

CAFTA Trade Insights

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

CAFTA Directors meet with new Trade Minister, François-Philippe Champagne

CAFTA was pleased to meet with the new International Trade Minister, François-Philippe Champagne to discuss Canada's trade agenda in the Asia-Pacific region and key policy files such as the TPP, the Canada-Europe Comprehensive Economic Partnership (CETA), the exploratory FTA discussions with China and market access issues in India.

The meeting provided an excellent opportunity to have a constructive discussion on several topics, including the importance of competitive access to world markets for agri-food and the issue of outstanding non-tariff barriers related to the European market.

Minister Champagne commented on his travels since he was appointed to his post last January and how he witnessed firsthand the enormous interest foreign markets have for Canadian agriculture and agri-food products.

He also shared that he met with the remaining 10 TPP signatories in Chile and engaged with EU Trade Commissioner Cecilia Malmström.

"Trade comes down to people," said Minister Champagne during the meeting. "Trade makes farmers, exporters and peoples' lives better." The minister also spoke of the importance of telling the individual stories of farmers and exporters who rely on trade, which is precisely what CAFTA's *Trade is My Future* campaign does.

These meetings are part of ongoing efforts by CAFTA to ensure key influencers are aware of the significance of trade for Canadian agriculture and agri-food exporters so that they can advocate for maintaining and increasing access to foreign markets.

Trade Updates

Chilean TPP trade talks encouraging

While the future of the Trans-Pacific Partnership (TPP) or a form of TPP is unknown, Ministers' discussions on a possible path forward is encouraging for Canadian agriculture and agrifood exporters. Last month's meeting of TPP Ministers was a positive signal that the remaining parties are still interested in stable trade



Minister Champagne (Front, center) and (L to R): Phil de Kemp (Barley Council of Canada), Dan Darling (Canadian Cattlemen's Association), Catherine Scovil (Canadian Canola Growers Association), Brian Innes (Canola Council of Canada), John Masswhol (Canadian Cattlemen's Association), Ron Davidson (Canadian Meat Council), Sandra Marsden (Canadian Sugar Institute), Jim Everson (Soy Canada), Claire Citeau (CAFTA).

among countries and that they are reluctant to forgo the deal entirely despite the fact that the US withdrew from the deal.

In their [joint statement](#), TPP ministers emphasized the balanced outcome and the strategic and economic significance of the TPP, highlighting its principles and high standards as a key driver for regional economic integration and growth. They also tasked senior officials with discussing options for a possible path forward in advance of the next Ministers' meeting on the margins of the APEC meeting on May 20 and 21, 2017.

- Read CAFTA's statement on the Chilean TPP talks: <http://cafta.org/news-press-releases/>
- Listen to CAFTA's executive director on the TPP meeting, plus, hear an update on CETA moving forward in Europe and here at home: [the path forward for remaining TPP signatories](#)

NAFTA renegotiation: where are we at right now?

While the US administration has made clear its intention to renegotiate the NAFTA, it remains unclear when the renegotiation will start and what it will entail.

In a draft letter to Congress, the Trump Administration has outlined its broad objectives in upcoming negotiations to revise the agreement. The letter, published by Inside US Trade is a draft and includes broad goals. As for the process, US Trade Promotion Authority (TPA), enacted on June 24, 2015, sets forth procedures that the administration must follow in renegotiating NAFTA. Under TPA, the president will need to submit an official notification to Congress at least 90 calendar days before initiating negotiations with Mexico and Canada. The notification should also announce the date when renegotiation talks will start. To date, the US administration's specific negotiating objectives are not known.

CAFTA remains engaged with negotiators from Global Affairs Canada and Agriculture and Agri-Food Canada and continues to work to convey the importance of the US-Canada bilateral agriculture trading relationship.

CAFTA Appears Before the Senate on Bill C-30 (CETA)

On February 13th, Canada's House of Commons passed Bill C-30, the Canada-EU Comprehensive Economic and Trade Agreement (CETA) Implementation Act. The Canadian Senate is currently studying the bill. On February 15th, members of the European Parliament approved CETA with a vote of 58 per cent in favour.

