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Canada and ASEAN proceed with free trade agreement negotiations

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Deepening trade and investment ties with large, fast-growing markets such as the Association of Southeast Asian Nations (ASEAN) will support Canada's long-term growth, create good jobs, and ensure a strong, resilient economic recovery from the COVID-19 pandemic.

Today, the Honourable Mary Ng, Minister of International Trade, Export Promotion, Small Business and Economic Development, met virtually with ASEAN Economic Ministers at the ASEAN Economic Ministers (AEM) – Canada Consultations, where they announced that Canada and ASEAN have agreed to proceed with negotiations toward a comprehensive Free Trade Agreement (FTA), marking an historic milestone in the Canada-ASEAN relationship.

The 10th AEM-Canada Consultations meeting was co-chaired by Minister Ng and His Excellency Dato Dr. Amin Liew Abdullah, Minister at the Prime Minister's Office and Minister of Finance and Economy II, Brunei Darussalam, and included a briefing by senior representatives from the Canada-ASEAN Business Council.

At the virtual meeting, the ministers agreed to a joint statement highlighting the potential for an FTA to help diversify supply chains, increase trade and investment, and reinforce Canada and ASEAN's shared commitment to open markets and rules-based trade.

Canadians expressed a high level of support for an FTA with ASEAN during public consultations carried out by the Government of Canada. A report of key themes identified through the consultations can be found on Global Affairs Canada's website.

Minister Ng will table a Notice of Intent to enter into FTA negotiations with ASEAN as well as Canada's negotiating objectives, in the House of Commons, consistent with the amended Policy on Tabling of Treaties in Parliament. Both items will be tabled in advance of a first round of negotiations in accordance with the timelines identified in the amended policy.

Quotes

"The commercial relationship between Canada and ASEAN has significant potential for growth. Proceeding with negotiations on a comprehensive free trade agreement with ASEAN provides an important opportunity to secure enhanced market access for Canadian business to supply chains in the Indo-Pacific region, create new opportunities for our businesses in this rapidly growing market, and drive long-term job creation and sustainable, inclusive growth for generations to come. This is a significant milestone in the renewal and deepening of Canada's economic partnerships and commercial engagement across the Indo-Pacific."

- Mary Ng, Minister of International Trade, Export Promotion, Small Business and Economic Development

Quick facts

- With a combined GDP of \$5 trillion and a population of approximately 650 million, ASEAN represents the world's fifth-largest economy and third-most populous consumer market.
- As a bloc, the 10 ASEAN member states comprise Canada's sixth-largest trading partner.
- Bilateral merchandise trade between Canada and ASEAN reached \$26.7 billion in 2020, while services trade amounted to \$5.8 billion in 2020, with further opportunity for growth.
- ASEAN is a fast-growing and dynamic market with increasingly important opportunities in sectors such as agriculture and agri-food, natural resources, fish and seafood, clean technology, infrastructure, and financial services.
- According to the ASEAN-Canada FTA Joint Feasibility Study, an FTA would result in a US\$7.8 billion increase in bilateral trade between ASEAN member states and Canada.
- The 45th anniversary of Canada-ASEAN relations will be celebrated in 2022.