import/Distribution	Wine	 604 687 8199  contact via website  https://www.selectwines.ca/
Station 22	Import/Distribution	Alcoholic beverages	 450 645 9777  Customerpo@station-22.com  https://station-22.com/
Sunshine Coast Olive Oil co.	Import/Distribution	Olive oil	 778 462 3088  info@sunshinecoastoliveoil.com  https://sunshinecoastoliveoil.com/
Sysco	Distribution	Food	 (855) 450 3069  https://www.sysco.ca/
Tag Liquor Stores	Wholesale	Alcoholic beverages	 604 427 4004  contact via website  https://tagliquorstores.com/

Company name	Type	Area of interest	Contact information
Terra International Foods	Import/Distribution	Fine foods	 604 946 7277  customerservice@terrafoods.ca  https://terrafoods.ca/
The Craft Brand Co	Import/Wholesale	Beer	 sales@craftbrandco.com  https://craftbrandco.com/
The Dutch Shop	Import/Distribution	EU specialty foods	 contact via website  https://www.dutchshop.ca/
The Wine Syndicate	Import/Distribution	Wine	 604 568 0055  info@thewinesyndicate.ca  https://thewinesyndicate.ca/
Tre Amici	Import/Distribution	Wine	 905 612 1341  contact via website  https://treamiciwines.com/
Tree of Life	Distribution	Natural and organic food	 1 800 263 7054  contact via website  https://treeoflife.ca/
Trialto Wine Group	Import/Distribution	Wine	 (778) 331 8999  contact@trialto.com  https://trialto.com/
United Distributors	Import/Distribution	Wine	 (403) 313 5550  udcrick@gmail.com  https://www.uniteddistributors.ca/
Wilson Wines and Spirits	Import/Distribution	Alcoholic beverages	 416 522 3328  info@wilsonwinesandspirits.com  https://www.wilsonwinesandspirits.com/

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