CAFTA executive director Claire Citeau appeared on behalf of members before the Standing Senate Committee on Foreign Affairs and International Trade regarding CETA and Bill C-30, the implementing legislation of the treaty. CAFTA has expressed strong support for the potential of the CETA as opportunities in the EU market could result in significant benefits for agri-food exporters. Today, sticking points remain - related to EU treatment of crop input products, such as biotechnology, and Canadian meat processing systems. These are serious issues that need to be addressed before the agreement can deliver on its potential. As a result, CAFTA supports CETA but with conditions. Specifically, CAFTA wants the government to commit to a strong advocacy strategy and a comprehensive implementation plan for agri-food exporters that will deliver real access for our companies. Read CAFTA's statement [Canadian agriculture and agri-food exporters back CETA - with conditions](#).

China and Canada begin exploratory free trade talks

The federal government launched consultations on a potential free trade agreement with China. [The gazette notice](#) points out that China is already Canada's second-largest single-nation trading partner, after the United States. Prime Minister Justin Trudeau and Chinese Premier Li Keqiang announced the beginning of exploratory discussions last September.

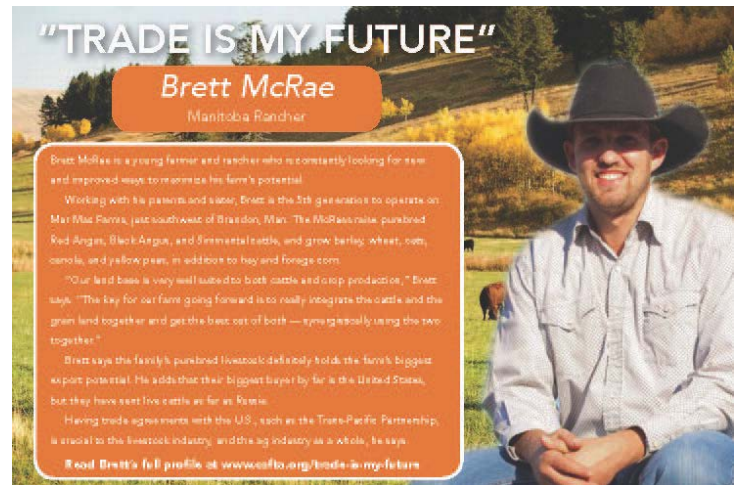
Submissions can be made online or sent by email before June 2, 2017 to Chinatrade-consultations-commerceChine@international.gc.ca

In February, CAFTA released a report entitled “Chasing China - Expanding Canada’s Agri-Food Exports to China”, which outlines the potential for expanding trade in a market that accounted for \$5.6 billion in Canadian agri-food and agri-food exports last year. The report describes the growing opportunity in China for our exports and how Canadian exporters continue to face serious barriers that are hampering growth. The report can be accessed at cafta.org.

Trade is my future

CAFTA’s “Trade is my future” promotional campaign rolled on again this month. The campaign highlights personal stories of farmers and producers whose livelihoods depend on trade.

All Members of Parliament have received a postcard and article featuring Brett McRae, a young farmer and rancher who is constantly looking for new and improved ways to maximize his farm’s potential.



Read Brett McRae’s story here: <http://cafta.org/trade-is-my-future/>

In case you missed it

[New wave of Australia-Japan FTA tariff cuts](#) : the 4th round of tariff cuts under the Japan-Australia Economic Partnership Agreement (JAPEPA) entered into force on April 1. According to the Australian Government, agricultural and food exporters will in particular benefit from the latest tranche of cuts.

[Survey: The State of Globalism in Canada](#): Pollara Strategic Insights conducted a nationwide survey of 1,501 in January 2017. 62% of respondents agreed when asked “free trade agreements are good for Canada, and we should sign onto more free trade treaties to increase our access to other countries’ markets for the goods and services sold by companies in Canada.” 15 percent of respondents disagreed with this statement and 23 percent were unsure. Pro-trade sentiment was strongest in Quebec with 70% in favor, and weakest in Manitoba with 47% in favor.

[Philippines FTA: EU letting go on talks](#)

[Mexico says new EU trade deal is 'paramount', eyes 2017 conclusion](#)

[Republicans in the U.S. House and farm groups pushing for a trade agreement with Japan.](#)

[New House resolution encouraging deeper economic ties between US and Japan, including a bilateral FTA](#)

[Canadian pork sector eager to form trade deal with Japan](#)

[Pulses to India gain fumigation exemption extension](#)

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