

Canadian Exports to Nepal: Rabbit Farming

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Introduction

When the topic of fur farming is mentioned, most people have difficulties thinking of something positive associated with them. An image appears of small animals, usually fox or mink, trapped in tiny metal cages, raised only to be killed so that the fur on their back can become luxury items for humans. In Nepal, fur farms have taken a slightly better turn by using rabbits. These rabbits are raised on farms not only for their furs, but mainly for meat. Right now, there are a few rabbit farms located around Kathmandu and they are struggling to keep up with the demand for rabbit meat (Ming, 2014). “Nepal faces a huge demand for meat, but there is insufficient production,” explains Ujjwal Chapagain, owner of Himalayan Rabbit Farm. Rabbit meat has become more popular due to its health benefits, such as being low in cholesterol, protein enriched and overall more lean compared to other meats. Rabbit meat is a much better option for people with heart-related diseases who still want to enjoy consuming meat (Ming, 2014). Chapagain’s rabbit farm is mainly for the production of meat, but has recently tried to work alongside leather companies, in order to sell the rabbit furs as well (Ming, 2014). The proposal being made to Nepal would be to construct rabbit farms throughout the country, producing both meat and fur as a product to sell. The main idea surrounding this would be that anyone, a small family or larger farm, could construct a rabbit farm with the intention of selling meat and furs, ultimately creating a source of income. After a lot of thought and consideration regarding what Canadian product could benefit Nepalese people the most surrounding the construction of rabbit farms, it was concluded that informative books would be a great tool in order to get people started.

Part I: Product Information

Introduction of Product

Specific informative books surrounding rabbit farming have been selected for export from Canada to Nepal. In particular, three different books entitled, *How to Start a Commercial Rabbitry* by P. Mannell, *Storey’s Guide to Raising Rabbits* by Bob Bennett, and *Rabbit Production* by McNitt et al. have been chosen with the intent to properly inform the people of

Nepal how they can start farming rabbits for meat and fur. Three books, all coming from the same company, have been chosen as the export product to send to Nepal, as these books demonstrate variety in terms of content. These books will then become available to the people of Nepal in order to inform people about the rabbit industry and how they can become involved. This paper will discuss one Canadian company specifically and analyzations regarding cost of product, shipment logistics from Canada to Nepal, as well as how this product will ultimately benefit agriculture in Nepal will be made.

Description of Canadian Company and Product

The company that will be investigated is Grandview Rabbitry, located in West Montrose, Ontario, about 20 minutes North West of Guelph (Grandview Rabbitry, 2016). Grandview Rabbitry is a smaller company that specializes in the sale of books, cages, feeders, grooming supplies, tattoo equipment, trays, watering equipment and wire (Grandview Rabbitry, 2016). After browsing several different websites regarding proper equipment for housing and farming rabbits, the category of books was noticed and the idea of exporting books to farmers in Nepal was decided. Through this Canadian company, five different books are sold through their website. Three were chosen based on price and content. The first book chosen, would be very helpful to farmers or families looking to start a commercial rabbit farm. The book *How to Start a Commercial Rabbitry* by P. Mannell discusses details of raising rabbits in a commercial scale within the industry (Grandview Rabbitry, 2016). People interested in starting a commercial rabbit farm would find this book very helpful and only costs \$9.95 (CAD). The second book chosen for export is titled, *Storey's Guide to Raising Rabbits* by Bob Bennett and informs readers about raising rabbits from having a pet to running a commercial operation (Grandview Rabbitry, 2016). This book costs \$22.95 (CAD). The last book is called *Rabbit Production* by McNitt et al. This book goes into great depth explaining the rabbit industry and is considered “a must have for serious rabbit growers” (Grandview Rabbitry, 2016). This book is more expensive costing \$89.95 (CAD), as it covers much more information. Refer to **Figure 1** for images of books.

