

# Mexican markets for oats



# Mission to Mexico



- October 30 – November 05
- Coordinated by Saskatchewan Trade and Export Partnership (STEP)
- Meetings with buyers
- Insight to Mexican market and trading practices

# Summary

- 14 meetings with grain buyers
- 7 meetings related to feed and horses
- 7 meetings with representatives of the Government of Canada
- 2 tours of supermarkets
- 2 tours of wholesale markets

# POGA intelligence on Mexico so far.....

Domestic oat  
production low

Major importers of  
oat products

Canadian food  
perceived as  
nutritious

Growing consumer  
trends towards  
nutritious foods



# Mexico today



- Rising wealth and population
- Demands for food and feed to be met (growing 1.2% per annum over decade)
- Domestic production not keeping up (dropped 0.6% per annum)
- Imports represent 50% of grain consumption in Mexico

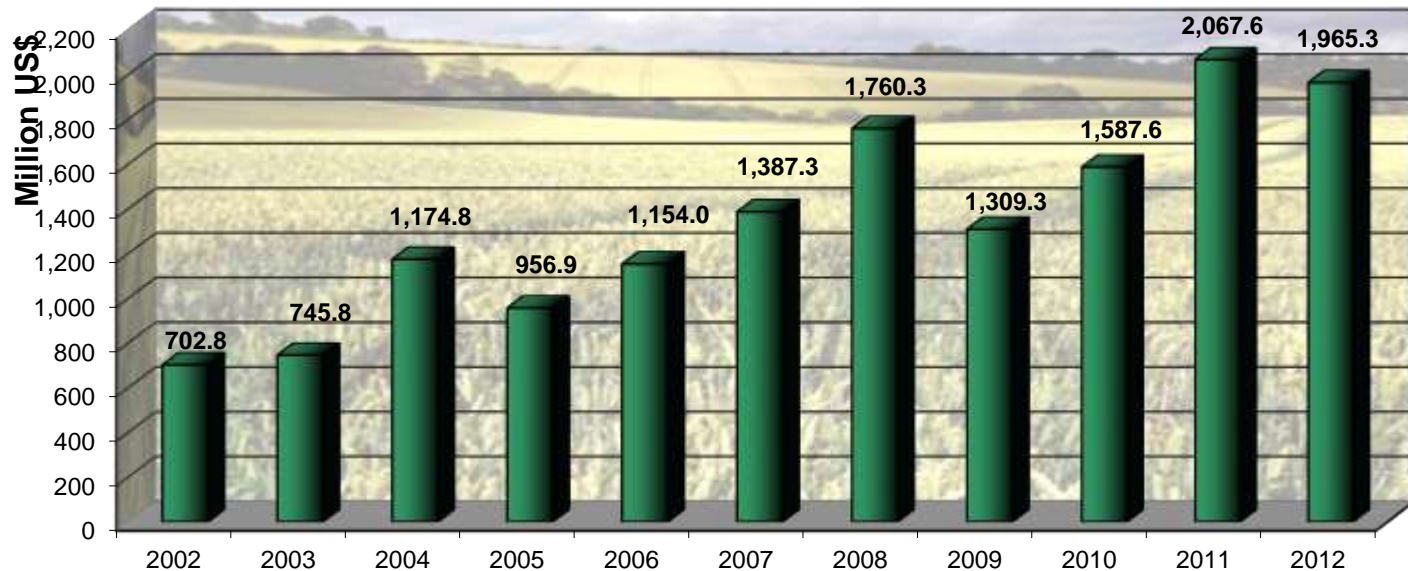
# Challenge: high imports levels but low consumption

- Mexico has, on average, low consumption patterns of oats when compared to the rest of the world
- Mexico accounts for only 0.7% of oat consumption
- Consumption per capita is only 2 kg per capita per year
- Oats are not part of the regular diet the country ranked 24th place in the world consumption



# Canadian Agri-food Exports to Mexico

- Canadian Agri-food Exports to Mexico have almost tripled over the last 10 years.
- Exports are expected to continue growing thanks to NAFTA and Mexico's increasing food demand.



Source: Based on official import statistics reported by the Mexican Ministry of Economy.

