

Canola Products in the Indo-Pacific Market



February 5, 2025



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INDO-PACIFIC

Introduction

Canola¹ ranks as the second most traded oilseed protein ingredient globally, with the Prairies leading production, yielding 18- to 20-million metric tonnes each fall. The extracted oil is esteemed as one of the world's healthiest culinary oils, while the remaining solids are processed into a protein-rich meal, perfect for livestock feed.

In response to the rising global demand for canola oil and meal, Canada has announced new investments over the past two years to boost processing capacity by 6.7 million tonnes, increasing the total capacity to 17.8 million tonnes.² This expansion will boost the availability of canola meal for export to the United States (U.S.), Mexico, and the Indo-Pacific region. Currently, 45 per cent of Canada's canola seed is exported, and 55 per cent is processed domestically.³

The Indo-Pacific region encompasses 40 countries and economies, accounting for more than one-third of global economic activity, including China, India, and Japan, three of the world's largest economies. By 2040, the Indo-Pacific region is expected to represent over half of the global economy, more than double the share of the U.S. This report aims to explore markets within the Indo-Pacific region for canola products with an emphasis on Japan, South Korea, Thailand, Malaysia, and Vietnam.

Imports of Canola Seeds by Indo-Pacific Countries

China is the largest importer of canola seeds in the Indo-Pacific region, accounting for 13.6 per cent of the total global imports by value from 2019 to 2023, as shown in Table 1. Japan follows as the second largest importer in the region, with 9.9 per cent of the total global imports and an annual import volume of around two million tonnes. In 2023, the value of these imports reached approximately \$1.8 billion. Japan relies heavily on imported canola seeds for its domestic oil production and livestock feed needs and they have a robust crushing capacity for canola seeds. For decades, Canada controlled the Japanese market. However, in 2021, this started to change as Australia gained market share. This shift was partly due to an extremely low Canadian crop that year, which dropped to just 14.25 million tonnes from 19.49 million tonnes the previous year. This adaptability ensures a steady supply of canola oil and meal in the Japanese market.

Table 1 – Top 10 Countries of the Indo-Pacific Region Importing Canola Seeds in Canadian Dollars (2019-2023)

Country	Total	%	2019	2020	2021	2022	2023	CAGR
	2019-2023 (\$)		\$	\$	\$	\$	\$	%
World	91,695,373,282	100.0	12,957,754,044	14,909,816,661	18,767,523,421	23,239,084,750	21,821,194,406	13.92
China	12,472,382,994	13.60	1,623,758,751	1,827,449,056	1,932,929,936	2,065,617,092	5,022,628,159	32.62
Japan	9,075,021,996	9.90	1,369,063,995	1,297,052,966	2,004,513,033	2,546,189,001	1,858,203,001	7.94
Pakistan	2,567,523,632	2.80	274,673,741	417,749,513	659,706,815	226,804,118	988,589,445	33.26
Nepal	399,199,172	0.44	72,466,847	88,888,048	156,208,541	81,635,736	-	4.05
Malaysia	190,555,388	0.21	20,537,708	29,222,869	40,354,575	53,716,460	46,723,776	22.81
Australia	44,326,605	0.05	6,650,829	5,654,540	5,957,640	16,337,192	9,726,404	9.97
New Zealand	27,907,231	0.03	6,704,283	2,021,916	3,266,438	7,106,943	8,807,651	7.06
South Korea	13,943,946	0.02	2,830,343	1,810,089	2,588,867	3,475,465	3,239,182	3.43

Source: Global Trade Tracker – December 2024

¹ Canola will refer to canola, rapeseed and colza throughout this document.

² Canola Council of Canada

³ Percentages are averages for the 2019-2023 period, with the processing percentage trending higher.

Japan is expected to maintain a consistent annual import volume of around 2.1 million tonnes of canola seeds, with slight increases each year.⁴

Malaysia is the fifth-largest importer of canola seeds in the region, with a CAGR of 22.8 per cent from 2019 to 2023, totaling \$46 million in import value. During this period, Malaysia's canola imports increased steadily in volume, starting at 34,000 tonnes in 2019 and rising to 58,700 tonnes in 2023. Malaysia is also a significant importer of canola oil.

Table 2 – Top 10 Countries of the Indo-Pacific Region Importing Canola Seeds in Tonnes (2019-2023)

Country	Total 2019-2023 tonnes	%	2019 tonnes	2020 tonnes	2021 tonnes	2022 tonnes	2023 tonnes
World	117,757,228	100.00	21,847,233	24,494,249	23,648,115	22,247,012	25,520,618
China	15,949,795	13.54	2,736,962	3,114,458	2,646,394	1,960,595	5,491,387
Japan	11,076,127	9.41	2,359,212	2,252,378	2,342,162	2,100,818	2,021,557
Pakistan	3,455,011	2.93	494,015	755,099	963,624	233,382	1,008,890
Nepal	477,248	0.41	104,986	124,460	176,390	71,412	-
Malaysia	247,650	0.21	34,096	47,897	52,477	54,474	58,705
New Zealand	31,463	0.03	9,822	2,700	3,911	6,155	8,875
South Korea	15,072	0.01	3,487	2,246	3,212	3,207	2,919
Thailand	11,426	0.01	1,828	9,583	-	-	16
Australia	9,025	0.01	1,347	1,279	1,429	3,115	1,856
Vietnam	5,866	0.00	3,773	1,540	21	86	445

Source: Global Trade Tracker – December 2024

Pakistan ranks third in the Indo-Pacific region for canola imports, accounting for nearly three per cent of the total global imports, reaching one million tonnes in 2023. Historically, Pakistan has been a volatile market for Canada, leading Canadian producers to focus less effort there. For instance, Pakistan purchased over 700,000 tonnes of Canadian canola in both 2010 and 2011 but did not buy any in 2013. Canadian and Manitoban canola producers prefer to engage in markets where demand is steady and predictable, as consistent demand truly benefits the Canadian industry.

