

Chapter 4

Regional and Bilateral Free Trade Agreements and Other Initiatives

commercial benefits to Canada will come from the elimination of duties on all non-agricultural goods and from the elimination or reduction of tariffs on selected agricultural exports. The FTA also provides a platform for Canadian business to tap into European Union value chains.

Peru

The conclusion of free trade negotiations with Peru was announced by Minister Emerson on the margins of the World Economic Forum in Davos, Switzerland, on January 26, 2008. Negotiations began in June 2007.

Under the agreement, Peru will provide greater market access for a range of Canadian agricultural products, as well as non-agricultural products such as paper products and machinery and equipment. The agreement also contains provisions on cross-border trade in services of interest to Canada in sectors including mining, energy and professional services. In addition, the FTA will provide greater stability, transparency and protection for Canadian investments in Peru, creating a more receptive environment for the rapidly growing stock of Canadian investment in that economy.

Provisions on the environment, biodiversity and corporate social responsibility are included in an environment agreement. A labour cooperation agreement, which includes enforcement obligations and associated penalties, has also been negotiated. This comprehensive agreement sets a new standard for labour provisions in Canada's FTAs. Following a legal review of the negotiated texts, the FTA will be signed by the parties and proceed to each country's respective legislatures for ratification.

Colombia

Free trade negotiations with Colombia (launched in June 2007) are ongoing. Canada remains committed to concluding a deal in the near future.

A number of Canada's competitors have already concluded FTAs with Colombia. A Canada-Colombia FTA would help level the playing field for a broad range of Canadian goods and services, and also help secure Canadian investments. There is potential for gains in a variety of sectors including agriculture and agri-food, mining, machinery and equipment, and financial and professional services. As well as providing new market opportunities for Canadian business, an FTA would foster increased cooperation between Canada and Colombia to help Colombia maximize the opportunities and benefits deriving from the Agreement.

Dominican Republic

In June 2007, Canada announced the launch of FTA negotiations with the Dominican Republic. The first full round of negotiations was held in December 2007 in Ottawa. Canada anticipates that a second round of negotiations will take place following the Dominican Republic's presidential elections, scheduled for May 2008. To date, negotiators have made considerable progress on a range of issues, including market access for goods and services, investment, rules of origin and trade facilitation.

The Dominican Republic is an established and growing destination for Canadian goods (e.g. mineral fuels, equipment, machinery, agri-food and fish products) and for services