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Canada–Asia-Pacific Trade Consultations  
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The Canadian Chamber of Commerce welcomes the opportunity to participate in the Government of Canada's consultations on the future accession negotiations for new entrants to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

Creating new export opportunities for businesses is a key priority of the Canadian Chamber. As Global Affairs Canada is aware, the effort to negotiate a trade agreement is a cumbersome process before companies are able to benefit from new market access opportunities. The significant advantage of using an existing platform, such as the CPTPP, is that the institutional structure is already in existence. This facilitates a significantly quicker avenue to provide Canadian businesses with a new market opening, and support companies operating in those markets, rather than waiting until a bespoke FTA is negotiated and implemented.

### **Accession Countries**

The numerous expressions of interest already made by various countries testifies to the strength and desirability of the CPTPP as a mechanism to facilitate trade and investment.

Given that not all accession discussions will lead to an applicant country joining the CPTPP, the current members should keep an open-minded approach to these discussions and commence formal accession discussions with any applicant that demonstrates a commitment to meet the CPTPP's standards. While acknowledging resource constraints amongst the current CPTPP members, discussions should progress with as many applicants simultaneously as possible.

As alluded to above, using the CPTPP accession route as a means to grant Canadian companies greater access to a wider range of markets is a more expeditious route compared to negotiating bespoke trade agreements with candidates.

### **Market Access Considerations**

Market access considerations will vary widely depending on the accession candidate under consideration. However, there are a number of generalized comments the Canadian Chamber offers for Global Affairs Canada's consideration when undertaking accession negotiations with candidates.

### **Tariffs**

Canada's discussions with accession candidates should ensure either immediate or phased-out tariff



reduction on key Canadian exports. Particular focus should be given to supporting Canadian agriculture and agri-food, forestry, and machinery exports.

#### Sanitary and Phytosanitary issues

While tariff reductions are important to assist Canadian businesses, they are only part of the challenges facing Canadian agriculture and agri-food exporters. Non-tariff barriers such as biotech low-level presence and maximum residue limits continue to constrain the ability of exporters to make the most of trade agreements. In the case of the Comprehensive Economic and Trade Agreement with the European Union, we have seen the deleterious effects that non-tariff barriers can have exports on products that should otherwise benefit from tariff reductions. As a result, it is crucial that the Government of Canada play an active role on issues such as asynchronous approvals and continue to advocate MRL harmonization in the context of its CPTPP accession discussions.

Making serious strides to resolve these issues is vital in order to reach the agriculture and agri-food sector's full potential as articulated in the Economic Strategy Roundtables.

#### Temporary Entry

Canadian businesses with operations around the world rely on the ability to move their expertise where it is needed most in a timely fashion. Crucial to supporting this are intra-company transferee provisions that ensure transparency and predictability for companies looking to move staff to their foreign subsidiaries abroad. Particular priorities include reasonable requirements for granting work permits, clear category definitions, and a commitment to timely processing of applications.

#### Government Procurement

The ability to bid on government procurement contracts, including infrastructure, is vital for Canadian businesses. These contracts provide benefits both in the one-time delivery of the product or service, as well as the follow-on service contracts spanning over several years. Canadian companies benefit when there is broad coverage at the federal and sub-federal level in foreign jurisdictions. Coverage should seek to ensure there is parity in concessions being made between Canada's market access commitments under CPTPP and the access secured in the accession candidate's market.

Additionally, it is important to ensure that wholly, and majority foreign-owned subsidiaries are allowed to bid on government procurement contracts, rather than restricting bidding to partially-owned subsidiaries or joint ventures.

#### Services and Investment

Given the importance of services to the Canadian economy, our country's trade agreements need to ensure they are assisting companies providing either cross-border services, as well as those with a commercial presence in foreign markets. Priorities for Canadian businesses include resolving issues around equity caps that restriction ownership in priority sectors, such as financial services.

Canadian businesses also rely on their ability to move data across borders. Countries that impose data localization requirements restrict the ability of businesses to efficiently use centralized services and third-party providers that enhance overall competitiveness. It is important for CPTPP accession candidates to conform to the agreement's digital trade chapter.

#### Trade Promotion

Alongside the policy work to expand the CPTPP's membership, it is important for the Trade Commissioner Service to continue its work to promote the CPTPP's benefits to Canadian businesses.



These trade promotion efforts should ensure information about new markets is articulated in a clear and succinct manner that enables a business to understand what the agreement does for specific products and sectors.

**Future Consultations**

As the work of the CPTPP accession process continues, the Canadian Chamber would welcome the opportunity to provide feedback on specific markets that start accession negotiations.

Sincerely,

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Canadian Chamber of Commerce