Imports of Canola Meal by Indo-Pacific Countries

Canola and rapeseed meals are widely utilized in animal feeds globally and are the second most traded protein ingredient after soybean meal. Canada is among the major producers of canola meal. The application of canola meal varies by market: in the U.S., it is mainly used in top dairy-producing states, while canola seed exported for processing abroad serves a diverse range of livestock, including pigs and poultry, as well as fish.

China is the largest importer of canola meal in the Indo-Pacific region with 19.2 per cent of the total global imports in value for the 2019 to 2023 period. It is followed by South Korea (3.0 per cent), Thailand (2.6 per cent) and Vietnam (2.2 per cent) as shown in Table 3. Origin of the meal will be presented for the countries of interest later in this document.

South Korea stands as the second-largest importer of canola meal in the region, accounting for 3.0 per cent of the total global imports between 2019 and 2023. Over this period, South Korea's canola meal imports have surged at a compound annual growth rate (CAGR) of 14.7 per cent, increasing from 364,000 tonnes in 2019 to 520,000 tonnes in 2023. This growth represents a 42.8 per cent rise in volume, as shown in Table 4.

⁴ [Crush margins favor canola in Japan | World Grain](#)

Table 3 – Top 10 Countries of the Indo-Pacific Region Importing Canola Meal in Canadian Dollars (2019-2023)

Country	Total 2019-2023 \$	%	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	CAGR %
World	26,635,575,804	100.00	3,904,287,342	4,454,937,967	5,115,773,700	6,000,943,978	7,159,632,817	16.37
China	5,103,183,284	19.16	646,292,693	776,266,921	952,608,605	1,359,187,058	1,368,828,007	20.64
South Korea	800,652,394	3.01	120,412,453	128,841,881	144,335,716	198,789,002	208,273,342	14.68
Thailand	689,638,960	2.59	147,843,802	84,930,756	111,949,773	128,160,694	216,753,935	10.04
Vietnam	591,184,082	2.22	108,719,113	98,147,124	121,033,788	131,130,220	132,153,837	5.00
Indonesia	107,638,219	0.40	8,683,363	1,886,480	14,502,998	37,767,496	44,797,882	50.71
Myanmar	47,674,597	0.18	6,129,783	6,997,309	5,452,719	12,529,688	16,565,098	28.21
New Zealand	37,494,000	0.14	6,545,361	5,778,267	6,559,421	12,550,981	6,059,970	-1.91
Taiwan	27,536,574	0.10	2,514,398	4,537,372	3,332,698	4,675,047	12,477,059	49.25
Japan	23,229,597	0.09	3,012,457	2,129,675	2,239,855	4,641,653	11,205,957	38.88
Philippines	20,685,221	0.08	2,328,140	1,811,521	1,795,781	4,855,823	9,893,956	43.58

Source: Global Trade Tracker – December 2024

Table 4 – Top 10 Countries of the Indo-Pacific Region Importing Canola Meal in Tonnes (2019-2023)

Country	Total 2019-2023 tonnes	%	2019 tonnes	2020 tonnes	2021 tonnes	2022 tonnes	2023 tonnes
World	59,879,208	100.00	10,987,095	12,109,839	11,818,590	11,235,774	13,727,910
China	10,083,475	16.84	1,580,697	1,887,784	2,035,533	2,213,663	2,365,799
South Korea	2,069,378	3.46	363,480	385,167	378,292	423,093	519,346
Thailand	1,668,763	2.79	396,884	225,321	249,986	282,059	514,512
Vietnam	1,419,228	2.37	311,358	273,393	271,460	270,704	292,314
Indonesia	260,087	0.43	26,368	5,271	33,787	82,165	112,495
Myanmar	112,933	0.19	17,107	19,950	11,839	24,528	39,509
New Zealand	71,957	0.12	14,692	11,582	13,798	21,814	10,070
Taiwan	69,499	0.12	7,725	13,427	7,433	9,903	31,012
Philippines	49,844	0.08	6,372	5,069	4,207	10,663	23,534
Japan	43,424	0.07	7,203	4,926	4,402	8,679	18,214

Source: Global Trade Tracker – December 2024

Thailand's imports of canola meal have seen significant growth, with a CAGR of 10 per cent from 2019 to 2023, reaching \$217 million in 2023. During this period, the volume of imports increased by 29.5 per cent. The market is expected to continue expanding for the 2025 to 2030 period. This growth is driven by the rising demand for high-protein animal feed and the cost-efficiency of canola meal compared to other protein sources, such as soybean meal. However, fluctuating canola crop yields, due to climate change and competition from other plant protein sources, present potential challenges.

Vietnam has steadily imported around 300,000 tonnes of canola meal each year from 2019 to 2023. Throughout this period, these imports have shown a compound annual growth rate (CAGR) of five per cent, culminating in an import value of \$132 million in 2023, as shown in Table 3.

Imports of Canola Oil by Indo-Pacific Countries

China is the region's foremost importer of canola oil, capturing 17.5 per cent of the total global imports of canola oil from 2019 to 2023, with imports amounting to \$3.6 billion in 2023 and a CAGR of 19.7 per cent during this period.

South Korea holds the second position in the region, with imports worth \$273 million in 2023 and a CAGR of 13.6 per cent from 2019 to 2023. In terms of volume, South Korea has consistently imported about 155,000 tonnes each year.

