



## CAFTA Trade Insights

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

### CAFTA Updates

#### CAFTA Board discusses trade priorities in Ottawa

The CAFTA board of directors met on February 6 in Ottawa to discuss a number of trade priorities including the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), Canada–United States–Mexico Agreement (CUSMA), trade with China, the Canada-EU Comprehensive Economic Trade Agreement (CETA), the World Trade Organization reform initiative and more. A summary of trade updates and forecasts can be found on the [CAFTA website](#).

As CAFTA members gathered in Ottawa, meetings were also held with staff from the Office of International Trade Diversification Minister Jim Carr and with the Leader of the Official Opposition Andrew Scheer.

During these meetings, CAFTA members conveyed the importance of continued investment by the Government of Canada to diversify and prioritize competitive access to global markets for the Canadian agri-food sector.



From L to R: Fawn Jackson (Canadian Cattlemen Association), Phil de Kemp (Barley Council of Canada), Dan Darling (Canadian Cattlemen's Association), Erin Gowriluk (Grain Growers of Canada), Andrew Scheer (CPC Leader and Leader of the Official Opposition), Brian Innes (Canola Council of Canada), Janice Tranberg (National Cattle Feeders' Association), Rick White (Canadian Canola Growers Association), Sandra Marsden (Canadian Sugar Institute), Maxim Legault-Mayrand (Food & Consumer Products of Canada), Gary Stordy (Canadian Pork Council), Janelle Whitley (Canadian Canola Growers Association)

#### CAFTA at Toronto Board of Trade CPTPP Event

CAFTA Executive Director Claire Citeau traveled to Toronto for the Toronto Region Board of Trade's event on the CPTPP to deliver the Business Keynote on the importance of exports and free trade agreements to Canada's agri-food industry. With the potential to increase Canada's agri-food exports by \$2 billion annually, the CPTPP was highlighted as an historic opportunity to catch up to our competitors in the region and truly diversify Canadian trade in a meaningful way. Indeed, with Japan as a high-value market and Malaysia and Vietnam as fast-growing markets, the CPTPP gives Canada's trade diversification efforts a potentially transformative boost.



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As part of a cross-country road show to promote the CPTPP, the event was attended by Mary Ng, Canada's Minister of Small Business and Export Promotion, Omar Alghabra, Parliamentary Secretary to the Minister of International Trade Diversification and Ian Burney, Canada's Ambassador to Japan.

The CPTPP road show started earlier that week in British Columbia at the Vancouver Convention Centre, where Jim Carr, Minister of International Trade Diversification and François-Philippe Champagne, Minister of Infrastructure and Communities, celebrated the entry into force of the CPTPP with exporters and other business representatives.

## CAFTA at Canada's State of Trade

CAFTA Executive Director Claire Citeau attended the Canadian Global Affairs Institute's conference [Canada's State of Trade: At Home and Beyond](#) on February 19. Citeau participated on the panel *Making Trade Deals – CETA, CPTPP, China, India et al. work for Canada*. The CPTPP was highlighted as being particularly important to the future of the agri-food industry in Canada, while it was noted that CETA remains a work in progress due to lingering technical barriers to trade such as meat processing protocols, crop- protection products, country of origin labelling, and the timely approval of biotechnology traits.

In addition to a focus on the implementation of CPTPP, CETA, and CUSMA, China remains a priority market for CAFTA members. There are huge opportunities for growth in China – the world's largest importer of agri-food products. China has existing free trade agreements with Australia, New Zealand, Chile, and Peru. Although Canada and China agreed to double agricultural trade by 2025 at the Canada-China Economic and Financial Strategic Dialogue, CAFTA continues to support Canada entering into official FTA negotiations with China at the earliest opportunity.

## Trade Updates

### Comprehensive and Progressive Agreement for Trans-Pacific Partnership

The [Canada Tariff Finder](#), a joint initiative by the Business Development Bank of Canada, Export Development Canada, and the Canadian Trade Commissioner Service, recently added CPTPP-related tariffs to its website. Canada Tariff Finder is a free, easy-to-use tool that helps Canadian exporters check tariffs applicable to a specific good in a foreign market.

### Canada-United States-Mexico Agreement (CUSMA)

On December 12, [Parliamentary Secretary to the Minister of Foreign Affairs \(Canada-US Relations\) Andrew Leslie](#) tabled the [text of CUSMA](#) along with an explanatory memorandum. While ratification timelines in the United States and Mexico remain unknown, CAFTA is monitoring all developments closely.

- Read CAFTA's latest statement on CUSMA [here](#).

### Canada-Mercosur Free Trade Agreement

Last December, the House of Commons Standing Committee on International Trade published its report [Canada and Mercosur Countries: A Potential Agreement to Advance Trade Relations](#). The report reiterates CAFTA members' position that Mercosur is not a priority due to its lack of meaningful opportunities. CAFTA members urge the Government of Canada to prioritize trade initiatives that hold greater opportunities for Canadian agri-food exporters such as exploratory discussions toward a Canada-China FTA.

- Read CAFTA's statement to the House Committee on International Trade on a Potential Canada-Mercosur Free Trade Agreement [here](#).



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### World Trade Organization (WTO) Reform Initiative Group

The WTO Reform Initiative Group, also known as the Ottawa Group, [issued a statement](#) following its meeting in Davos, Switzerland which identified four bodies to be reviewed: Sanitary and Phytosanitary Measures Committee (led by Brazil); Technical Barriers to Trade (led by Singapore); Rules of Origin Committee (led by Switzerland); and the Council for Trade in Services (led by Australia).

### On the Hill

- [Bill C-85](#), the bill to update the Canada-Israel FTA, has now passed third reading in the House of Commons. The bill will now be addressed in the Senate, which must undergo two readings, consideration by a committee, and third reading before it can be signed into law.
- The House Standing Committee on Agriculture and Agri-food released its report on [Advancements of Technology and Research in the Agriculture and Agri-food Sector that can Support Canadian Exports](#). Recommendation 17 of the report urges the Government of Canada to “resolve irritants and issues that limit innovation and competitiveness in exports markets to have them accept domestically approved products or technological processes.”

### Other news

#### EU-Japan Economic Partnership Agreement enters into force

The EU-Japan FTA entered into force February 1. The FTA removes 97 per cent of duties for European consumers. In addition, the FTA provides greater access for European agri-food exporters in key areas including beef, pork, and other agri-food products.

#### United States Trade Representative Publishes US-EU Negotiating Objectives

On October 16, 2018, the Trump administration notified Congress of its intent to negotiate a trade agreement with the European Union. The stated goal of negotiations is to address tariffs and non-tariff barriers to achieve a fair and balanced trade relationship. With respect to agricultural goods, key goals for the US include securing greater access to the EU market for US products.

- Read the full US-EU negotiating objectives [here](#).

### In case you missed it

[Canada and the US issues WTO counter notification on India pulses at WTO](#)

[Canadian and American ranchers anxiously await CUSMA ratification](#)

[EU-Japan trade agreement enters into force](#)

[India expected to return to pulse market soon](#)

[Hog sector has high hopes for CPTPP](#)

[New trade deals offer hope for more diversified markets](#)

[Thailand's Deputy Prime Minister orders Ministry to prepare a request to join CPTPP](#)

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