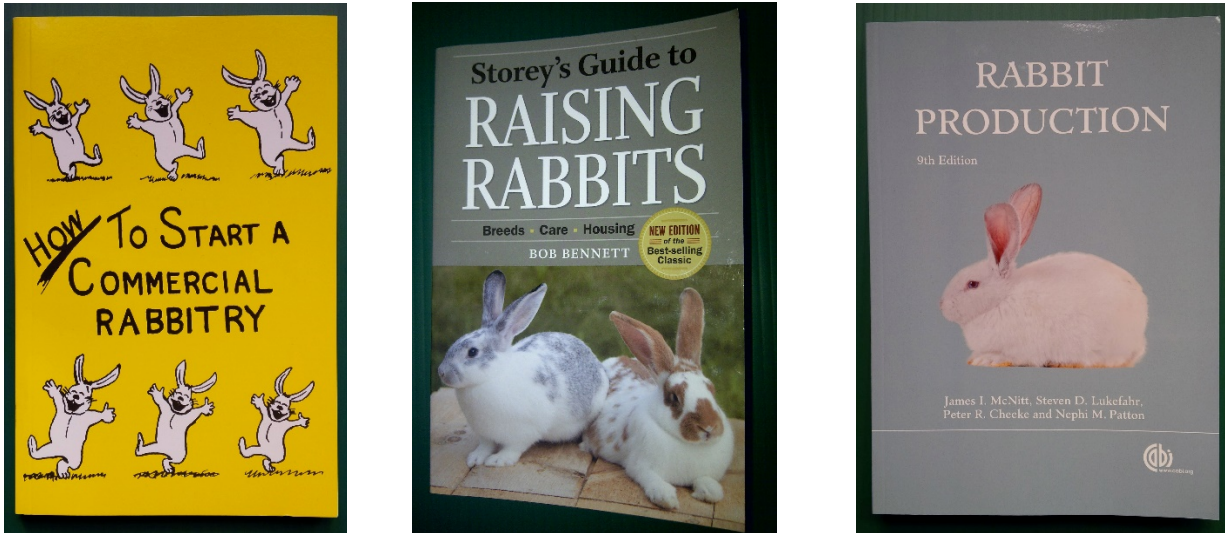


Figure 1: Images of book covers that would be exported to Nepal. From left to right, author P. Mannell costing \$9.95 (CAD), author Bob Bennett priced at \$22.95 (CAD), and authors McNitt et al costing \$89.95 (CAD).

Brief Description of Rabbit Industry in Canada

In Canada, most of the production of rabbit meat is in Ontario and Quebec (Agriculture and Agri-Food Canada, 2013). This is a smaller industry, as rabbit meat is not as popular compared to other meats. The consumption per capita in Canada was 24.9g (Agriculture and Agri-Food Canada, 2013). In 2013, there were 582,244 rabbits slaughtered in Canada (Agriculture and Agri-Food Canada, 2013). Canada exported 16,880kg of rabbit meat and imported 147,121kg (Agriculture and Agri-Food Canada, 2013). Although this is a smaller sector within agriculture, these statistics show that there is still a market for rabbit meat. Referring to **Figure 2**, you can see that there is a steady number of rabbit farms in Canada.

