

Canadian, European Union bilateral trade agreement close to completion

Huge economic benefits predicted for both trading partners

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CALGARY — The Comprehensive & Economic Trade Agreement, an ambitious bilateral initiative between Canada and the European Union, is expected to be concluded soon and will have huge benefits for both trading partners.

Maurizio Cellini, First Counsellor, Head of the Economic Trade section, European Union Delegation to Canada, said Wednesday that intense negotiations have taken place for the past three years.

“I think we are close,” said Cellini, who was in Calgary for a conference on the topic. “There are still some issues to be discussed which are quite sensitive but I believe a lot of progress has been done so far. It’s difficult to make predictions but I think we are quite close to the conclusion.

“For Canada and the EU, it will be easier to trade and to make business for Canadians in Europe and for Europeans in Canada. It will open up new opportunities. It will make it easier to trade. It will make it easier to establish new business physically in Canada and the EU to do investments. It will make it easier for workers and for labourers to move between Canada and the EU.”

The conference, held Wednesday in Calgary, included a panel discussion with Canada’s Honourable Ted Menzies, Minister of State (Finance), Government of Canada; Honourable Cal Dallas, Minister of International and Intergovernmental Relations, Government of Alberta; and Cellini.

“We always like to get these trade agreements settled so businesses,

Canadians, can take advantage of it and the Europeans as well,” said Menzies. “They’re difficult discussions and they’re including all of the provinces so it’s the most comprehensive discussion that we have ever had and we plan to complete them as soon as is reasonably possible.”

He said there would be huge benefits for Canada and Alberta with an agreement.

“Here in Alberta, businesses and workers and their families will benefit greatly from an ambitious agreement with the EU,” said Menzies. “Lowering tariff barriers would increase sales of Alberta’s world-class exports from these critical sectors.”

Menzies said a successful CETA would increase trade between Canada and the EU by 20 per cent and inject an extra \$12 billion into Canada’s economy on an annual basis.

Dennis Laycraft, executive vice-president of the Canadian Cattlemen’s Association, who was an observer at the conference, said the association views Europe as potentially the most significant trade agreement since the Canada/U.S. trade agreement.

“Previously Europe used to be our second largest export market and we think there’s potential to regain that,” said Laycraft, of the beef cattle industry. Mexico is the second largest now.

“Trade agreements always take long. You set out with a great deal of ambition. But ... certain sensitivities arise. We’re getting very close to the end ... We’ve narrowed the gap, narrowed the gap. Beef is going to be one of the last issues to be dealt with. But I do believe we’ll conclude these negotiations within the next 60 to 90 days.

Dallas said he is delighted that talks between Canada and the EU are in their final phase.

“Alberta has a significant stake in these negotiations,” he said, adding the two-way trade of goods between Alberta and the EU is valued at about \$3.3 billion a year.

“A successful CETA will open the door to immense, untapped

potential for Alberta businesses and our trade in Europe,” he said.

The EU is Alberta’s fourth-largest export market and third-largest trading partner. A comprehensive agreement would eliminate tariffs on key provincial exports such as agricultural commodities, energy, chemicals and plastics and advanced manufacturing, including industrial machinery. It would also improve access for Alberta’s service suppliers in the EU market, creating new export opportunities for services of interest to the province, such as oil and gas services.

The EU is Canada’s second-largest trading partner and the world’s largest integrated economy, with more than 500 million consumers and a GDP of \$17 trillion.

“CETA breaks new ground in trade agreements and its implementation will heighten Canada’s competitive position in the world, create jobs and will bring about a more energetic economy in all sectors across the country,” said Celso Boscariol, president of the Italian Chamber of Commerce in Canada — West.

The conference is part of a project awarded to the Italian Chamber of Commerce in Canada – West and is partially funded by the European Commission. The event was organized in collaboration with the Government of Alberta and the Canadian Department of Foreign Affairs & International Trade.