

# Minister Day Announces Crucial Step Forward on Canada-EU Comprehensive Economic Agreement

March 5, 2009

The Honourable Stockwell Day, Minister of International Trade and Minister for the Asia-Pacific Gateway, today announced that Canada and the European Union have agreed on the areas to be negotiated in a possible comprehensive economic agreement, which are outlined in a joint report. These areas include trade in goods and services, as well as areas such as investment, technical barriers to trade and regulatory cooperation.

“I am pleased with the tremendous progress we have made with the EU,” said Minister Day. “This agreement puts us in a position to launch comprehensive negotiations as early as possible. The EU is our second-largest trading partner, and the Canada-EU relationship holds great potential. During times of economic uncertainty, it is more important than ever for Canadians to seek out new trade and investment opportunities abroad.”

Minister Day also stated that the Government of Canada will continue to work closely with all provinces and territories, and is pleased to have found a way to directly involve them in the negotiations. Minister Day thanked the members of the Council of the Federation for their recent declaration of support, and said that this effort is also strongly supported by the Canadian business community.

“The previously released Canada-EU joint economic study, *Assessing the Costs and Benefits of a Closer EU-Canada Economic Partnership*, estimated that an economic agreement has the potential to give a \$12-billion boost to the Canadian economy and increase bilateral trade by over 20 percent,” said Minister Day. “Advancing our economic relationship with the EU is a priority for our government. It will contribute to the prosperity of all Canadians.”

A bilateral agreement with the EU could deliver commercial benefits across many sectors of the Canadian economy, including aerospace, chemicals, aluminum, wood products, fish and seafood, automotive vehicles and parts, agricultural products such as wheat and pork, and transportation services and other business services.

In 2008, two-way merchandise trade between Canada and the EU totalled \$90.1 billion, up 7 percent from 2007. The EU is Canada's second-largest export market after the United States. Canadian merchandise exports to the EU were up 3.5 per cent in 2008, reaching \$36.1 billion.

For the full text of the joint report, please visit:

<http://www.international.gc.ca/trade-agreements-accords-commerciaux/agr-acc/eu-ue/can-eu-report-intro-can-ue-rapport-intro.aspx>.