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Canada's Meat Processing Industry Praises Free Trade Agreement with Colombia

Ottawa, Ont. [Aug 15, 2011] Canada's meat processing industry is grateful for the hard work of the Government of Canada in securing a free trade agreement with Colombia. The Canada-Colombia Free Trade Agreement (FTA), the Labour Cooperation Agreement and the Agreement on the Environment all entered into force on August 15, 2011.

The agreement will result in fewer barriers to trade and expanded opportunities for Canadian exporters and investors in a broad range of sectors, including agriculture, mining and financial services.

For Canada's beef and pork industries exports are critical – with \$1.4 billion of beef and \$2.8 billion of pork exported to over 150 countries last year.

Canadian Meat Council President Scott Entz was very pleased with the announcement. "Colombia represents an important market for Canadian meat products. Last year Canada exported \$5.85 million worth of pork to Colombia and \$191,000 worth of beef. This free trade agreement has the potential to greatly increase our exports of both those meats to that country."

Colombia is a dynamic emerging market with 45.9 million people and an economy with high growth potential. In 2010, two-way trade in merchandise between Canada and Colombia totalled \$1.4 billion. The value of Canadian exports to Colombia was \$644 million for 2009. Imports totalled \$717 million in 2009.

Entz added that "getting a strong foothold into the Republic of Colombia gets us on the doorstep of the huge South American population of over 387 million inhabitants."

In the preamble of the text to the agreement, Canada and the Republic of Colombia are resolved to strengthen the special bonds of friendship and cooperation among their peoples. They also resolve to create an expanded and secure market for the goods and services produced in their territories, as well as new employment opportunities and improved working conditions and living standards in their respective territories.

Colombian import tariffs on Canadian beef are scheduled to be reduced to zero over a 12 year period with set amounts of tariff rate duty free quotas growing over that period and eventually providing Canadian beef with unlimited duty free access. Duties on Canadian pork will be phased out over 13 equal annual stages and will be duty free after that. Set amounts of tariff rate quotas shall start at 20 percent duty and phase out to zero within the tariff rate quota in five equal annual stages.

The Canadian meat industry is the largest of our food processing sector with some 67,500 employees and gross annual sales of over \$ 21.3 billion. Last year Canada exported over \$1.4 billion of beef and over \$2.8 billion of pork to over 150 different countries around the world. Canada's meat processing industry is made up of over 400 federally registered establishments, often located in rural settings adding jobs and important economic activity to the life of urban and rural Canada.

The Canadian Meat Council has been representing Canada's federally inspected meat processing industry since 1919.

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