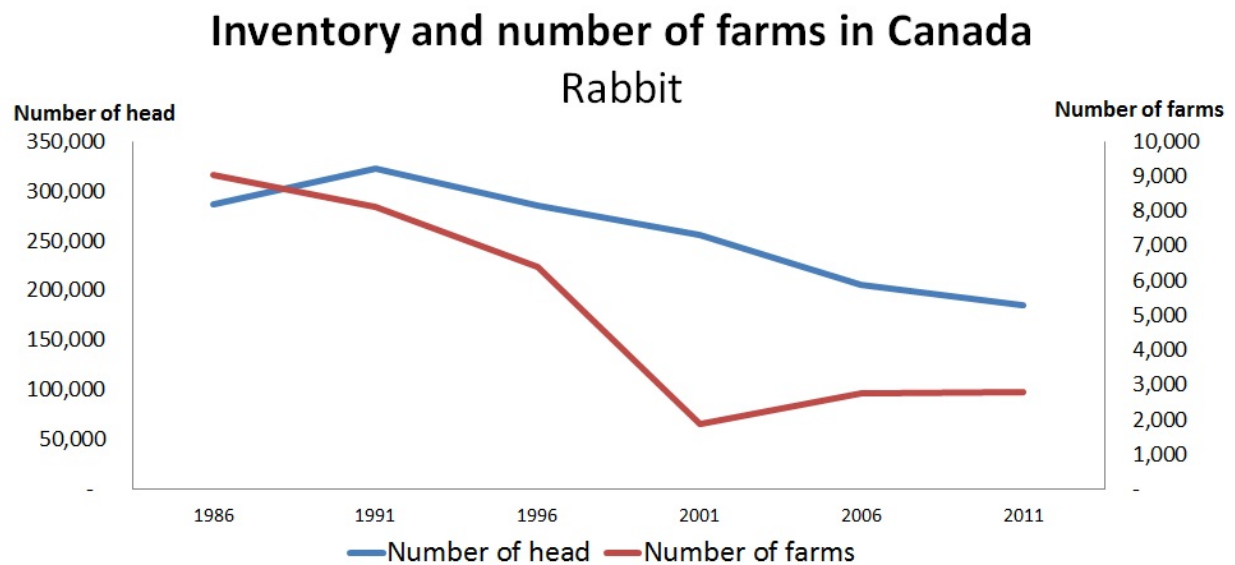


Figure 2: Source: Statistics Canada, Census of Agriculture

Benefits to Canada

If Canada were to export these three books to Nepal, there would be a few benefits. Firstly, by exporting this product, Grandview Rabbitry would gain business, as this would be helping a smaller company in the agricultural community. Creating business for Canadian companies ultimately helps stimulate the economy. By pursuing this project of exporting these goods to Nepal, it would not only aid the agriculture industry in Canada, it could have the potential to increase the rabbit industry in Nepal dramatically. This project could also help by developing a trade partner with Nepal for future products, such as rabbit cages or pellets.

Part II: Export Potential to Nepal

Brief Description of Nepal

Nepal is a small country of 28 million people, located in Asia landlocked between India and China, with Kathmandu as the capital city (World Bank, 2013). Nepal is also one of the poorest countries in the world (World Bank, 2013). Agriculture in Nepal accounts for about 33% of GDP and provides employment to about 66% of the population (Ministry of Agriculture Development, 2016). There are three main regions in Nepal: the Terai region, the Hill region, and the Himalayan region (Nepal Tourism Board, 2016). The Terai region is the most fertile and best for crops, making this the most significant agricultural region (Nepal Tourism Board, 2016).

The Hill region consist of mountains, hill, flatlands, and deep valleys (Nepal Tourism Board, 2016). Finally, there is the Himalayan region. This region is the northern part of the country and is mainly used for pastures (Nepal Tourism Board, 2016). Mt. Everest is also located in this area (Nepal Tourism Board, 2016). Overall, Nepal is a very poor country and agricultural practices are the main source of income for a large portion of the population.

Brief Description of Rabbit and Fur Industry in Nepal

The demand for rabbit meat in Nepal is rising, but there is a shortage of supply (Ming, 2014). People of Nepal are choosing to consume this meat for its associated health benefits (Ming, 2014). With this demand for rabbit meat, commercial rabbit farms should be built in order to supply grocery stores, markets, and restaurants. Rabbit furs could also be sold as a by-product, in order to truly get the most out of the rabbit. The farms could partner up with leather or fur companies in order to sell the furs, or simply allow village people to create articles of clothing from them, selling them back to the community.

