

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY
USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT
POLICY

Voluntary Public

Date: 3/14/2018

GAIN Report Number: CA18018

Canada

Post: Ottawa

Canada Number One Market for U.S. Agricultural Exports

Report Categories:

Agriculture in the Economy

Approved By:

Evan Mangino, Agricultural Attaché

Prepared By:

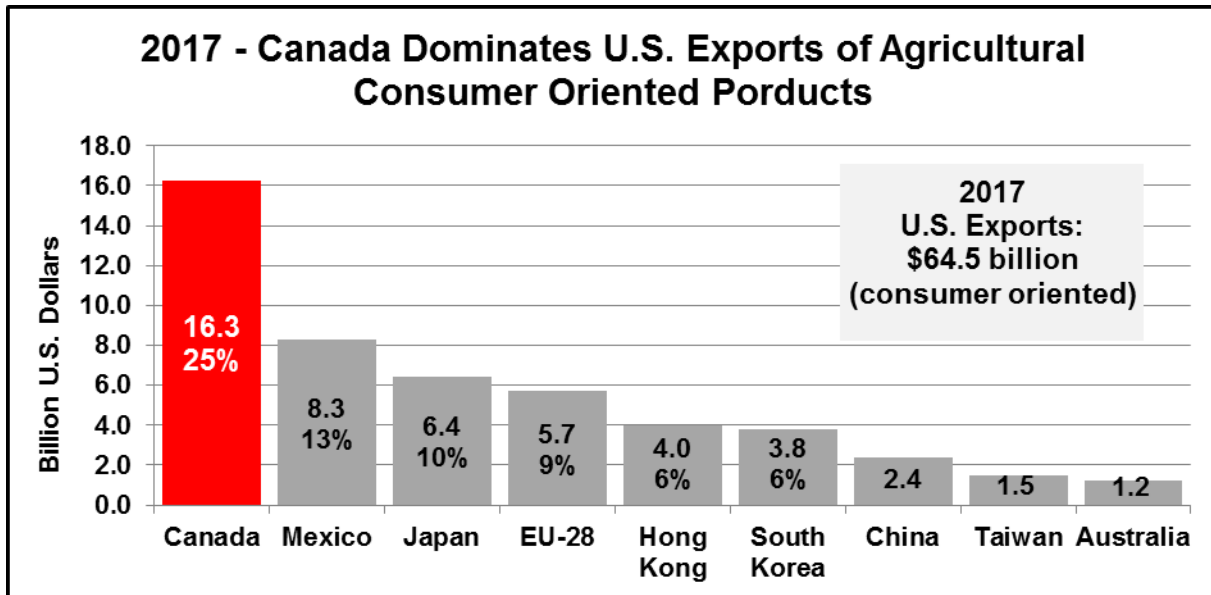
Mihai Lupescu, Senior Agricultural Specialist

Report Highlights:

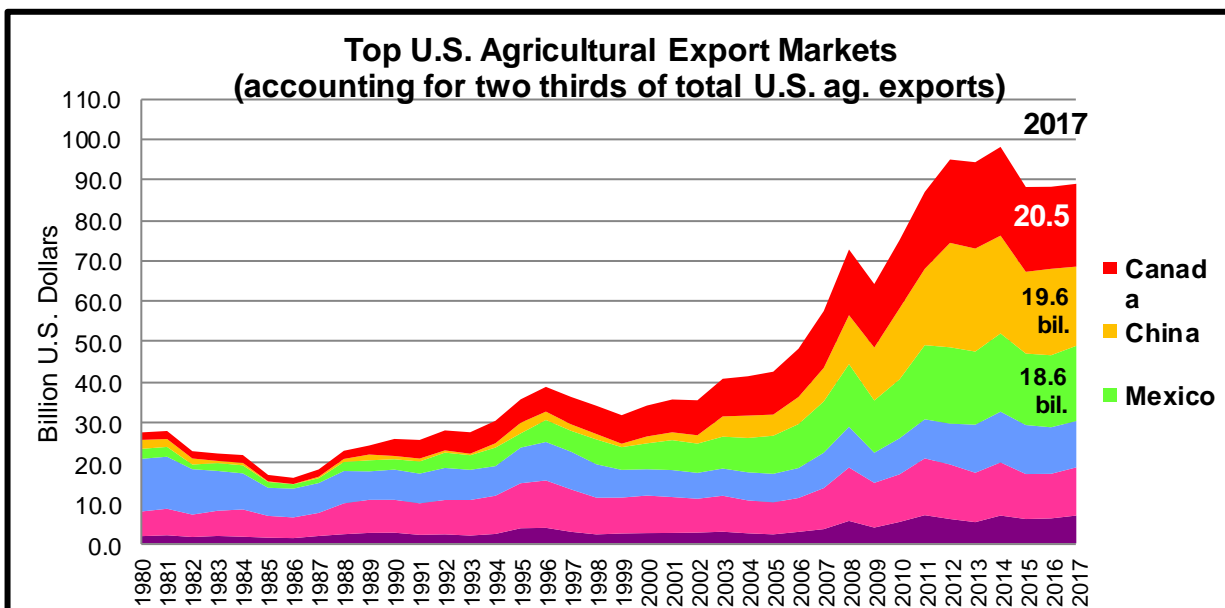
Canada was once again the leading destination for U.S. food and agricultural exports in 2017, with total export value surpassing \$20 billion. U.S. exports of high-value food and beverage products to Canada (\$16.3 billion) represented 25 percent of total U.S. consumer-oriented agricultural exports globally. The top export categories included: fresh and processed fruits and vegetables, meat, prepared foods, snack foods and soft drinks.

