
NEWS RELEASE

BC Chamber welcomes Canada-South Korea trade deal

FOR IMMEDIATE RELEASE

Vancouver, March 11, 2014 – Chambers from across B.C. welcomed the successful conclusion of a Canada-South Korea free trade deal, which gives B.C. businesses enhanced access to South Korea’s \$1.1 trillion economy.

“This trade deal is a coup for B.C.,” said John Winter, president and CEO of the BC Chamber of Commerce. “It gets our foot in the door in Asia and benefits virtually every region and sector of our economy.”

This agreement is Canada’s first with an Asian market. Winter noted that, given B.C.’s strong trade ties to South Korea, the deal is particularly meaningful to the West Coast.

“South Korea is Canada’s seventh-largest trading partner, but B.C.’s fourth-largest,” he said. “B.C. already exports more than half of all Canadian goods headed to South Korea. This deal will help B.C. further capitalize on this market of 50 million consumers.”

Key benefits for B.C. include:

- **Fish and Seafood:** Upon implementation of the agreement, 70% of fish and seafood products will be duty-free within five years, and all remaining duties will be eliminated within 12 years. Current duties on fish and seafood entering South Korea range up to 47%, with average duties at 16.5%. Currently, B.C. exports \$8.1 million worth of fish and seafood to South Korea.
- **Mining:** Upon implementation of the agreement, 98.7% of tariffs on metals and minerals will be duty-free and within five years, all remaining tariffs will be eliminated. Currently, duties are up to 8%.
- **LNG:** Upon implementation of the agreement, liquefied natural gas (LNG), with current duties of 3%, will be duty-free.
- **Forestry:** Upon implementation of the agreement, more than half (57%) of forestry and value-added wood products will be duty-free. Within three years, a further 13% will become duty-free. Current duties peak at 10%, with an average of 2.9%. Currently, B.C. averages \$327.9 million in forestry exports to South Korea.
- **Service Sector:** The agreement increases access to the South Korean market for B.C. professional service providers (including professionals from accounting, legal,

environmental services, oil and gas, mining, clean energy, transportation and tourism industries) by taking a “negative list” approach. This approach means that all B.C. professional service providers will have access to the South Korean market unless specifically barred.

Winter noted that this deal will come as a strong relief to B.C. exporters, who have seen their trade volumes to South Korea decline in the past year. He commented that, as a result of the EU and the U.S. signing deals with South Korea in 2011 and 2012, respectively, Canada saw a 30% drop in South Korea-bound exports last year.

“Today is a red-letter day for B.C.’s exporters,” he said. “With this deal, we’re back in the game.”

Winter added that the value of this deal goes beyond achieving access to this strong emerging market.

“Swift on the heels of Canada’s agreement in principle on a Canada-EU deal, this second major 21st century deal shows that our negotiators have what it takes to get deals done,” he said. “And now, critically, this deal paves the way toward an Asia-Pacific deal. We can’t forget that for B.C., the Trans Pacific Partnership is our holy grail.”

On behalf of Chambers across the province, Winter congratulated the federal government on achieving this deal with South Korea.

“Our members congratulate the federal government for tackling the tough issues and vested interests to achieve a deal that serves the national interest,” he said. “We look forward to this forming a basis for the successful conclusion of the TPP talks.”

The BC Chamber is the largest and most broadly-based business organization in the province. Representing more than 125 Chambers of Commerce and 36,000 businesses of every size, sector and region of the province, the BC Chamber of Commerce is “The Voice of Business in BC.”

- 30 -

For further details, please contact:

John Winter
President & CEO
BC Chamber of Commerce
T 604.638.8110
C 604.376.3577



Suite #1201-750 West Pender Street,
Vancouver, BC V6C 2T8
(604) 683-0700 Fax: (604) 683-0416
Website: www.bcchamber.org

E jwinter@bcchamber.org

Jenny MacPhee
Communications Officer
BC Chamber of Commerce
T 604.638.8114
C 604.366.4990
E jmacphee@bcchamber.org