



# Opportunities...

### *Pulse Crop Processing*

## Agri-Foods

### Industry Overview

Populations are increasing dramatically in developing countries and global trade in agricultural products continues to grow at a rapid pace. As the level of global trade in agricultural products rises, demand is shifting from bulk commodities to value added foods. Value-added products and niche markets are anticipated to grow rapidly for the foreseeable future. Markets for new products including functional foods, food ingredients, and industrial and other non-food uses are also expected to grow at a similar pace.

Canada is the world's fourth-largest agriculture and agrifood exporter using advanced technologies and a solid knowledge base to export more than \$40.0 billion in product annually. The industry boasts a complex, integrated and globally competitive supply chain providing food, beverages and agriculture products to more than 175 countries. Demand for food and other agricultural products will continue to increase as world populations rise, especially in developing countries that are some of the biggest consumers of pulse crops.

Alberta produced almost 20% of the total Canadian agrifood exports in 2011 and was the third largest provincial exporter of agrifood products in the nation. The changing international economy has created several new opportunities for Alberta's agrifood industry. Many of these opportunities, such as pulse crop processing, fit well in the Eastern Alberta Trade Corridor region.

### Sector Overview

Pulse crops include peas, beans, chickpeas, and lentils, which come in a wide range of colours and sizes and are the edible seeds of legumes. Pulse crops are grown for both food and feed in countries around the world with an especially large market in India.

Commercial pulse production continues to be a profitable enterprise for Canadian growers due to the increasing demand for pulse crops, especially in developing countries. In addition to being a profitable crop for growers, pulse crop production has contributed to the expansion of the pulse processing industry, increasing employment opportunities in rural communities across Canada.

# Sector Overview

With approximately 75% of the production exported annually, Canada is a leading exporter of pulse crops. Alberta is the second largest provincial producer of pulse crops and it is estimated that as much as 80% of this production takes place in the Eastern Alberta Trade Corridor.

Agriculture in the EATC helps support the province's food processing sector which is the third largest manufacturing sector in the province. Alberta is the third largest food and beverage producing province in Canada.

The processing of pulse crops into specific components strengthens pulse crop demand by expanding the number of ways food processors can use pulses to improve the nutrients. According the Alberta Crop Industry Development Fund, there is a rising demand for processed pulse crop fractions like starch, insoluble fibre and vegetable protein.

## Market Assessment

Although Alberta is a major producer of pulse crops, no value-added pulse processing facilities currently exist in the province. The region's strategic location allows for quick and inexpensive transportation of goods.

With efficient road, rail, and air links to a host of markets, Alberta has become a major agricultural distribution centre. Goods are shipped quickly and easily to Western Canada and to the rapidly expanding markets in the Pacific and Northwestern United States, as well as Asia and the Far East.



Agricultural research in the EATC region has resulted in better production methods, new and innovative technologies and a large and varied genetic pool of crop choices. Alberta has an extensive network of research and development facilities to help develop and commercialize products and processes.





## *Benefits and Advantages*

- With ready access to abundant pulse crops, a modest facility that has a base in the traditional markets (cleaning, bagging, loading) would likely be the most successful and least capital investment.
- Food processing development opportunities within the EATC region have access to many provincial and federal initiatives, programs and financial incentives aimed at promoting greener technologies
- The region offers exceptionally strong regional, provincial and federal agrifood research and development collaboration opportunities
- Proximity to end customers, thereby increasing understanding of local market conditions and opportunities, resulting in stronger relationships with customers
- Companies in the region have easy access to experts, institutions and industry specialists



## **The EATC Advantage:**

*In addition to the EATC region providing direct access to the large Alberta pulse market and a well-developed transportation corridor, the region offers several other benefits to the pulse processing industry.*





The Eastern Alberta Trade Corridor is a major initiative underway to enhance and promote a north/south transportation corridor that stretches from the US border in the south to the R.M. of Wood Buffalo in the north. The Eastern Alberta Trade Corridor will include Highways 36, 41 and 63, with links to the Edmonton-Calgary corridor to the west, to Alberta's abundant resources in the north east, and to Saskatchewan in the east. It is a major component of the "Ports to Plains Corridor" of the United States, Canada and Mexico.

There are over \$100 billion in Major Capital Projects happening right now in the Eastern Alberta Trade Corridor (EATC). The EATC is part of the world's third largest oil reserves - the Alberta Oil Sands.

### Why are businesses investing in the EATC?

- Great location between markets and suppliers in Northern Alberta and the U.S.
- Close access to major centres, but with low land costs
- Excellent north-south and east-west transportation routes
- Plenty of room to expand operations
- Diversified business sectors including energy, agriculture and manufacturing
- Excellent quality of life to attract new workers



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