Canadian Agri-food exporters applaud signing of CPTPP

Santiago, Chile – March 8, 2018 - The Canadian Agri-Food Trade Alliance (CAFTA) applauded the Government of Canada for signing the final text of the historic Comprehensive and Progressive Trans-Pacific Partnership (CPTPP) and urged swift movement to ratify the deal.

Today, just weeks after the negotiations concluded in Japan, Canada’s Trade Minister François-Philippe Champagne and the Trade Ministers of the 10 Pacific Rim countries signed the CPTPP agreement in an official ceremony in Chile. The signing means the complete text may begin the ratification process through the Canadian and signatory governments.

“We are encouraged by Canada’s commitment to the agreement and pleased to see it move closer to ratification,” says Brian Innes, CAFTA president. “Having preferential access for the first time to Japan, Vietnam, Malaysia and Singapore will fire up the agri-food sector’s engine and move us toward the government’s ambitious target of $75 billion in agri-food exports by 2025.”

Implementing the CPTPP will give Canada new free trade agreements with seven countries in the Asia Pacific and update existing trade agreements in Latin America (Mexico, Chile and Peru). The big prize in the deal for Canadian agri-food exporters is Japan, Canada’s third-largest export market and a high value and stable market for agri-food products, importing $4 billion of Canadian agri-foods every year. The CPTPP also provides Canada a competitive advantage in the region over the U.S. since it is not part of the agreement.

"Once implemented, the agreement will mean more stability and prosperity for Canada,” says Innes. “Now we need the Canadian government and Parliament to make it happen." Canadian agri-food exporters generate a GDP of $ 96 billion.1 The food and beverage sector is the largest employer in Canada with close to a quarter of a million jobs, more than the automotive and aerospace sectors combined.

The deal will enter into force 60 days after six countries ratify it and several members are expected to do so by the summer. CAFTA wants Canada to be in that first wave in order to take full advantage of the initial tariff cuts.

“Growth will come from international markets, especially Asia where there’s a growing middle class,” says Innes. “We can finally start catching up in the fastest-growing region in the world. Our competitors are already ahead of us. Canada should be leading the way to implement this deal.”

Australia, Mexico and Chile already have free trade agreements with Japan and the Japan-EU FTA will cut 85 per cent of Japanese tariffs on European agri-food exports.

As one of the first and most vocal supporters of the trade agreement, CAFTA welcomed the news in January that Canada concluded negotiations on the deal and will continue to work closely with its members in supporting the quick ratification of the CPTPP.

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“We appreciate the leadership shown by Ministers Francois-Phillipe Champagne and Lawrence MacAulay to enable the agri-food sector to create growth and jobs through this agreement,” says Innes. “As a CPTPP member we are well positioned to welcome new entrants like the U.S., South Korea, Taiwan, Thailand and the Philippines,” says Innes. “We hope all parties will recognize the importance of this agreement and urge the Government, the House of Commons and the Senate to move ahead on ratification expeditiously.”

CAFTA representatives are in Chile for the signing ceremony. They have attended numerous rounds and met regularly with the Canadian negotiators to ensure that the outcomes would provide real benefits for its member organizations.

CAFTA Executive Director Claire Citeau, Gary Stordy of the Canadian Pork Council, Kim O’Neil of the Canadian Meat Council and John Masswohl and David Haywood-Farmer of the Canadian Cattlemen’s Association attended the signing ceremony in Santiago.

CAFTA is the voice of Canadian agriculture and agri-food exporters. Representing the 90% of farmers who depend on trade and ranchers, producers, processors and agri-food exporters who want to grow the economy through better access to international markets. This includes the beef, pork, meat, grains, cereals, pulses, soybeans, canola as well as the sugar, malt, and processed food industries. The sectors CAFTA represents support over a million jobs in urban and rural communities across Canada.

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