Needs and Benefits to Importing Nation

Due to the lack of rabbit farms in Nepal, very few people actually understand the industry and what is required to raise rabbits. This is where the idea of exporting books would come in. By giving people of Nepal the opportunity to read and learn about how to raise rabbits, this would allow anyone to start a farm with materials they have access to. People could start any size of operation they wanted, in almost any region of Nepal. Rabbit farming is a very low cost operation, as it requires minimal inputs and labour, therefore anyone could start an operation (Ming, 2014). Instead of having people of Nepal try and purchase expensive equipment, the Government of Nepal could purchase these books and provide farmers with information surrounding the industry, before jumping straight into it. Nepalese people would benefit from this as they would then have some knowledge of industry, allowing for the demand for rabbit meat to be met.

Import/Export Documentation Required

The following list is the documentation required to export these books out of Canada. This list was retrieved directly from the Government of Canada website.

- Obtain your import/export business number from the Canada Revenue Agency.
- Identify what type of goods you want to export
- Verify whether the goods are controlled, regulated or prohibited to be exported by the Canada Border Services Agency (CBSA) or any other government department or agency. Obtain an export permit if required.
- Determine whether the goods need to be declared on an export declaration.
- If an export declaration is required, determine the appropriate export code for the goods from Statistics Canada's Canadian Export Classification.
- Select the method of shipping (by air, highway, marine, post or rail) and identify the export reporting time frame for that method if required.
- Complete an export declaration

The following documentation will be required in order to import these books into Nepal. This list was retrieved directly from the Nepal Freight Forwarder's Association website.

- Nepal custom import declaration form.
- Letter of authority for clearing Agents to act on behalf of the importer.
- Air way bill.
- Performa Invoice.
- Packing list.
- Certificate of origin
- Certificate of Insurance Policy.
- Foreign Exchange Declaration Form of Nepal Rastra Bank.
- Certified copy of L/C.
- Company Registration Certificate.
- VAT/PAN registration certificate.
- Permission from Plant Quarantine Section of Department of Agriculture for import of plants and plants products including fruits leaves & seeds.
- Import license if applicable.

*All the above documents except 3 and additional following documents are required to import for third country by sea.

- Bill of lading.

- Custom transit declaration.
- Transit declaration invoice for good it transit in India/Bangladesh for import from third country.

Competition

The product intended for export to Nepal are three different books, all of which provide information regarding how to properly raise rabbits. In terms of competition associated with this product, there is a large amount. There are numerous books available in Canada, as well as around the world, that would give information regarding the rabbit industry and how one can become involved. The idea of using these three books specifically was chosen in order to support a Canadian company.

Future Studies

In terms of this particular export product, there are a few future studies that can arise from this. Once these books are sent to Nepal, people there will be able to gain information surrounding the rabbit industry, not only for meat but also for furs. This could potentially bring up potential study of sending Canadian made rabbit farming equipment to Nepal. Also, fur farming equipment could be studied further in order to supply Nepal with the proper equipment to process the rabbit furs. Finally, the idea of having this product sold to the Government of Nepal in conjunction with the Canadian Foreign Aid Program is also a possible area of future studies, due to the large difference in currency.

Conclusions

This paper has provided an in-depth analysis of the potential export of three Canadian books on rabbit farming to Nepal. These three books would be shipped from Grandview Rabbitry to Nepal in hopes of providing the people of Nepal with information surrounding rabbit farming. Because the rabbit industry is so small, not very many people have the knowledge on how to properly raise rabbits. The rabbit industry in Nepal is currently struggling to keep up with the demands of rabbit meat and could also benefit from the sale of the furs. Rabbit meat has become extremely popular due to its health benefits and this would allow people to create a source of income for themselves, in a very poor country. People could create a rabbit farm using materials and equipment accessible to them, in locations where other forms of agriculture is not feasible. As Nepal is such a poor country, I believe that it would be more cost effective and

more beneficial to the people there to simply send books. Knowledge is power. If the government in Nepal were to help out with this in any way it would be even better. This exchange between Canada and Nepal would be the potential start of an on-going trade exchange that would ultimately benefit both countries, in terms of agriculture.

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