# Main Canadian Agri-food Products Exported to Mexico

**2012:**



Beef  
US\$116 mill



Pork  
US\$131 mill



Chocolate  
US\$73 mill



Non-alcoholic  
beverages  
US\$9 mill



Sauces and  
Seasonings  
US\$6 mill



Canola meal  
and oil  
US\$37 mill



Frozen French  
fries  
US\$53 mill



Canola seed  
US\$906 mill



Wheat  
US\$284 mill



Lentils  
US\$23 mill



All types of  
Oats  
US\$28 mill



Barley  
US\$24 mill



Kidney beans  
US\$26 mill



Milk powder  
US\$10 mill



# Oats and Oat Products

**Mexico is world's second largest oat importer.**  
**Yearly import demand : 140,000 MT (2012)**

| 2008/09                | 2009/10   | 2010/11   | 2011/12    | 2012/13    | 2013/14<br>May |
|------------------------|-----------|-----------|------------|------------|----------------|
| TY Imports             |           |           |            |            |                |
| Albania                | 0         | 5         | 5          | 0          | 0              |
| Algeria                | 0         | 1         | 0          | 9          | 10             |
| Bosnia and Herzegovina | 2         | 3         | 5          | 3          | 5              |
| Canada                 | 14        | 21        | 18         | 11         | 20             |
| China                  | 39        | 57        | 58         | 68         | 50             |
| Colombia               | 2         | 2         | 2          | 2          | 5              |
| Ecuador                | 14        | 11        | 11         | 22         | 15             |
| EU-27                  | 4         | 2         | 6          | 6          | 5              |
| Japan                  | 46        | 56        | 64         | 54         | 60             |
| <b>Mexico</b>          | <u>82</u> | <u>46</u> | <u>103</u> | <u>134</u> | <u>100</u>     |
| Norway                 | 8         | 34        | 10         | 49         | 15             |
| South Africa           | 33        | 21        | 15         | 11         | 25             |
| Switzerland            | 52        | 49        | 49         | 56         | 50             |
| Turkey                 | 6         | 0         | 4          | 4          | 5              |
| Uruguay                | 11        | 4         | 11         | 8          | 5              |
| Others                 | 5         | 3         | 8          | 9          | 0              |
| Unaccounted            | 42        | 148       | 170        | 114        | 190            |
| United States          | 1,787     | 1,607     | 1,468      | 1,729      | 1,500          |
| World Total            | 2,147     | 2,070     | 2,007      | 2,289      | 2,060          |

- Mexican area used for oats has decreased almost 50% and production by 30% since the 1980's



- Oat production accounts for less than 1% of total grain production in the country

## Oat Imports To Mexico by origin in thousands of tons

| MT                 | 2003   | 2004   | 2005   | 2006   | 2007   | 2008    | 2009   | 2010   | 2011    | 2012    | 5 yr avg | % of total |
|--------------------|--------|--------|--------|--------|--------|---------|--------|--------|---------|---------|----------|------------|
| Australia          | -      | 64,662 | -      | 64,223 | -      | 92,971  | 39,136 | 33,258 | -       | 66,000  | 46,273   | 44%        |
| Canada             | 12,956 | 5,576  | 2,791  | 6,571  | 71,444 | 21,426  | 15,120 | 11,634 | 16,665  | 38,530  | 20,675   | 20%        |
| Chile              | -      | -      | -      | 2      | 19,745 | -       | -      | 26,980 | 92,655  | 34,194  | 30,766   | 29%        |
| U.S.               | 12,812 | 7,101  | 4,171  | 7,960  | 5,158  | 12,777  | 6,281  | 2,661  | 6,053   | 9,011   | 7,357    | 7%         |
| Finland            | 17,709 | 11,134 | 38,043 | -      | -      | -       | -      | -      | -       | -       | -        | 0%         |
| Dominican Republic | -      | -      | -      | -      | -      | -       | -      | -      | 0       | -       | 0        | 0%         |
| Sweden             | 6,903  | 4,456  | 13,342 | 6,720  | -      | -       | -      | -      | -       | -       | -        | 0%         |
| Switzerland        | 17,532 | -      | -      | -      | -      | -       | -      | -      | -       | -       | -        | 0%         |
| Total              | 67,912 | 92,929 | 58,347 | 85,476 | 96,347 | 127,174 | 60,538 | 74,532 | 115,374 | 147,735 | 105,071  | 100%       |