Malaysia ranks as the third-largest importer of canola oil in the region, with imports valued at \$116 million in 2023. The country saw a CAGR of 6.2 per cent over the 2019 to 2023 period, importing an average of 77,000 tonnes annually, as detailed in Table 5.

Table 5 – Top 10 Countries of the Indo-Pacific Region Importing Canola Oil in Canadian Dollars (2019-2023)

Country / Region	Total 2019-2023 \$	%	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	CAGR %
World	72,615,088,162	100.00	9,016,936,243	10,377,171,692	15,614,637,897	8,645,314,427	18,961,027,903	20.42
China	12,727,864,598	17.53	1,758,505,116	2,200,603,608	2,999,203,303	2,155,630,048	3,613,922,523	19.73
South Korea	1,203,225,558	1.66	164,077,339	152,754,781	283,748,448	329,834,407	272,810,583	13.55
Malaysia	608,676,527	0.84	91,390,633	96,176,205	130,855,422	174,137,666	116,116,601	6.17
New Zealand	579,411,424	0.80	81,571,928	83,408,201	114,861,773	142,846,971	156,722,551	17.73
Taiwan	308,872,685	0.43	38,518,336	42,909,735	62,399,836	95,777,602	69,267,176	15.80
Hong Kong	299,527,542	0.41	45,615,710	52,093,767	65,662,675	72,358,180	63,797,210	8.75
Philippines	286,027,499	0.39	45,643,826	52,560,249	53,696,027	82,936,567	51,190,830	2.91
India	241,610,710	0.33	41,292,513	87,815,678	95,211,030	6,120,866	11,170,623	-27.88
Japan	228,171,942	0.31	47,179,654	47,464,679	33,343,592	66,754,685	33,429,332	-8.25
Singapore	145,976,431	0.20	22,107,434	21,564,809	27,621,054	43,441,750	31,241,384	9.03

Source: Global Trade Tracker – December 2024

Table 6 – Top 10 Countries of the Indo-Pacific Region Importing Canola Oil in Tonnes (2019-2023)

Country / Region	Total 2019-2023 tonnes	%	2019 tonnes	2020 tonnes	2021 tonnes	2022 tonnes	2023 tonnes
World	44,254,250	100.00	7,769,123	8,456,593	9,472,678	8,147,976	10,407,880
China	9,120,195	20.61	1,615,002	1,932,098	2,153,019	1,061,029	2,359,046
South Korea	751,103	1.70	155,613	135,559	164,751	143,566	151,614
Malaysia	384,013	0.87	81,573	82,022	79,839	74,234	66,347
New Zealand	322,389	0.73	61,157	60,135	68,078	62,088	70,931
Hong Kong	195,673	0.44	44,428	45,203	39,814	31,134	35,094
India	180,096	0.41	40,554	74,373	56,174	2,130	6,864
Taiwan	173,395	0.39	31,521	33,773	37,847	37,625	32,630
Philippines	165,309	0.37	32,400	35,718	32,021	38,777	26,392
Singapore	83,137	0.19	17,662	16,422	15,116	17,782	16,155
Australia	69,571	0.16	16,649	14,619	11,136	12,136	15,031

Source: Global Trade Tracker – December 2024

Japan

Japan primarily imports canola seeds, experiencing a CAGR of 7.9 per cent from 2019 to 2023. In 2023, imports reached \$1.8 billion. Canada has been the main supplier, providing nearly 75 per cent of Japan's canola seed imports in terms of value during this period. However, Australia emerged as a strong competitor, nearly matching Canada's export levels to Japan in 2023, as illustrated in Table 7. Historically, Japan has sourced around 95 per cent of its canola imports from Canada. However, starting in 2021/22, Japan began increasing its purchases of Australian canola seeds due to an unusually poor Canadian canola crop that year. In contrast, Australia boosted its canola production in both 2021/22 and 2022/23. Additionally, Japanese crushers have observed higher oil extraction rates from Australian canola seeds compared to Canadian ones⁵.

Table 7– Japan's Imports of Canola Seeds by Country in Canadian Dollars (2019-2023)

Country	Total 2019-2023 (\$)	%	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	CAGR %
World	9,075,021,997	100.00	1,369,063,995	1,297,052,965	2,004,513,033	2,546,189,003	1,858,203,001	7.94
Canada	6,790,561,007	74.83	1,293,097,740	1,255,569,590	1,783,411,458	1,483,596,964	974,885,255	-6.82
Australia	2,282,198,284	25.15	75,732,858	41,228,679	220,183,192	1,062,103,771	882,949,784	84.78
Mexico	122,989	0.00	-	-	-	-	122,989	
New Zealand	89,216	0.00	9,521	3,488	-	-	76,207	68.20
Italy	152,246	0.00	11,521	74,629	10,194	6,863	49,039	43.64
France	159,654	0.00	70,551	-	18,110	26,515	44,478	-10.89
China	865,497	0.01	109,701	122,651	230,057	365,997	37,091	-23.75
Poland	218,283	0.00	32,103	37,514	61,700	63,514	23,452	-7.55

Source: Global Trade Tracker – December 2024

Table 8 – Japan's Imports of Canola Oil by Country in Canadian dollars (2019-2023)

