

Chapter 4

Regional and Bilateral Free Trade Agreements and Other Initiatives

Jordan

In July 2007, Prime Minister Harper and King Abdullah II of Jordan agreed to study the feasibility of an FTA. Canada and Jordan held exploratory discussions in November 2007 to discuss the scope of a potential FTA, and negotiations were launched on February 20, 2008. The first round of negotiations was held in Amman from April 13 to 17, 2008, with the second round scheduled for July 28 to August 1, 2008, in Ottawa.

An FTA with Jordan could generate increased export opportunities for Canada in a variety of sectors including manufacturing, agriculture and agri-food, and forest products. Jordan has FTAs with some of our key competitors (e.g. the United States and European Union), and a Canada-Jordan agreement would help ensure a level playing field for Canadian exporters.

Panama

Canada and Panama have strong, well-established economic ties and commercial relations that continue to expand. At the request of Panama and in accordance with Canada's re-engagement with the Americas, Canada has agreed to exploratory FTA discussions with Panama to better assess the potential scope and benefits of a prospective FTA. If the outcome of the talks is positive, the government would embark on comprehensive consultations with stakeholders across Canada before taking any decision to begin negotiations.

Other Initiatives

European Union-Canada Study on the Costs and Benefits of a Closer Economic Partnership

At the June 2007 Canada-European Union (EU) Summit in Berlin, the European Union and Canada agreed, among other things, to cooperate on a study to examine the costs and benefits of a closer economic partnership. This study will examine existing barriers, especially non-tariff barriers, to the flow of goods, services and capital, and estimate the potential benefits of removing such barriers. The study will also identify how such a partnership could complement ongoing efforts to enhance bilateral cooperation in areas such as science and technology, energy and the environment.

Leaders will review the results of the study at the 2008 Canada-EU Summit, with a view to pursuing balanced and closer future Canada-EU economic integration. While neither the European Union nor Canada should presuppose the outcomes of the study, Canada hopes the study will help lay the foundation for leaders to take ambitious steps toward enhancing the Canada-EU economic relationship at the summit.

Canada-Japan Joint Study

The Canada-Japan Joint Study was launched at the signing of the Economic Framework in November 2005 by the prime ministers of each country. The objective of the study was to assess the costs and benefits of further promoting and liberalizing bilateral trade and investment. Released in October 2007, the study highlighted the positive economic