Source: <http://www.oatinformation.com>

- **Canada remains one of the main providers**
- **Australia has entered the trade, ranking the 1st position every year apart from in 2003, 2005, 2007 and 2011**
- **In 2011, Chile was the major oat provider**



# Market Access for Canadian Grains and Pulses

- Under NAFTA, most CDN agri-food products have duty free access to Mexico, including grains and pulses.
- Also, Mexico has phytosanitary requirements in place for imports of some of the main grains and pulses exported by Canada, including: canola, wheat, lentils, beans, flax, etc.
- Cdn grains/pulses not exported to Mexico in the past would require the development of a pest risk assessment.
- Grains/pulses imported into Mexico have to be accompanied by a phytosanitary certificate and also need to be fumigated (fumigation exemption available for approved companies).



# Market Access for Canadian Grains and Pulses

- Cdn canary seed exported to Mexico is required to be free of quarantine weed seeds (max. of 15 weed seeds/kg found at the border: load allowed to be re-cleaned – over 15 weed seeds: load is rejected). A new Pilot Program for exports of canary seed is under discussion by the Canadian and Mexican plant health authorities.



- Recent issues with the detection of soil in shipments of Canadian dry beans and lentils to Mexico. Since freedom of soil is a Mexican requirement for imports of grains and pulses, Canadian exporters are advised to ensure their shipments to Mexico are free of soil.

## **Four main uses of oats in Mexico:**

- General livestock feed
- Human consumption
- Recreation horse feed
- Cosmetic uses



# Country of Contrasts

- Mexico has one of the worst records of obesity in the world, both in adults and children
- Poor diets and bad habits have meant the number of obese people has sky-rocketed
- More than 52 million people live in poverty, surviving with less than 50 pesos a day (C\$ 4)
- 32% of the Mexican population lives on less than 2.5 dollars, and 24% on less than 2





# Health campaigning in Mexico

- Sponsorship of campaigns conducted by the Mexican Ministry of Health
- National Crusade Against Hunger campaign <http://sinhambre.gob.mx/>



# Human consumption of oats is low but market growing

## Main uses:

- Breakfast cereal
- Beverages







4LT

DELICIOSA

100%  
Natural



Horchata  
CONCENTRADO

- Mexican consumers recognize the dietary benefits of whole grains
- Large-scale marketing campaigns have helped to positively influence the perception that Mexicans have of oats
- According to Google Analytics, the searches for "benefits of oats", "oats diet", "diabetes oats", "cholesterol oats" are key volume items



Nestlé

Hecho con  
CEREAL INTEGRAL



Cheerios

Avena Integral

Hecho con Avena Integral  
que puede ayudar a  
reducir el COLESTEROL\*

CONTENIDO NETO

397 g

CEREAL DE AVENA INTEGRAL, ASPIRIFICADO

\*Versión N. Cholesterol Lowering Food. Versión L. Cholesterol Lowering Food. Versión B. Cholesterol Lowering Food. Versión S. Cholesterol Lowering Food.

Nestlé



Cheerios

Avena Integral

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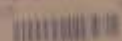
397 g

CEREAL DE AVENA INTEGRAL, ASPIRIFICADO

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CONTENIDO NETO  
560 g

\$ 37.50



granvita

**Granola**

cereal

with fruit

con frutas



# mother nature<sup>®</sup>

## Salvado de Avena

**Apto para la dieta**  
diabética

**Beneficios del consumo de salvado de avena**

100% Natural

| Información Nutricional  |      |      |      |
|--|------|------|------|
| Cantidad por porción (30g) (1 oz)  |      |      |      |
| Cantidades por porción (100g) (3.5 oz)   |      |      |      |
| Cantidades por porción (100g) (3.5 oz)   |      |      |      |
| Grasa total  | 0.0g | 0.0g | 0%   |
| Carbohidratos totales  | 7.0g | 2%   |      |
| Fibra dietética  | 1.0g | 4%   |      |
| Proteína   | 1.0g | 2%   |      |
| Los porcentajes de los valores diarios están basados en una dieta de 2,000 kcal. |      |      |      |
|  |      | 100% | 100% |
| Grasa total  | 0.0g | 0%   | 0%   |
| Carbohidratos totales  | 7.0g | 2%   | 2%   |
| Fibra dietética  | 1.0g | 4%   | 4%   |
| Proteína   | 1.0g | 2%   | 2%   |
| Por porción  |      |      |      |
| Grasa total  | 0.0g | 0%   | 0%   |
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| Fibra dietética  | 1.0g | 4%   | 4%   |
| Proteína   | 1.0g | 2%   | 2%   |

