

CAFTA Trade Insights

CAFTA: The voice of Canada's Agriculture and Agri-Food Exporters

In Brief

#Plant16 has begun

For farmers across Canada, it's that time of year again – the planting season has begun. While our farmer members are focused on the fields during this important time, they also remain steadfast in their support for international trade. CAFTA continues to advocate for free and fair trade for farmers and ensure that their future is secured through competitive access to global markets, as nine out of 10 farmers rely on international trade across Canada.

On the lobby trail

Meetings on the Hill

CAFTA representatives and members were on the Hill this month again to meet with several Members of Parliament including the Parliamentary Secretaries to the Trade and Agriculture Ministers to impress upon them the importance of ratifying the Trans-Pacific Partnership (TPP) and encouraging the completion of the legal, technical and political processes related to the Canada-Europe free trade agreement so that the stated benefits of the deal can be realized in the form of commercially viable access for all Canadian exporters. Issues related to the approval of meat facilities and biotechnology traits remain outstanding with Europe.



From left to Right: Ron Davidson (Canadian Meat Council), Jim Everson (Soy Canada), Jean-Claude Poissant—Parliamentary Secretary to Minister of Agriculture and Agri-Food Lawrence MacAulay, Brian Innes (Canola Council of Canada), Cam Dahl (Cereals Canada), Sandra Marsden (Canadian Sugar Institute) and CAFTA's executive director Claire Citeau.

CAFTA also pointed to Canada’s need to participate in the Asia-Pacific region and the critical need to have open, equal and predictable access to fast-growing markets such as Japan, China, and Vietnam—amongst others.

As it currently stands, Canada has only one trade agreement with an Asian country (South Korea, the Canada-Korea free trade agreement came into force on January 1, 2015), which is surpassed by our regional rivals including; New Zealand (15), Australia (14), China/Mexico/Columbia/Peru (9), and the United States (3). The European Union has also concluded trade talks with Vietnam and Singapore, has ongoing negotiations with Japan and the U.S., and has started to engage with Malaysia, Australia and New Zealand on free trade discussion.

Senate appearance

CAFTA executive director Claire Citeau made an appearance before the Senate’s agriculture committee in May as part of a study on international market access priorities for agriculture. Citeau used the example of the Canada-Korea deal to explain the dire consequences of Canada not being in the TPP. On the question of making changes to the TPP agreement, Citeau explained that, due to the fragile balance that the 12 participating parties arrived at in Atlanta where the conclusion of the talks was announced, reopening the complex deal “could put it at risk.”

CETA meeting

- **CETA Update:** a recent report from a gathering of the European Trade Council Ministers signals a degree of unanimity for the CETA to be dubbed a mixed agreement – meaning that it will need to go in part through the legislature of the members’ states.

As part of ongoing initiatives on the Canada-Europe free trade agreement, CAFTA took part in a roundtable discussion with Members of the European Parliament’s Delegation for Relations with Canada this month to discuss the CETA. One of the takeaways for participants was the important role played by Canadian agriculture and agri-food exporters as champions of the CETA agreement. CAFTA and CAFTA members have been strong supporters of the deal as it is expected to result in significant benefits for our sectors. Our support for the implementation will be based on the extent to which negotiated outcomes result in commercially viable access for our exporters.

TPP updates

Canada

As scheduled, the House Standing Committee on Trade continues its hearings on the TPP. Last week’s hearings consisted of sessions in Quebec and Ontario. While the consultation sessions continue, the government also announced that the deadline to submit detailed briefs has been extended to June 30, 2016. The briefs can be submitted to the following emails: TPP-PTP.consultations@international.gc.ca. and ciit-tpp-ptp@parl.gc.ca

As the debate over the TPP extends to the House of Commons, the trade deal has gotten a fair amount of attention with the introduction of a motion which didn’t pass. The debate can be viewed by [clicking here](#). The votes can be viewed [here](#).

United States

As required by Trade Promotion Authority within 105 days of signing the deal, the U.S. International Trade Commission released its long-awaited estimate of the economic effect of the TPP this week.

It is not known whether the report will provide the impetus for congressional action on the deal in the lame duck session that the Obama administration has reportedly hoped for (the lame duck period runs from early November 2016 through January 20, 2017). Despite the anti-trade rhetoric generated by the election campaign, US Chief negotiator continues to advocate for the TPP. Read his latest statement [here](#).

New Zealand

The New Zealand Parliamentary Foreign Affairs, Defence and Trade Committee submitted its report on the TPP to the Parliament after public hearings around the country and on a two-month public consultation process on the 12-country trade agreement.

Malaysia

Malaysia has ratified the TPP text through its legislature, and its government is working to amend domestic regulations which will complete the legal and political processes related to the TPP in Malaysia.

Board Meeting

On behalf of all of our members, CAFTA would like to extend a heartfelt thank-you to Martin Rice. Rice recently retired as executive director of the Canadian Pork Council and was succeeded in his position by John Ross. Rice's vision and expertise in the world of agriculture and trade policy was paramount to advancing the members interests through a landmark period of historic trade negotiations and agreements.

Related to Rice's news, CAFTA welcomes two new directors to its board, including the aforementioned John Ross and the Canadian Canola Growers Association's Catherine Scovil—who will replace long-time board member and valuable contributor Rick White.

Also related to Rice's departure, Sandra Marsden of the Canadian Sugar Institute joins the executive officers along Brian Innes of the Canola Council of Canada and Ron Davidson of the Canadian Meat Council.

In case you missed it

Japan has been identified as a priority market under Agriculture and Agri-Food Canada's (AAFC) International Strategy. AAFC is seeking input on the draft of the strategy.

Please send your input/comments to Angela Bilkhu (angela.bilkhu@agr.gc.ca) by May 27, 2016.

Contact us: info@cafta.org.

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