

For immediate release

Pulse industry encourages Canadian Parliament to ratify free trade agreements with Peru and Colombia

May 22, 2009 (Winnipeg, MB) – The Canadian pulse industry and pulse buyers in Peru and Colombia are eagerly awaiting the Canadian Parliament to ratify free trade agreements with those countries. This week, Pulse Canada accompanied Agriculture Minister Gerry Ritz on a trade mission to Peru and Colombia, where trade agreements have been negotiated but need parliamentary approval.

“Free trade agreements with Peru and Colombia will help keep Canadian pulses competitive in these markets and open new opportunities for us,” said Gordon Bacon, CEO of Pulse Canada, while traveling with the Minister. “Both pulse importers and Canadian pulse exporters are supportive of immediate approval of these trade agreements.”

Colombia is Canada’s seventh largest market for pulses and special crops, with exports totaling \$80 million and 102,000 tonnes in 2008. Colombia is one of Canada’s top two markets for green lentils, amounting to \$46 million in 2008. A pending U.S. – Colombia trade agreement, which eliminates tariffs for U.S. peas, lentils, chickpeas, canary seed and mustard seed, will mean a 15 per cent or approximately \$150-per-tonne tariff disadvantage for Canadian lentils. Canada’s agreement with Colombia would create a tariff advantage, if implemented before the U.S. agreement. It would also provide tariff-free access for 4,000 tonnes of Canadian beans per year compared to the current 60 per cent tariff.

Peru is also a significant and growing market for Canadian pulses and special crops. Canadian exports to Peru totaled nearly \$19 million in 2008. However, Canadian peas and lentils could face as much as a 25% tariff disadvantage, while Canadian canary seed faces a 12% disadvantage. The U.S. – Peru free trade agreement became effective February 1, 2009. Peruvian importers say the tariff disadvantage will be particularly problematic if the Canadian agreement is not implemented before the 2009 harvest.

“Parliamentary ratification of these agreements will maintain our market access,” said Bacon. “There are great opportunities in both Peru and Colombia and we need to know if Canada will have competitive access for the 2009 pulse crop.”

Pulse importers in Peru and Colombia have shown tremendous support for Canadian free trade agreements. Pulse buyers recognize the quality of Canadian product and want to retain competitive access. Colombian importers recognize the growth opportunities that a Canada-Colombia agreement presents for peas for human consumption and animal feed. Flour millers have shown interest in pulses as a value-added ingredient. Eliminating import duties will also reduce food costs, which is particularly important given that pulses are a staple consumed by some of the poorest segments of the population.

Pulse Canada is the national association representing growers, traders and processors of Canadian pulse crops. Canada is the world’s largest supplier of pulses, with exports to more than 150 countries.

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