Consumase preferentemente antes de Septiembre del 2014

- Impide el estreñimiento
- Reduce el colesterol
- Disminuye el riesgo de cáncer de colon y de recto
- Es una buena ayuda en las dietas para adelgazar pues al aumentar su volumen reduce la sensación de apetito.
- Combate las hemorroides
- Disminuye la tensión arterial.
- Impide la formación de cálculos biliares
- Controla los niveles de glucosa sanguínea en pacientes diabéticos

Conservarse en un lugar fresco y seco.



Cont. Neto 500 gra

[www.salvadodeavena.com.mx](http://www.salvadodeavena.com.mx)



**Modo de empleo:** De 1 a 3 cucharadas al día, disuélvelo en cualquier bebida (Agua, Jugo, Yogurt o Lache)  
También puede utilizarse como ingrediente en galletas, pan, pasteles, etc.

Este producto no es un medicamento, el consumo de este producto es responsable de quien lo consume. No se debe abusar.

# Canadian government study

- Profile of elite consumers
- Positive reputation for Canada among Mexican consumers
- Canada seen as a safe country with a good image and trustworthy people
- Interest in healthier food



# Linaza Molida

con *canadiense*  
*Manzana*

GROUND FLAX SEED



Los beneficios de  
Linaza Canadiense  
y de la Manzana Molida  
en una deliciosa combinación

contiene Proteínas y  
Omega 3, 6 y 9

SANTITAS

Elaborado por:  
GRUPO INDUSTRIAL VIDA, S.A. DE C.V.  
km 7.5 Carretera Guadalajara - Ameca.  
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**INGREDIENTES:**

Hojuelas de avena, sémola de trigo,  
vitamina B1 (tiamina), vitamina B2  
(riboflavina), vitamina B6 (piridoxina), zinc.

**FECHA DE CADUCIDAD Y  
LOTE IMPRESOS EN LA BASE**

Consérvese en un lugar



Info Nutricional

|               |  |
|---------------|--|
| Energía       |  |
| Proteína      |  |
| Carbónhidrato |  |
| Grasa         |  |
| Sodio         |  |
| Calcio        |  |
| Fibra         |  |
| Hierro        |  |
| Cobalto       |  |
| Cromo         |  |
| Cupro         |  |
| Fluor         |  |
| Magnesio      |  |
| Manganeso     |  |
| Níquel        |  |
| Plata         |  |
| Selenio       |  |
| Silicio       |  |
| Tungsteno     |  |
| Vanadio       |  |
| Zinc          |  |



## **Key finding of Cdn Gov't study**

**“to be successful, Canadian food producers must seek distribution through major grocery chains, as this is where the majority of affluent Mexicans shop and spend their grocery dollars”**





14,00

14,00



14,00

14,00



14,00

14,00



14,00

14,00

# Feed: growing needs in Mexico

- **Growing feed market**
- **Oats used as feed in dairy but mainly for horses – often as forage oats**
- **Mexico produces horses: 6.8 million of world's 58 million horses are in Mexico**
- **Meat from horses also a significant Mexican export**
- **Feed market tends to be low quality and can be subject to corrupt buying practices**







Feed your heart, body and mind:

# Canadian Oats

*More than a century of quality and nutrition.*

## Oats

- High in dietary fiber
- Low in saturated fat
- Cholesterol Free
- Nourishing source of vitamins and minerals
- Free of trans fatty acids
- Of the eight amino acids necessary for life, oatmeal contains six
- Gluten-free and can be produced for this market

CANADA'S PRAIRIES grow the largest supply of high quality, nutritious oats in the world. From the fertile lands of Manitoba, to the sunny plains of Saskatchewan, through to the majestic beauty of Alberta, Canadian oat growers have cultivated a tradition of quality and goodness for over one hundred years.

