

Europe 1992

Working Group Report

Executive Summary

AGRICULTURE AND FOOD PRODUCTS

It is evident that a number of issues concerning trade in agriculture and food products raised by the EC integration of 1992 must be dealt with in other ongoing international negotiations. Problems of access and competition in third markets, notably the level of protection against imports of primary and processed agricultural products in the EC, can only be negotiated in the current Uruguay Round of multilateral trade negotiations (MTN) under the GATT. Technical barriers, which may require adjustments to Canadian shipping and processing practices if Canada is to maintain market access, must be dealt with as part of the bilateral relationship with the EC as well as in the MTN and in international standard setting bodies such as the Codex Alimentarius Commission and the UN Economic Commission for Europe.

The development of harmonized standards in Europe will also have to be considered by the Working Groups on harmonization under the Canada/US Trade Agreement. While the development of different standards for Europe and North America would be detrimental, working towards a common standards base should benefit the agricultural industry world-wide.

It will be necessary to keep abreast of developments in Europe through the Canadian Missions in Brussels and the Member States and cooperate with other countries looking into the trade effects of the integration process. Regular contacts with Canadian industry will be required to ensure that specific concerns about the proposed regulations can be notified to the EC authorities.

SPECIFIC FINDINGS/IMPACT

The EC market is difficult to enter because of the variable levy system which prices most primary and processed agricultural imports out of the domestic market. Where Canada is successful in exporting to the Community, there could be benefits from harmonization of national standards and from the further integration of the European market.