Country	Total 2019-2023 (\$)	%	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	CAGR %
World	228,171,945	100.00	47,179,655	47,464,679	33,343,592	66,754,687	33,429,332	-8.25
Canada	155,534,361	68.17	34,559,595	39,651,169	19,034,830	44,170,285	18,118,482	-14.91
Germany	18,514,646	8.11	2,500,011	2,755,464	2,798,526	4,248,362	6,212,283	25.55
Australia	36,234,505	15.88	8,640,583	3,285,849	9,386,185	12,330,171	2,591,717	-25.99
Pakistan	5,249,592	2.30	6,579	2,839	-	2,950,921	2,289,253	331.90
United States	6,448,484	2.83	905,743	1,077,093	1,201,204	1,712,053	1,552,391	14.42
Estonia	633,895	0.28	-	-	-	-	633,895	
China	835,374	0.37	23,264	-	-	215,065	597,045	125.08
Malaysia	1,540,947	0.68	106,331	240,859	345,487	502,944	345,326	34.24
Spain	490,406	0.21	162,032	-	-	-	328,374	19.31
South Korea	1,214,732	0.53	153,208	237,145	279,328	237,894	307,157	18.99

Source: Global Trade Tracker – December 2024

Japan's imports of canola oil decreased from 2019 to 2023, with a compound annual growth rate (CAGR) of -8.25 per cent. Canada remained the primary supplier, but the value of these imports nearly halved during this period, as demonstrated in Table 8.

Japan's imports of canola meal increased significantly from 2019 to 2023, with a CAGR of 38.9 per cent. China and India are the only suppliers, accounting for 57.7 per cent and 42.3 per cent of Japan's total canola meal imports, respectively. Notably,

⁵ SaskCanola - Canola Market Outlook - April 2024

China saw a substantial rise in its canola meal exports to Japan, growing from less than \$1 million in 2022 to \$10 million in 2023, as shown in Table 9.

Table 9 – Japan’s Imports of Canola Meal by Country in Canadian dollars (2019-2023)

Country	Total 2019-2023 (\$)	%	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	CAGR %
World	23,229,597	100.00	3,012,457	2,129,675	2,239,855	4,641,653	11,205,957	38.88
China	13,393,963	57.66	1,102,727	753,839	701,075	827,104	10,009,218	73.57
India	9,835,634	42.34	1,909,730	1,375,836	1,538,780	3,814,549	1,196,739	-11.03

Source: Global Trade Tracker – December 2024

South Korea

South Korea primarily imports canola oil and canola meal. Although canola seeds constitute a small fraction of the total canola product imports, their import has increased from 2019 to 2023, with a CAGR of 3.4 per cent. In 2023, canola seed imports reached \$3.2 million as shown in Table 10.

Table 10 – South Korea’s Imports of Canola Seeds by Country in Canadian Dollars (2019-2023)

Country	Total 2019-2023 (\$)	%	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	CAGR %
World	13,943,946	100.00	2,830,343	1,810,089	2,588,867	3,475,464	3,239,183	3.43
Australia	13,139,741	94.23	2,650,448	1,673,175	2,442,415	3,359,501	3,014,202	3.27
Italy	111,546	0.80	9,968	1,859	8,628	15,258	75,833	66.08
China	405,864	2.91	86,878	106,524	72,959	81,247	58,256	-9.51
France	157,080	1.13	41,605	23,303	40,898	22	51,252	5.35

Source: Global Trade Tracker – December 2024

South Korea's imports of canola oil grew at a CAGR of 13.6 per cent from 2019 to 2023. Canada remained the primary supplier, accounting for 74.5 per cent of the total import value during this period. Over the last five years, Australia and the United Arab Emirates have emerged as strong competitors. In 2023, imports from Canada, Australia, and the United Arab Emirates (UAE) amounted to \$92.8 million, \$67.0 million, and \$61.6 million, respectively as shown in Table 11.

Table 11 – South Korea’s Imports of Canola Oil by Country in Canadian Dollars (2019-2023)

Country	Total 2019-2023 (\$)	%	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	CAGR %
World	1,203,225,560	100.00	164,077,339	152,754,782	283,748,447	329,834,410	272,810,582	13.55
Canada	896,187,964	74.48	147,117,645	129,934,657	253,790,427	272,525,479	92,819,756	-10.88
Australia	156,023,677	12.97	14,917,172	15,715,076	19,457,519	38,897,574	67,036,336	45.60
U.A.E.	75,851,398	6.30	48,758	50,474	1,281,229	12,916,698	61,554,239	496.08

Source: Global Trade Tracker – December 2024

South Korea's imports of canola meal have steadily increased each year since 2019, rising from \$120 million in 2019 to \$208 million in 2023. India is the primary supplier, accounting for 99.2 per cent of the total import value.

Table 12 – South Korea’s Imports of Canola Meal by Country in Canadian Dollars (2019-2023)

Country	Total 2019-2023 (\$)	%	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	CAGR %
World	800,652,395	100.00	120,412,454	128,841,882	144,335,716	198,789,001	208,273,342	14.68
India	794,457,714	99.23	120,412,171	127,000,156	141,030,343	197,744,701	208,270,343	14.68
Japan	6,190,911	0.77	-	1,841,624	3,302,087	1,044,253	2,947	-88.30

Source: Global Trade Tracker – December 2024

Thailand

Among all canola products, Thailand predominantly imports canola meal, as highlighted in Tables 13, 14, and 15. From 2019 to 2023, Thailand's imports of canola meal grew at a CAGR of 10 per cent. In 2023, Thailand imported canola meal worth \$216.7 million. Canada represented 2.1 per cent of the total import value for the 2019 to 2023 period, as indicated in Table 15. However, Canada's exports to Thailand declined sharply over this period, with a CAGR of -93.1 per cent.

