



Fact Sheet: Market Access



On August 1, 2009, the Canada-Peru Free Trade Agreement (FTA) entered into force. An FTA with Peru improves market access opportunities for Canadian exporters by eliminating tariffs and addressing non-tariff barriers. With the FTA in place, Canadian farmers, manufacturers and other industrial producers, including small and medium-sized businesses, are better positioned to maintain and improve the competitiveness of their exports to the Peruvian market.

How an FTA with Peru can benefit Canada

The FTA improves market access and creates new opportunities for Canadian businesses in Peru:

- Peru immediately eliminated its tariffs on some 95% of current Canadian exports, with most remaining tariffs to be eliminated over a five or ten year period. Products that now enjoy duty-free access to Peru include wheat, barley, lentils, peas, selected boneless beef cuts, as well as many paper products and machinery and equipment.
- Canada immediately eliminated its tariffs on 97% of Peruvian imports, with most remaining Canadian tariffs to be eliminated over a three or seven-year period. Over-quota tariffs on supply-managed products (i.e. dairy, poultry and eggs) and refined sugar are excluded from tariff reductions.

Canada sought to ensure that non-tariff barriers were addressed effectively under an FTA with Peru. Canadian exporters benefit from:

- Measures to ensure that regulations do not become unnecessary obstacles to trade.
- The promotion of regulatory practices that ensure transparency and non-discrimination.
- A formal Committee on Sanitary and Phytosanitary Measures (SPS) to manage SPS issues, and
- The creation of a mechanism to address specific issues related to standards, technical regulations, and conformity assessment procedures.

Peru is an important and established market for Canadian exports

- Canada's trade in merchandise with Peru has expanded significantly in the past several years, with two-way trade amounting to \$2.8 billion in 2008. The value of Canadian exports to Peru was \$391 million for 2008, representing an increase of 18% over the previous year. Imports totalled \$2.5 billion in 2008.
- Major Canadian exports to Peru include cereals, pulses, paper, technical instruments, and machinery. Major imports from Peru consist of gold, zinc, copper and petroleum oil.
- An FTA between the United States and Peru entered into force on February 1, 2009. A Canada-Peru FTA will level the playing field for Canadian companies doing business in Peru.

For more information on the Canada-Peru FTA, please visit the following website:

<http://www.international.gc.ca/trade-agreements-accords-commerciaux/agr-acc/andean-andin/can-peru-perou.aspx>

