



Sent via email to: CIIT@parl.gc.ca

February 13, 2024

Sophia Nickel,
Clerk, Standing Committee on International Trade
House of Commons

RE: Free Trade Negotiations Between Canada and Ecuador

Dear Ms. Nickel,

To support the Committee in its study regarding Canada's free trade negotiations with Ecuador, the Canadian Chamber of Commerce wishes to offer a number of comments for the consideration of Committee members. In particular, we would like to highlight several areas that deserve focused attention to ensure that the upcoming discussions are as beneficial as possible for Canadian businesses and Canada's economic interests.

The Canadian Chamber of Commerce is Canada's largest business association, with a diverse network of approximately 400 chambers of commerce and boards of trade representing nearly 200,000 businesses of all sizes in all sectors and regions of our country.

The recent surge in trade and investment between Canada and Ecuador signals a ripe opportunity for formalizing trade relations through an FTA. Our endorsement of these negotiations is grounded in the belief that a well-negotiated agreement will significantly enhance the commercial landscape for Canadian entities in Ecuador and the Latin America region.

Representing Canada's broad and diverse business community, we emphasize the importance of the following considerations in the negotiation process:

1. The Ecuadorian market has demonstrated robust demand for Canadian agricultural products, notably wheat, lentils, oats, barley, and peas. Securing preferential access to these products will be crucial in bolstering Canada's export potential and supporting our farmers and agricultural organizations.
2. Canadian investment in Ecuador, particularly in mining and infrastructure, underscores the need for a strong legal framework within the FTA. An Investor-State Dispute Settlement (ISDS) provision is essential to protect Canadian investments from potential adverse policy shifts, ensuring stability and confidence for our investors.



3. 98% of Canadian businesses are small and medium-sized enterprises (SMEs). A critical focus of the negotiations should be on implementing measures that facilitate easier market access and reduce trade barriers for Canadian SMEs, supporting their expansion and innovation. This ensures SMEs can fully capitalize on the benefits of international trade.
4. An FTA with Ecuador must reflect current best practices in Responsible Business Conduct (RBC), leveraging Canadian leadership in this area to enhance human rights, inclusivity, and development outcomes in Ecuador.
5. An FTA with Ecuador presents a strategic opportunity to solidify Canada's trade network across the Americas. This agreement would complete Canada's FTA with all Pacific coast countries in South America, marking a significant milestone in our trade engagement in the region.

We value your thoughtful attention to these important areas as the Committee progresses with the studies for the FTA negotiations. The Canadian Chamber looks forward to the opportunities this will create for Canadian businesses and the positive impact it will have on the economy.

Thank you for your attention. We are available to discuss these points further and provide additional information if that is of interest.

Sincerely,

Gaphel Kongtsa
Director, International Policy
Canadian Chamber of Commerce

Gabriel Marquez
Project Coordinator
Canadian Chamber of Commerce

CC:

Hon. Judy A. Sgro, M.P., Chair, Standing Committee on International Trade

Kyle Seeback, M.P., Vice-Chair, Standing Committee on International Trade

Simon-Pierre Savard-Tremblay, M.P., Vice-Chair, Standing Committee on International Trade