



CAFTA ACCA

Canadian Agri-Food Trade Alliance | Alliance canadienne du commerce agroalimentaire

Canada-UK Transitional Agreement

The UK is one of Canada's largest and longest standing trading partners in Europe. Canada cannot risk losing market share to our competitors, many of which are actively engaged in free trade negotiations, while others have already concluded talks with the UK government. It is vital that Canada preserves competitive access and enhances its preferential access to this important and high value market. CAFTA remains concerned with the EU's unwillingness to remove trade barriers preventing Canada from reaching its full potential under CETA. We are equally concerned with such obstacles being carried over to both a transitional deal and a future FTA between Canada and the UK. At the same time, any transitional agreement should not be the template for a future bilateral negotiation during which CAFTA would seek a more ambitious outcome for agri-food exporters and removal of technical barriers. Therefore, CAFTA is calling on the Canadian government to adopt a two-stage approach:

1. Finalize a bilateral Canada-UK transitional agreement that reflects CETA's negotiated outcomes. This will ensure exporters on both sides preserve the duty-free access and other benefits that are already in place. At the same time, a transitional bilateral agreement must respect the spirit of CETA in ensuring technical barriers to trade are not used to block exports as is currently the case for many Canadian agri-food exporters' efforts in the European Union.
2. As a transitional agreement is reached, both sides should immediately commit to negotiating an ambitious, comprehensive and permanent bilateral pact that removes tariffs and non-tariff barriers, provides liberal rules of origin and creates a level playing that will enable increased trade and deliver commercially viable growth for agri-food. To ensure both sides benefit from long-term predictability and certainty, these negotiations should be launched and concluded as quickly as possible.