Table 13 – Thailand's Imports of Canola Seeds by Country in Canadian Dollars (2019-2023)

Country	Total 2019-2023 (\$)	%	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	CAGR %
World	7,969,991	100.00	1,145,393	6,811,082	-	22	13,494	-97.32
Australia	7,955,894	99.82	1,145,393	6,810,501	-	-	-	494.60
Ukraine	11,829	0.15	-	-	-	-	11,829	
China	1,665	0.02	-	-	-	-	1,665	
Belgium	564	0.01	-	564	-	-	-	
France	39	0.00	-	17	-	22	-	13.76

Source: Global Trade Tracker – December 2024

Table 14 – Thailand's Imports of Canola Oil by Country in Canadian Dollars (2019-2023)

Country	Total 2019-2023 (\$)	%	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	CAGR %
World	31,040,475	100.00	4,333,325	4,748,835	5,552,170	9,577,980	6,828,165	12.04
Malaysia	15,434,028	49.72	1,521,314	2,446,356	2,123,823	4,064,720	5,277,815	36.48
Australia	10,657,245	34.33	1,855,849	1,493,859	2,460,887	4,545,263	301,387	-36.52
Japan	1,776,436	5.72	307,672	229,958	317,781	438,576	482,449	11.90
United Kingdom	783,210	2.52	151,195	189,496	136,467	134,383	171,669	3.23
India	626,688	2.02	70,439	121,076	94,856	125,598	214,719	32.13
Germany	562,272	1.81	86,953	127,499	115,809	142,512	89,499	0.72
United States	327,112	1.05	59,239	71,510	195,109	120	1,134	-62.80
Czech Republic	268,236	0.86	75,472	-	-	67,963	124,801	13.40
Spain	259,084	0.83	142,560	34,980	81,411	-	133	-82.52
Canada	201,816	0.65	-	47	-	39,508	162,261	1,411.37

Source: Global Trade Tracker – December 2024

India and the UAE are the primary suppliers of canola meal to Thailand, contributing 73.6 per cent and 23.6 per cent of the total import value, respectively, over the 2019 to 2023 period. Thailand's imports of canola meal reached a record of \$216.7 million in value in 2023.

Table 15 – Thailand's Imports of Canola Meal by Country in Canadian Dollars (2019-2023)

Country	Total 2019-2023 (\$)	%	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	CAGR %
World	689,638,962	100.00	147,843,803	84,930,756	111,949,774	128,160,694	216,753,935	10.04
India	507,859,447	73.64	69,567,065	42,357,303	63,167,815	120,177,078	212,590,186	32.22
United Arab Emirates	163,040,073	23.64	72,411,398	42,371,214	38,296,232	7,520,799	2,440,430	-57.15
Canada	14,536,807	2.11	5,599,920	-	8,936,763	-	124	-93.14
Australia	1,678,497	0.24	-	-	1,049,643	12	628,842	-22.60
Bangladesh	1,094,330	0.16	-	-	-	-	1,094,330	
Pakistan	962,081	0.14	-	-	499,295	462,786	-	-7.31
United States	467,576	0.07	265,357	202,219	-	-	-	-23.79
Romania	63	0.00	63	-	-	-	-	
France	62	0.00	-	20	-	19	23	4.77
United Kingdom	26	0.00	-	-	26	-	-	

Source: Global Trade Tracker – December 2024

Malaysia

Malaysia imports both canola seeds and canola oil, with both import values increasing from 2019 to 2023 at a CAGR of 22.8 per cent and 6.2 per cent, respectively.

Australia and Canada have been the main suppliers of canola seeds, contributing 88 per cent and 12 per cent of the total value of Malaysian canola seed imports, respectively. Imports from Australia grew at a CAGR of 32.4 per cent, while imports from Canada decreased at a CAGR of -31.9 per cent over the same period, as shown in Table 16. Canada did not supply any canola seeds in 2022 and 2023. Canada's canola supply in the 2021/22 season was significantly impacted by drought. This situation, along with Australia's favorable geographical location, has been advantageous for Australia.

Table 16 – Malaysia's Imports of Canola Seeds by Country in Canadian Dollars (2019-2023)

Country	Total 2019-2023 (\$)	%	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	CAGR %
World	190,555,388	100.00	20,537,708	29,222,869	40,354,575	53,716,460	46,723,776	22.81
Australia	167,649,808	87.98	15,198,552	14,167,736	37,851,199	53,708,545	46,723,776	32.41
Canada	22,620,775	11.87	5,339,156	14,804,173	2,477,446	-	-	-31.88

Source: Global Trade Tracker – December 2024

Canada ranks among the top three suppliers of canola oil to Malaysia, accounting for 11.6 per cent of the total import value from 2019 to 2023. However, since 2021, Canada's exports to Malaysia have sharply decreased, ultimately reaching zero by 2023. The UAE and Australia remain the primary suppliers, contributing 54.4 per cent and 17.1 per cent of the total canola oil imports, respectively.

Table 17 – Malaysia’s Imports of Canola Oil by Country in Canadian Dollars (2019-2023)

Country	Total 2019-2023 (\$)	%	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	CAGR %
World	608,676,525	100.00	91,390,634	96,176,205	130,855,419	174,137,666	116,116,601	6.17
United Arab Emirates	331,241,612	54.42	44,095,732	33,214,938	79,230,918	118,568,411	56,131,613	6.22
Australia	104,160,810	17.11	7,570,762	9,869,503	34,194,679	35,673,267	16,852,599	22.15
Canada	70,431,372	11.57	30,035,528	39,664,790	145,561	585,493	-	-73.09
Netherlands	32,477,716	5.34	332,029	7,526,189	-	-	24,619,498	193.44
Japan	11,909,415	1.96	22,131	25,934	2,867,092	8,967,092	27,166	5.26
China	10,704,041	1.76	1,888,515	2,442,667	5,667,932	629,700	75,227	-55.33
Germany	9,077,012	1.49	155,581	253,628	257,543	501,750	7,908,510	167.01
Sweden	7,437,530	1.22	378,224	265,038	1,428,416	3,195,980	2,169,872	54.76
Ukraine	6,442,893	1.06	3,122,510	2,259,890	588,725	-	471,768	-37.65
Singapore	5,326,102	0.88	132,805	-	24,080	5,156,028	13,189	-43.86

Source: Global Trade Tracker – December 2024

Malaysia imported canola meal worth \$3.3 million in 2023. India is the leading supplier, while Canada ranks second, though it has a minimal market share of just 0.14 per cent over the 2019 to 2023 period.