Canada leads the world in the production and export of high quality oats. For nearly a century the well renowned Canadian Grain Commission of Canada (CGC) has supervised standards for cereal crops. Stringent monitoring means that grain from Canada complies with the strictest requirements on health and the environment.

Canadian oats feed families all over the world and are not only delicious but grown in harmony with nature. Canadian growers are committed to protecting natural landscapes and water. And besides, they have a natural advantage – Canada's cool climate helps avoid diseases and pests.

## How to eat your oats

Oats are highly nutritious and can provide benefits for you and your loved ones no matter what your needs. For athletes, students, children, mothers and mothers-to-be, they can help you stay fit or lose weight, avoid cholesterol and diabetes, and look after your heart.

Oats are tasty and suited to the needs of any lifestyle or family. They are a useful ingredient in smoothies, in flour to make healthy muffins, in breakfast cereal, or in a refreshing drink such as Mexican horchata.

Including oats in your daily diet is easy: at breakfast with fruit, yogurt or milk, as cookies or biscuits, or in smoothies. They can also be used in the preparation of soups, meatballs, croquettes and other dishes. They can also be used as a replacement for those who suffer food allergies. The properties of oats can be endlessly used in every type of dish.



Alimenta tu corazón, cuerpo y mente:

# Avena Canadiense

*Más de un siglo de calidad y nutrición en el mundo.*

## La Avena es:

- Alta en fibras dietéticas
- Baja en grasas saturadas
- Libre de colesterol
- Una fuente nutritiva de vitaminas, y minerales
- Libre de ácidos grasos trans
- De los ocho aminoácidos esenciales para la vida, la avena contiene seis
- Libre de gluten y puede ser usada en este mercado

LAS PRADERAS DE CANADÁ son la fuente más grande en el mundo de avena nutritiva y de alta calidad. Desde las fértiles tierras de Manitoba hasta las soleadas llanuras de Saskatchewan pasando por Alberta y su majestuoso paisaje, los productores canadienses de avena han cultivado por más de cien años una tradición de calidad y bondad.

Canadá lidera la producción mundial y la exportación de avena de alta calidad. Durante casi un siglo la renombrada Comisión Canadiense de Granos de Canadá (CGC) ha supervisado los estándares para los cultivos de cereales. Una rigida vigilancia significa que los granos de Canadá cumplen con las más estrictas medidas sobre la salud y el ambiente.

La avena canadiense que llega a todas las familias del mundo no es solamente deliciosa sino que además no daña de ningún modo el ambiente. Los productores canadienses están comprometidos a proteger el paisaje natural y el agua. Cuentan con una ventaja natural: el clima fresco de Canadá le brinda a los suelos un periodo de "reposo y renovación" natural, ayudando así a matar las plagas y evitar enfermedades.



## Cómo comer la avena

La avena es altamente nutritiva y le brinda beneficios a ti y a tus seres queridos, sin importar tus necesidades. Para los deportistas; los estudiantes; los niños; las madres y las futuras mamás; para mantenerse en forma o bajar de peso, para controlar el colesterol o la diabetes y para cuidar el corazón.

La avena es apetitosa y se adapta a las necesidades de cada estilo de vida o familia. Son un valioso ingrediente para los licuados; en harina para hacer panecillos saludables; en el desayuno como cereal; o en una bebida refrescante como la horchata de avena.

Incluir avena en tu alimentación diaria es fácil; en las mañanas con fruta, leche o yogurt, en licuados o galletas. También se pueden usar para preparar sopas, croquetas, albóndigas y otros platillos. Además pueden servir como un sustituto de alimentos para quienes sufren de alergias. Sus propiedades pueden ser aprovechadas ilimitadamente en cada tipo de platillo.

# Increase Canadian oat profile online

- [www.saboresdecanaa.mx](http://www.saboresdecanaa.mx) :“Tastes of Canada” marketing campaign run by Canadian government. Website promotes events in restaurants and in supermarket.
- Ad in Canadian “catalogue” of products courtesy of AAFC
- Brand Canada English version sent to AAFC web site



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