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CAFTA ACCA

Canadian Agri-Food
Trade Alliance

Alliance canadienne
du commerce
agroalimentaire

Agri-Food exporters watching closely and hoping for progress as Minister Ng undertakes first foreign visit as trade minister

WTO reform, enforcement of trade rules, advancing stalled agri-food trade talks and fixing CETA implementation issues are key CAFTA priorities in 2020

Ottawa, ON Jan 22, 2020 - Dan Darling, President of the Canadian Agri-Food Trade Alliance (CAFTA) today issued the statement below ahead of Minister Ng's first foreign visit to Switzerland as Minister of Small Business, Export Promotion and International Trade. While in Davos-Klosters, Minister Ng will chair a meeting of the Ottawa Group; will attend a meeting of the Cairns Group, a coalition of 19 agricultural exporting countries that work together to advance the liberalization of agricultural trade and will meet with EU Trade Commissioner, Phil Hogan.

"We are pleased that Minister Ng is robustly defending the global trading system so early on in her mandate. We are hopeful that the progress made to date by the Ottawa Group of like-minded countries toward WTO reform will intensify under Minister Ng's leadership and that the full functionality of the Appellate Body is soon restored. Failure to preserve the WTO's core dispute settlement functions will completely undermine the entire rules-based global trading system, and it is fitting the Minister has taken up this foundational issue as part of her first foreign trade mission.

"We remain gravely concerned by the crisis situation currently facing the multilateral trading system. The loss of functionality of the WTO's Appellate Body on December 11, 2019 was perhaps the most devastating trade policy development in 2019.

"Given the vital role the WTO's dispute settlement system plays for Canadian exporters, we call on all WTO Members to seek an urgent resolution to the current impasse in appointments to the WTO Appellate Body. It is encouraging to see Minister Ng chairing this meeting as Canada needs to be a driving force for rules-based trade globally.

"We're also watching the Cairns Group of Trade Ministers as they meet to discuss stalled agri-food trade talks at the WTO ahead of the Twelfth Ministerial Conference (MC12) set to take place in June 2020. Agricultural reform remains the most significant unfinished business of the WTO, and a lack of progress has hindered the rate of growth in agricultural trade over the past decade.

"Rejuvenating agricultural negotiations by tackling trade-distorting domestic support, tariff and non-tariff market access barriers, science-based regulatory convergence and greater transparency will give

these talks a badly needed shot in the arm and we're hopeful Canada can play a leading role in making it happen.

"We're also hopeful that Minister Ng will address the outstanding CETA implementation issues during her meeting with Phil Hogan, her EU counterpart and seek commitments from the EU to enforce the commitments agreed upon in CETA to ensure trade flows freely and barriers are removed. After over 2 years of being in force, real access remains elusive for Canadian agri-food in large part because of the slow response from the EU on commitments to remove non-tariffs trade barriers affecting Canadian exports. More work remains to be done to facilitate Canadian agri-food exporters taking full advantage of the agreement. Such work includes achieving mutual recognition of meat processing systems, developing protocols to verify livestock production practices, addressing misaligned regulation of crop protection products, more predictable and timely review of seed technologies and ensuring country of origin labeling requirements are not applied in a trade restrictive manner. If the agreement works for European agri-food exporters, there should be no reason it can't work for Canadian exporters.

"In the year ahead, our success will depend largely on the federal government's ability to continue to open markets for Canadian farmers, ranchers and food manufacturers. Ultimately, the tables the Minister sits at this week will have a direct impact on the farmer raising cattle, the grain grower deciding what to plant next spring and the food manufacturer making investment decisions for their business. We're encouraged that Minister Ng is focused on the right issues for her first foreign visit and we're hopeful that positive outcomes can be secured.

"For an export-dependent sector like agri-food, actions and results matter most and we look forward to working alongside Minister Ng in order to secure meaningful results for our members."

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CAFTA is the voice of Canadian agri-food exporters, representing the 90% of farmers who depend on trade as well as the ranchers, producers, food manufacturers 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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