

Backgrounder

LAUNCH OF FREE TRADE NEGOTIATIONS

1. Canada-Andean Free Trade Agreement Negotiations

The Andean Community countries of Colombia and Peru are established and growing destinations for Canadian business and offer excellent opportunities for Canadian goods and services exporters and investors. The initiation of free trade negotiations with the Andean Community countries of Colombia and Peru will also contribute to the shared goal of deepening development through economic integration within the Americas. Canada will seek to level the playing field for Canadian business vis-à-vis their competitors. In keeping with Canada's approach to FTA negotiations, Canada will also seek to address the social dimensions of economic integration through the negotiation of provisions on labour and the environment.

- Colombia and Peru represent markets of 72 million people with a combined GDP of \$182 billion.
- Canadian investment in Colombia and Peru was valued at \$3.4 billion in 2006.
- Two-way merchandise trade between Canada and Colombia totalled \$1.1 billion in 2006.
- Two-way merchandise trade between Canada and Peru totalled \$2.4 billion in 2006.
- Canada's commercial services exports to Colombia and Peru totalled approximately \$63 million in 2004 (the latest year for which official data is available).
- The successful conclusion of an agreement would expand opportunities for Canadian exporters and investors in a broad range of sectors, including agriculture, mining and financial services.

Canada remains interested in expanding commercial ties with the other Andean Community countries of Bolivia and Ecuador, and is open to the possibility of these countries joining this initiative.

For more information on the Andean Community FTA negotiations, please visit <http://www.international.gc.ca/tna-nac/and-en.asp>.