
News Release

December 5, 1995

No. 226

CANADA, EUROPEAN UNION SETTLE SEVERAL OUTSTANDING TRADE ISSUES

Minister for International Trade Roy MacLaren and Agriculture and Agri-Food Minister Ralph Goodale announced today that Canada and the European Union (EU) have reached a broad agreement that will benefit Canadian exporters of products ranging from grains, shrimps and cheese to snowmobiles.

The agreement deals with compensation to Canada for the expansion of the EU to include three new countries, with EU grain import regulations affecting Canadian exporters, and with a variety of other long-standing agricultural issues. The agreement has received political approval from the EU's General Affairs Council, which includes foreign ministers of member states.

"I am very pleased that we have resolved these outstanding trade issues through negotiation," said Mr. MacLaren. "It shows the common commitment on both sides of the Atlantic to build stronger transatlantic relations."

"I am pleased that Canada has been able to work out an agreement with one of our largest partners," Mr. Goodale said. "The initiatives contained in this agreement will open doors and reduce existing barriers for a number of Canadian agri-food exporters."

A key element of the agreement was compensation for higher EU import duties on a large number of products as a result of the accession of Austria, Finland and Sweden to the EU. Because of accession, trade regimes in Austria, Finland and Sweden were aligned with the EU, resulting in increased tariffs on a number of Canadian exports. As compensation, there will be significant tariff reductions on Canadian farm, fish, paper, snowmobile and other products. The new agreement also settles Canada's outstanding rights on barley stemming from earlier EU enlargements. It provides for improved access for durum wheat, pork, canary seed and oats.