Keywords: Canada, CA18018, Exports

In 2017, U.S. agricultural exports to Canada totaled \$20.5 billion, making Canada the number one export destination for U.S. agricultural products. At \$16.3 billion, Canada remained the top destination for U.S. exports of consumer-oriented products, which are typically sold in retail outlets or used in restaurants. These high-value exports support tens of thousands of jobs in the United States. In addition to large companies, many of the U.S. exporters are small- and medium-sized businesses for which shipments to Canada represent their first export opportunity.



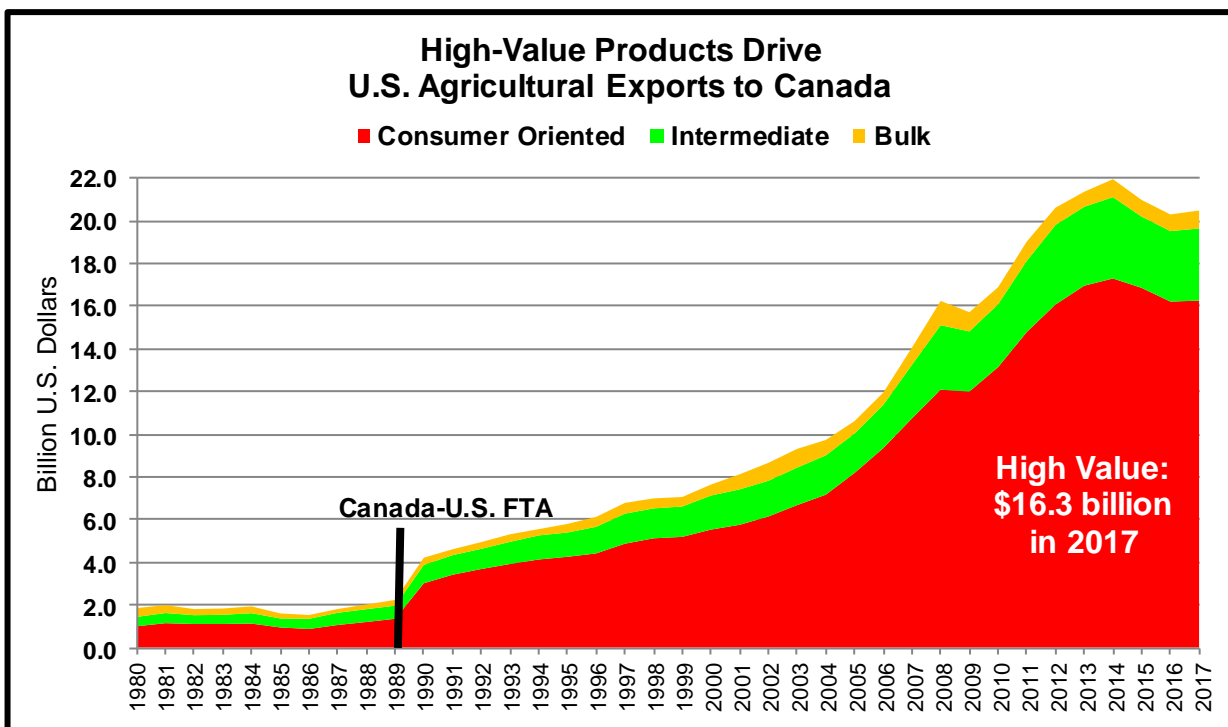
Source: U.S. Census Bureau Trade Data



Source: U.S. Census Bureau Trade Data

Over the last three decades, the main reason for strong increases in trade with Canada was the passage of the U.S.-Canada Free Trade Agreement in 1988, followed by the North American Free Trade Agreement (NAFTA) in 1994. These trade agreements eliminated nearly all tariffs on U.S. exports to Canada, significantly improving export opportunities for U.S. producers.

In 2017, total two-way trade in agricultural goods with Canada reached nearly \$43 billion. A testament to NAFTA’s importance for both countries, deeply integrated supply chains sent more than \$825 million of agricultural products crossed the U.S.-Canada border each week. From live animals and fresh produce, to spices and specialized ingredients, agricultural goods move across the border, are processed, packaged and exported back across the border, expanding the range of food and agricultural products available to consumers on both sides of the 49th parallel.



Source: U.S. Census Bureau Trade Data

It is no surprise that the consumer-oriented category dominates U.S. agricultural exports to Canada. Geographical proximity, similarity in consumer preferences, a high level of disposable income, and familiarity with food items from cross-border shopping in U.S. grocery stores all support Canada’s world-leading consumption of U.S. high-value food and beverages items year after year. In addition, the fresh produce category benefits from the complementarity of growing seasons, extending the availability of fresh, North American produce in both countries.



Source: U.S. Census Bureau Trade Data

For more detailed information on U.S. exports of food and agricultural products, please consult the USDA Foreign Agricultural Service's [Global Agricultural Trade System](#).