Table 18 - Malaysia’s Imports of Canola Meal by Country in Canadian Dollars (2019-2023)

Country	Total 2019-2023 (\$)	%	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	CAGR %
World	15,083,949	100.00	4,325,770	2,117,041	3,288,956	2,100,264	3,251,918	-6.89
India	15,061,391	99.85	4,325,770	2,117,041	3,288,467	2,100,264	3,229,849	-7.04
Canada	21,696	0.14	-	-	-	-	21,696	

Source: Global Trade Tracker – December 2024

Taiwan

Taiwan’s imports of canola products are concentrated in canola oil and canola meal. Both have seen increase in value, with a CAGR of 15.8 per cent and 49.3 per cent, respectively for the period 2019 to 2023, as shown in Tables 20 and 21.

Table 19 – Taiwan’s Imports of Canola Seeds by Country in Canadian Dollars (2019-2023)

Country	Total 2019-2023 (\$)	%	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	CAGR %
World	1,210,433	100.00	100,763	32,873	61,966	940,404	74,427	-7.29
Australia	903,960	74.68	14,755	-	16,321	872,884	-	289.65
Poland	147,916	12.22	48,671	32,873	-	22,087	44,285	-2.33
Ukraine	121,220	10.01	-	-	45,645	45,433	30,142	-18.74

Source: Global Trade Tracker – December 2024

In 2022, Taiwan's imports of canola oil reached a record high of \$95.8 million, driven by peak canola prices. Despite a price reduction, canola oil imports remained robust in 2023, totaling \$69.2 million, as shown in Table 17. Australia and Canada were the primary suppliers, accounting for 70.6 and 23.8 per cent of Taiwan's total canola oil import value, respectively, from 2019 to 2023.

Table 20 – Taiwan's Imports of Canola Oil by Country in Canadian Dollars (2019-2023)

Country	Total 2019-2023 (\$)	%	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	CAGR %
World	308,872,686	100.00	38,518,335	42,909,735	62,399,836	95,777,604	69,267,176	15.80
Australia	218,112,043	70.62	25,318,125	30,558,648	40,763,167	67,298,794	54,173,309	20.95
Canada	73,396,090	23.76	11,716,495	10,232,204	19,551,286	19,722,046	12,174,059	0.96
Japan	8,611,185	2.79	516,181	799,993	974,895	4,591,747	1,728,369	35.27
United Arab Emirates	3,222,782	1.04	-	-	-	2,912,444	310,338	-89.34
Italy	1,912,964	0.62	422,570	453,883	429,799	327,284	279,428	-9.82
Spain	1,433,596	0.46	213,424	376,509	135,182	381,387	327,094	11.26
Malaysia	876,608	0.28	163,795	359,644	238,334	40,399	74,436	-17.89
United States	398,945	0.13	13,490	8,539	143,197	233,719	-	158.76

Source: Global Trade Tracker – December 2024

Taiwan's imports of canola meal have seen a record high in 2023, reaching \$12.5 million in value. India is the main supplier with 91.6 per cent of the total imports in value for the period 2019 to 2023 as shown in Table 21.

Table 21 – Taiwan's Imports of Canola Meal by Country in Canadian Dollars (2019-2023)

Country	Total 2019-2023 (\$)	%	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	CAGR %
World	27,536,573	100.00	2,514,398	4,537,371	3,332,698	4,675,047	12,477,059	49.25
India	25,235,224	91.64	2,429,748	4,371,309	2,800,478	3,770,242	11,863,447	48.65
United Arab Emirates	2,053,447	7.46	84,650	166,062	532,220	826,066	444,449	51.37
Australia	247,902	0.90	-	-	-	78,739	169,163	114.84

Source: Global Trade Tracker – December 2024

Canada-Indo-Pacific Trade Relations

Japan, South Korea, Thailand, Malaysia, and Vietnam

The Indo-Pacific region accounts for more than one third of global economic activity, with its economic dynamism and population growth driving demand for agriculture and food – sectors where Canada and Manitoba excel. The Indo-Pacific is Canada's second-largest regional export market and trading partner after the U.S., with an annual two-way merchandise trade value of \$270 billion, representing 11 per cent of Canada's total exports in 2022. This region includes six of Canada's top 12 trading partners: China, Japan, South Korea, Vietnam, India, and Taiwan. Notably, Japan, the world's fourth-largest economy, was the third-largest destination for Manitoba's agri-food exports in 2023.

Under the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), Japan eliminated 32 per cent of tariff lines, Vietnam 31 per cent (67 per cent within 15 years), and Malaysia 92 per cent. Beyond tariffs, the TPP established a new Asia-Pacific trade framework to enhance cooperation and transparency on non-tariff barriers related to sanitary and phytosanitary measures, biotechnology, and plant health.

