

CAFTA Trade Insights

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

In brief

CAFTA attends Grain Growers of Canada meeting in Charlottetown, PEI

This month CAFTA's Executive Director Claire Citeau attended the Grain Growers of Canada's summer board meeting in Prince Edward Island. At the meeting, Ms. Citeau participated in a panel discussion on the state of global trade for agriculture with Laura Dawson, Director of the Canada Institute at the Wilson Centre, and Tyler Bjornson, President of the Canada Grains Council and Principal, T. Bjornson & Associates Consulting Inc. CAFTA's top priorities include the implementation of the Trans-Pacific Partnership (TPP) Agreement and securing commercially viable access for Canadian agrifood exporters through the Canada-Europe Comprehensive Economic and Trade Agreement (CETA).



Minister of Agriculture and Agri-Food Lawrence MacAulay also addressed the audience during a luncheon where he spoke of the importance of trade and open markets for Canadian farmers.

Peru Submits TPP Pacific Trade Pact to Congress for Approval

Media report that Peru's government submitted to Congress the broad trade pact that joins 12 Pacific Rim countries just one day before new lawmakers take their seats in the country's 130-member unicameral Congress. Prime Minister Pedro Cateriano announced that documentation for approval of the Trans-Pacific Partnership (TPP) had been sent to Congress, saying it will be up to the next Congress to approve the agreement.

A number of TPP member nations have been working to complete domestic procedures by the year's end, including Japan, Australia, New Zealand, Mexico and Singapore. Malaysia is the first country to have won parliamentary approval of the deal.

International news

United Kingdom appoints new PM, Trade Minister

Theresa May is the new Prime Minister of the United Kingdom and Leader of the Conservative Party. Following the resignation of David Cameron in the Brexit aftermath, May started her new job earlier this month after an audience with Queen Elizabeth at Buckingham Palace. She has been the Member of Parliament for Maidenhead since 1997 and was appointed Home Secretary and Minister for Women and Equalities in May 2010 by Prime Minister David Cameron as part of his first Cabinet. She became the longest serving Home Secretary of modern times.

Theresa May is the second woman to hold that office after Margaret Thatcher, who ran the government between 1979 and 1990. May quickly appointed key members of her cabinet, including former London mayor Boris Johnson to the top post of foreign secretary and Liam Fox as the new Secretary of State for International Trade. The UK's list and biographies of new cabinet ministers can be viewed here: <https://www.gov.uk/government/ministers>

In 2015, Canada exported \$2.84 billion of agriculture and agrifood products to the EU; 13% of which went to the UK. The implications of the UK's withdrawal from the EU for Canadian exports to the UK are not known. It is not known how long this will take to sort out, in large part because the basic issues around the future EU-UK relationship have to be worked out first.

Market access news

Ukraine: Canada signs new free trade agreement

Canada and the Ukraine have officially signed a free trade agreement that is now proceeding towards ratification. Upon entry into force, the Ukrainian government will immediately eliminate tariffs on 86 percent of Canada's exports.

Read more: <http://cafta.org/news-releases/cafta-welcomes-new-market-access-opportunities-for-canadian-agriculture-and-agri-food-exporters-2/>

Mexico and Taiwan: bans on Canadian beef lifted

Mexico has agreed to lift its ban on over-30-month (OTM) beef. The ban has been in place since 2003 when BSE was found in Canada. Averaging over \$130 million annually over the past five years, Mexico is one of Canada's top three export markets for beef and veal products. The resumption of trading will be effective October 1, 2016.

Read more: <http://www.cattle.ca/news-events/news/view/cca-applauds-full-restored-beef-access-to-mexico/>

Taiwan has also lifted its temporary ban on Canadian beef which had been in place since February 2015. Prior to the ban, Taiwan was Canada's seventh-largest export market for beef.

Read more: <http://www.cmc-cvc.com/en/media-room/news-releases/canadian-meat-industry-welcomes-resumption-beef-exports-taiwan>

United States: the U.S. seeks to renegotiate sugar agreement with Mexico

The U.S. Department of Commerce has announced that it is officially seeking to renegotiate their 2014 agreement with Mexico on sugar imports.

Globally, sugar is one of the most distorted agricultural trade commodities characterized by widespread domestic support and trade distorting policies. Read more here: <http://www.sugar.ca/News/Industry-Trade/Presentation-to-Standing-Senate-Committee-on-Ag.aspx>

Protectionism on the rise...

WTO Report: “G20 Trade Restrictions Reach Highest Monthly Level since the Crisis”

A report from the World Trade Organization has indicated that between mid-October 2015 and mid-May 2016, G20 economies averaged 21 new trade-restrictive measures per month. Also in the report, WTO Director-General Roberto Azevêdo argued against the rise in trade restrictions, and stipulated that they could have further chilling effects on trade flows, with additional consequences for economic growth and job creation. You may read the report [here](#).

In case you missed it....

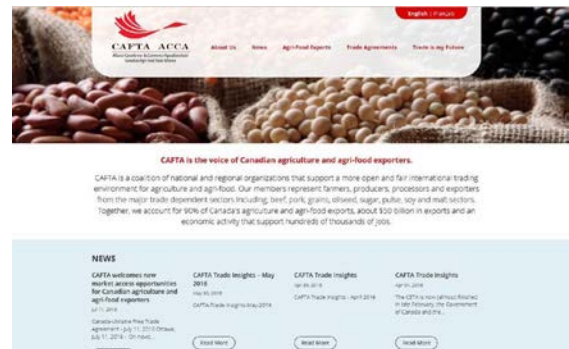
WTO launches new World Trade Outlook Indicator

The WTO has launched a new World Trade Outlook Indicator (WTOI) designed to provide “real time” information on trends in global trade. Combining a variety of trade-related indicators, the WTO is designed to give an early signal of the current direction of world trade and where it is likely to go in the near future. The full World Trade Outlook Indicator is available [here](#).

CAFTA launches new website

CAFTA launched a newly designed and fully-bilingual website: www.cafta.org.

The new site features revamped advocacy pages with a new page for news releases and statements, position papers of the organization as well as *CAFTA Trade Insights*, the organization’s monthly newsletter. The site also showcases an interactive map and briefings on Canada’s major trade policy files such as the TPP and the CETA among others. Visitors are encouraged to stay tuned in the coming weeks for stories about how farmers, producers, processors and exporters from across Canada depend on open and fair international trade as a critical part of their businesses.



Press clippings

- July 24, 2016 [South Korea, EU agree to continue developing FTA](#)
- July 22, 2016 [Federal, Provincial and Territorial Agricultural Ministers issue Calgary Statement](#)
- July 10, 2016 [G20 Ministers release first-ever consensus statement](#)
- July 1, 2016 [Russia extends food embargo on Canada](#)

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