



TRADE

PRIORITIES

- 1 Ratify the Comprehensive Economic and Trade Agreement (CETA) and the Trans-Pacific Partnership (TPP).
- 2 Expand Canada's relationship with China by lowering tariffs and addressing barriers to trade.
- 3 Adequately resource government to address trade barriers impacting agriculture exports in a timely manner.

Open and clear trade rules make reliable markets. Ninety percent of Canadian canola is exported. As such, open, predictable access to international markets is critical for canola farmers. Exports keep their farms successful, help ensure strong communities and create jobs for Canadians.

COMPREHENSIVE ECONOMIC AND TRADE AGREEMENT

- Canola farmers support the Government's plan to implement CETA. CETA will expand market opportunities for canola oil used in biofuel. The EU is the world leader in biodiesel consumption and Canadian canola is a sustainable input into biodiesel production. With CETA, the tariff on canola oil will be eliminated upon implementation.
- To capitalize on the benefits CETA provides, reduced tariffs need to be complemented with a timely and predictable EU regulatory approval process for crop inputs. Without these approvals, Canadian canola can't be exported to the EU. CETA contains a parallel letter committing the EU to the efficient and timely processing of biotech canola traits, and, more largely, notes the importance of promoting a science-based approval process.

CANADA-CHINA RELATIONSHIPS

- China is a key market and the future holds increased potential. Canola faces a trade disadvantage to soybeans with a 9% tariff on seed compared to a 3% tariff on soybeans. The tariffs for soy and canola oil are 9% and for meal 5%. Tariff elimination would make canola more cost competitive in our largest market for canola seed.
- Expanded relationships with China is important. In addition to eliminating tariffs, non-tariff barriers that impede canola's access to the Chinese market need to be addressed. A framework for more predictable and science-based trading rules would enhance trade. Barriers create uncertainty throughout the value chain, and, ultimately, reduce the price offered to farmers or deny farmers access to important crop input products.

TRANS-PACIFIC PARTNERSHIP

- The phase out of oil and meal tariffs to Japan and Vietnam provides an opportunity for future economic growth. Once fully eliminated, canola exports could grow up to \$780 million per year.
- Value-added exports keep more economic benefits in Canada. Better access for oil and meal provides the opportunity to process more canola at home (rather than exporting seed and our export markets processing it). Increased value-added activities supports Canadian communities, sustains and creates new jobs and provides new sales opportunities for canola farmers.

NON-TARIFF BARRIERS THREATEN CANADIAN CANOLA EXPORTS

Free Trade Agreements are only one part of the equation. Non-tariff barriers result in lost profit and prevent farmers from accessing new, innovative technologies. Approvals are often required in our export markets before bringing a new pesticide or seed trait to market in Canada.

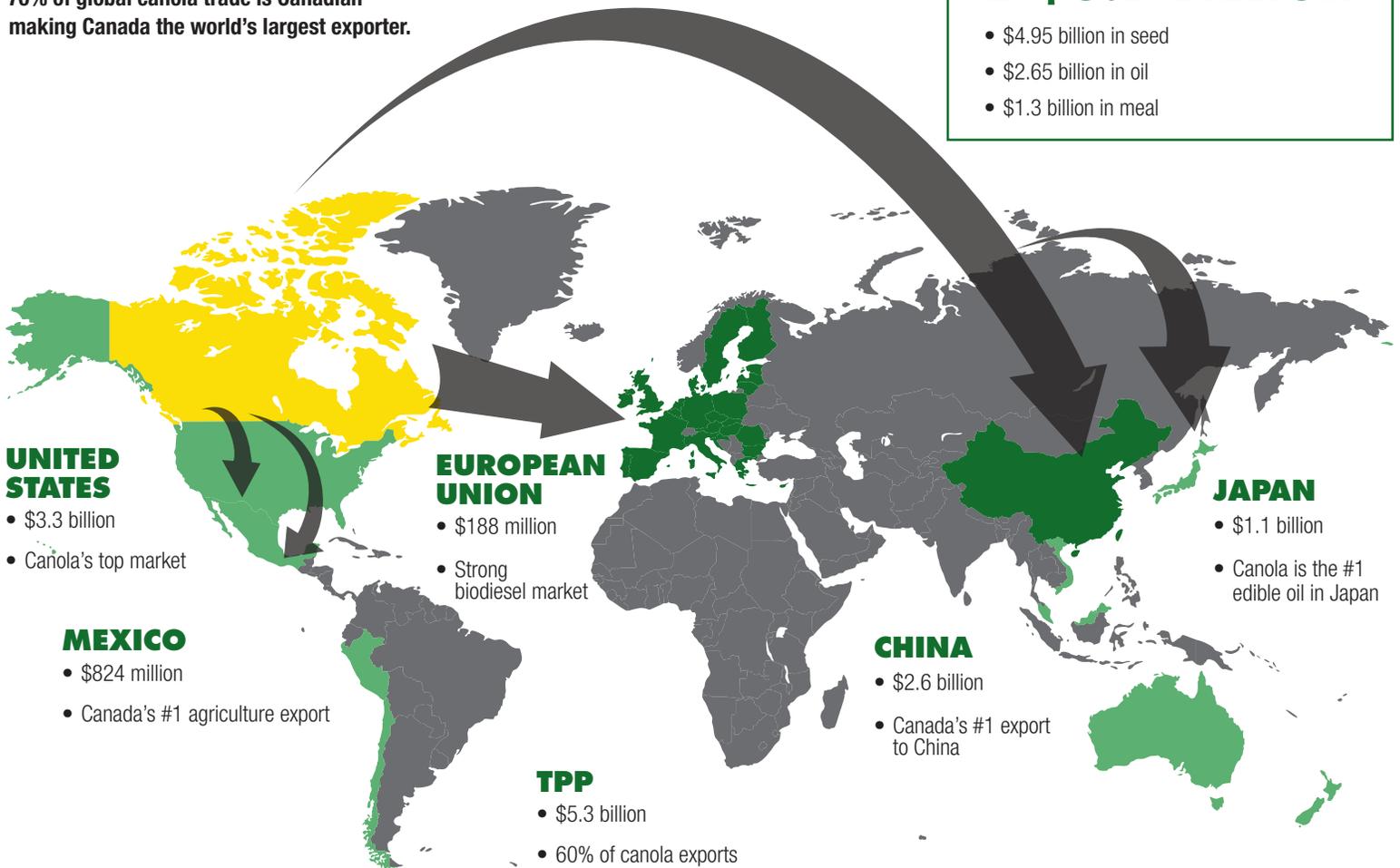
Canada needs dedicated government resources to address non-tariff barriers. Most often, these discussions occur government-to-government making the Federal government an integral partner in canola's international success. As an example, Agriculture and Agri-Food Canada's Market Access Secretariat provides an important service in resolving trade barriers as they arise and in promoting global solutions to prevent barriers in the future.

OUR MARKETS

70% of global canola trade is Canadian making Canada the world's largest exporter.

2015 CANOLA EXPORTS = \$8.9 BILLION

- \$4.95 billion in seed
- \$2.65 billion in oil
- \$1.3 billion in meal



STATISTICS

Trade is an engine for growth

 **\$19.3 Billion**

Canola contributes \$19.3 billion to the Canadian economy

 **30%**

Exports account for over 30% of our GDP

 **5th**

Canada is the world's 5th largest agriculture exporter

50 
Countries

buy Canadian canola



Canada accounts for a quarter of global canola production



1 in 8 Canadians are employed in agriculture