The Association of Southeast Asian Nations (ASEAN) is a regional bloc in Southeast Asia, consisting of Brunei Darussalam, Cambodia, Indonesia, Lao People's Democratic Republic, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam. ASEAN has a significant economic presence in Asia, with a combined GDP of US\$2.8 trillion and is projected to become the world's fourth-largest economy by 2050 with a population of 643 million. In 2017, Canada and ASEAN initiated exploratory discussions for a potential Canada-ASEAN free trade agreement (FTA). Among ASEAN members, Brunei, Malaysia, Singapore, and Vietnam are also signatories of the CPTPP.

In 2012, Canada and Japan began negotiations for an Economic Partnership Agreement (EPA) to reduce non-tariff and tariff barriers that limit trade. Japan, a key market for Canadian agricultural products, heavily relies on food imports, with low food self-sufficiency and a significant agri-food trade deficit. Despite its large population and GDP, Japan's agriculture is constrained by limited arable land, and food self-sufficiency has declined since the 1970s. Canada's exports of merchandise to Japan totalled \$15.8 billion in 2023, while imports from Japan were \$20.7 billion. Agricultural products like canola seed, wheat, pork, beef and soybeans were among Canada's largest exports to Japan.

The Canada-Korea Free Trade Agreement (CKFTA), Canada's first in the Asia-Pacific region, strengthens Canada's presence in the South Korean market and provides strategic access to regional and global value chains, enhancing competitiveness against key global competitors. The CKFTA is expected to boost Canada's GDP by \$1.7 billion and increase exports to South Korea by over 30 per cent.

In 2022, South Korea, a net importer of agri-food and seafood products, had a trade deficit of \$50 billion in this sector. Canada was the ninth-largest supplier, with exports valued at US\$1.2 billion, while the U.S. was the primary supplier, with exports valued at \$15 billion.

Thailand is Canada's second-largest trading partner within the Association of Southeast Asian Nations (ASEAN). In 2023, bilateral merchandise trade between Canada and Thailand reached \$6.0 billion, with Canadian exports to Thailand valued at \$1.1 billion and imports at over \$4.9 billion. Additionally, bilateral trade in services totaled \$397 million in 2022. Canadian direct investment in Thailand amounted to \$182 million in 2023, while Thai direct investment in Canada reached \$540 million.

Malaysia is one of Canada's largest bilateral merchandise trading partners in Southeast Asia. Since 2020, bilateral trade with Malaysia has increased by 24 per cent, from \$3.7 billion in 2020 to \$4.7 billion in 2023. As of Nov. 29, 2022, bilateral commercial exchanges between Malaysia and Canada have been bolstered by the CPTPP.

Vietnam is Canada's largest trading partner within ASEAN. In 2023, two-way merchandise trade between the two countries totaled \$14.1 billion, with imports from Vietnam accounting for \$13.3 billion and Canadian exports at \$775.1 million. Key sectors for Canadian commercial interests in Vietnam include agriculture and agri-food, education, information and communication technologies, clean technology, infrastructure, aerospace, forestry and wood products, and life sciences.

Current Production, Processing and Exports in Canada and Manitoba

Between 2019 and 2023, Canadian farmers delivered an average of 18.2 million tonnes of canola seeds annually, with Manitoba contributing an average of 2.9 million tonnes each year during this period. Table 22 displays annual information. Historically, half of the canola seeds in Canada have been processed domestically, while the other half has been exported unprocessed. In 2023, Canada processed 61 per cent of canola seeds and the rest (7.1 million tonnes) was exported, generating \$6 billion in revenue (Table 24). It is estimated that Manitoba processed around 45 per cent of their supply⁶, and exported near 1.2 million tonnes in 2023, equivalent to \$1 billion (Table 25).

Table 22 – Delivery of Canola Seeds by Producers in Tonnes (2019-2023)

Geography	2019	2020	2021	2022	2023
Canada	19,143,337	21,960,453	18,053,250	14,736,551	17,284,543
Manitoba	2,907,919	3,466,239	3,022,555	2,548,423	2,911,968

Source: Statistics Canada Table 32-10-0351-01

Table 23 – Production of Canola Oil and Meal in Canada in Tonnes (2019-2023)

	2019	2020	2021	2022	2023
Seed crushed	9,608,640	10,290,286	9,857,362	8,769,088	10,522,947
Oil produced	4,186,625	4,495,495	4,218,110	3,651,955	4,422,368
Meal produced	5,380,585	5,786,430	5,700,369	5,222,418	6,200,229

Source: Statistics Canada Table 32-10-0127-01

In addition, while canola seed exports have grown at a CAGR of nine per cent from 2019 to 2023, canola oil exports have seen the largest growth among other canola products. Canada set a record in 2023 by exporting canola oil worth \$7.1 million, achieving a CAGR of 19.7 per cent over the same period, as shown in Table 26. Manitoba's contributed significantly, with 18.6 per cent of the total value of Canadian oil exports and a CAGR of 23.1 per cent (Table 27). Additionally, Canada's canola meal exports reached a record of \$2.9 billion in 2023, with Manitoba's exports hitting \$388 million and with a CAGR of 14 per cent between 2019 and 2023 (Table 28 and 29). The current volume of unprocessed canola seeds, coupled with the growth in exports for both meal and oil in value, highlights the potential for further investment in expanding crush capacity⁷. In addition, development work for a new renewable fuel production facility in Portage la Prairie may result in market opportunities for canola oil. However, a key challenge remains in securing new markets for the canola meal to ensure the viability of a new crushing facility. Logistically, transportation costs and shelf-life expectancy may limit the market destinations.

