

EUROPEAN TRADE BRIEF 2004

BUSINESS OPPORTUNITIES

Canada has a strong and dynamic trading relationship with Europe. Our two-way bilateral trade flows with Europe totalled \$68.2 billion in 2003. The sophisticated European market offers opportunities for the development of new technologies, business expansion and gateway access to third country markets.

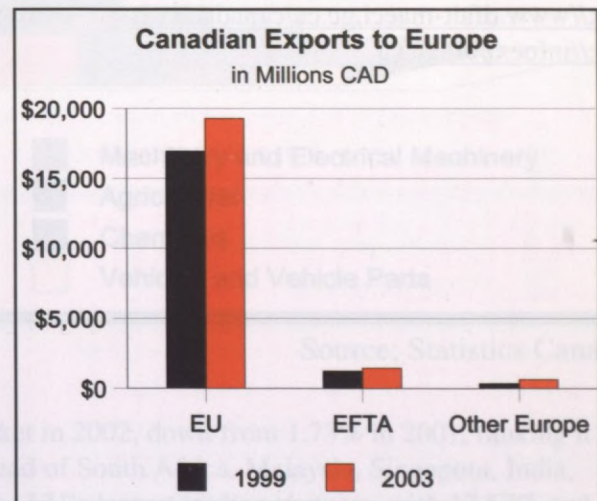
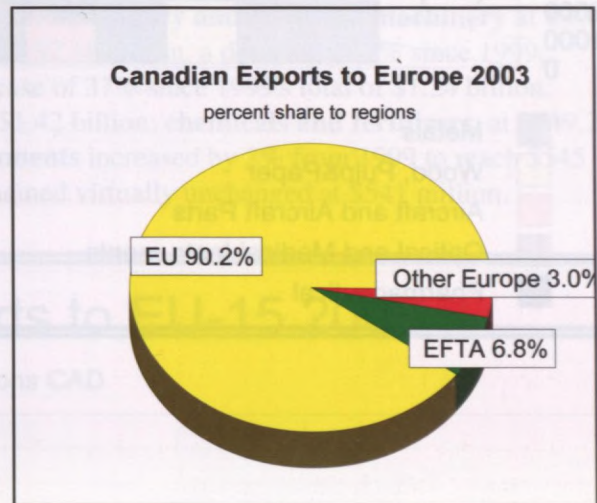
TRADE WITH MEMBERS OF THE EXPANDED EUROPEAN UNION

Our trade relationship with EU-25 member-states alone reached \$59.1 billion in 2003 increasing 19.6% from 1999's figure of \$49.4 billion. Our exports to the EU-25 increased by 13.8% from 1999-2003, to almost \$19.3 billion. Canada's exports to EU-25 member-states were more than two-and-a-half times our exports to Japan.

Leading the way, Canadian **ores, aluminum, nickel, copper, iron & steel, and precious metals** exports to the EU-25 rose approximately 50% to \$4.11 billion in 2003. **Machinery and electrical machinery** exports to EU-25 member-states totalled over \$3.94 billion in 2003, an increase of 21% from 1999 figures. Our exports of **pulp & paper and wood products** decreased by 9% over 1999 figures, to \$2.17 billion.

Agricultural exports including prepared foods, fish & seafood, beverages, fruits and vegetables accounted for \$1.73 billion in exports, a 34% increase over 1999 figures of \$1.29 billion. Exports of **aircraft and aircraft parts** totalled \$1.48 billion, an increase of 22% over 1999, when the figure was \$1.22 billion.

Other strong performers were **chemicals and fertilizers**, at \$754.7 million, a 50% increase; **optical and medical instruments**, at \$560 million, a 2% increase; **vehicles** (excluding rail) and parts, at \$559 million, an increase of 1%; and **pharmaceutical products**, at \$306 million, a 17% increase.



Source: Statistics Canada

After the US and Asia-Pacific, the EU-25 is our third-most important trading partner.