Below is key information to consider when identifying new markets for canola seeds and canola products in the Indo-Pacific region:

- 1- **Canola Seeds:** China is by far the top destination for both Canada and Manitoba canola seeds, followed by Japan which accounted for 14.5 per cent of both Canada and Manitoba exports in the last five years. However, exports have been declining by a CAGR of 5.1 per cent from 2019 to 2023. Additionally, in 2023, Malaysia imported 58,000 tonnes of canola seeds globally. Canada was a supplier until 2021, when it lost its market share to Australia. Since 2022, Australia has become the sole supplier of canola seeds to Malaysia. There may be opportunities for Canada and Manitoba to recoup the lost market share in Japan and Malaysia.

⁶ Manitoba Agriculture - Supply and Use Report 2020

⁷ Manitoba's current crush capacity is estimated at 2.1 million tonnes per year among the three crushing facilities located in Harrowby, Altona, and Ste. Agathe, Manitoba.

- 2- **Canola Oil:** Both South Korea and Malaysia may present potential markets for canola oil. South Korea ranks as the second-largest importer of canola oil in the region, following China. In 2023, Canada accounted for 24.4 per cent of South Korea's canola oil imports. During the 2019 to 2023 period, Manitoba exported canola oil to South Korea in 2020 (Table 27). Additionally, Malaysia ranks as the third-largest importer of canola oil in the region, as indicated in Table 5.

Table 24 – Canada Exports of Canola Seeds to Selected Countries of the Indo-Pacific Region in Canadian Dollars (2019-2023)

Country	Total 2019-2023 (\$)	%	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	CAGR %
World	28,671,817,176	100.00	4,268,601,327	6,278,817,166	6,383,658,530	5,717,167,768	6,023,572,385	8.99
Japan	6,173,914,180	21.53	1,075,976,770	1,216,322,426	1,647,592,914	1,365,455,514	868,566,556	-5.21
Malaysia	18,380,901	0.06	3,249,277	14,110,312	1,021,312	-	-	-43.94
South Korea	1,688,262	0.03	-	284,584	-	-	1,403,678	70.22
Vietnam	25,383	0.00	-	5,547	-	-	19,836	52.92

Source: Global Trade Tracker – December 2024

Table 25 – Manitoba Exports of Canola Seeds to Selected Countries of the Indo-Pacific Region in Canadian Dollars (2019-2023)

Country	Total 2019-2023 (\$)	%	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	CAGR %
World	4,659,457,105	100.00	635,167,872	929,264,920	1,056,495,492	1,019,942,726	1,018,586,095	12.53
Japan	1,003,269,557	21.53	160,105,344	180,015,718	272,676,627	243,597,264	146,874,604	-2.13
Malaysia	2,740,843	0.06	483,493	2,088,323	169,027	-	-	-40.87
South Korea	279,480	0.01	-	42,118	-	-	237,362	77.96
Vietnam	4,176	0.00	-	821	-	-	3,355	59.88

Source: Global Trade Tracker – December 2024

Table 26 – Canada Exports of Canola Oil to Selected Countries of the Indo-Pacific Region in Canadian Dollars (2019-2023)

Country	Total 2019-2023 (\$)	%	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	CAGR %
World	25,976,113,181	100.00	3,454,709,447	3,785,671,527	5,315,661,583	6,323,971,066	7,096,099,558	19.72
South Korea	741,431,586	2.85	150,033,457	125,372,369	208,454,182	190,904,695	66,666,883	-18.35
Japan	160,886,717	0.62	33,470,694	41,264,074	21,347,192	47,464,336	17,340,421	-15.16
Malaysia	67,162,787	0.26	40,747,515	25,988,115	130,506	296,651	-	-80.62
Vietnam	4,233,323	0.02	771,962	980,930	765,195	1,090,252	624,984	-5.14
Thailand	300,889	0.00	-	-	17,003	34,497	249,389	282.98

Source: Global Trade Tracker – December 2024

Table 27 – Manitoba Exports of Canola Oil to Selected Countries of the Indo-Pacific Region in Canadian Dollars (2019-2023)

Country	Total 2019-2023 (\$)	%	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	CAGR %
World	4,827,691,290	100.00	622,116,774	667,759,529	961,414,029	1,150,325,174	1,426,075,784	23.05
South Korea	2,763,207	0.06	-	2,763,207	-	-	-	
Japan	2,095,469	0.04	-	2,095,469	-	-	-	
Vietnam	21,751	0.00	-	21,751	-	-	-	

Source: Global Trade Tracker – December 2024

- 3- **Canola Meal:** South Korea, Thailand, and Vietnam may present a market opportunity for canola meal, collectively importing \$556 million, totaling 1.3 million tonnes. Reduction in tariffs through the implementation of ASEAN and the CKFTA could pave the way for increased exports to these three countries. Tapping into these markets could facilitate potential industry expansion. Shipping canola meal overseas may present challenges due to its perishability, which could result in limited shelf life during transit.

Table 28 – Canada Exports of Canola Meal to Selected Countries of the Indo-Pacific Region in Canadian Dollars (2019-2023)

Country	Total 2019-2023 (\$)	%	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	CAGR %
World	11,104,659,461	100.00	1,669,814,048	1,868,207,195	2,128,294,004	2,504,955,547	2,933,388,667	15.13
Thailand	14,021,733	0.13	8,153,140	-	5,868,593	-	-	-15.16
Vietnam	4,924,026	0.04	4,559,457	-	364,569	-	-	-71.72
Malaysia	21,038	0.00	-	-	-	-	21,038	

Source: Global Trade Tracker – December 2024

Table 29 – Manitoba Exports of Canola Meal to Selected Countries of the Indo-Pacific Region in Canadian Dollars (2019-2023)

Country	Total 2019-2023 (\$)	%	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$	CAGR %
World	1,541,526,646	100.00	229,906,431	280,840,255	310,311,509	332,629,231	387,839,220	13.97

Source: Global Trade Tracker – December 2024

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