

Ratification of the Free Trade Agreement with Canada

On 14 March 2017 the Verkhovna Rada of Ukraine ratified the Free Trade Agreement with Canada.

The document lays the legal basis for the free trade regime between Ukraine and Canada, enabling the Ukrainian business to take advantage of the opportunities of the customs free access to the new market.

According to the agreement, Canada undertook to cancel the customs fee for 98% of the Ukrainian import, and Ukraine – for 86% on the import from Canada. The rest of 12% of the market shall be opened gradually, within a seven-year transition period. Import customs duties on agricultural products will be cancelled (except for 108 rate cards to be accessed within quotas), as well as on all industrial goods (except for cars with a seven year transition period of cancelling import customs duties).

The agreement also involves providing Ukraine with technical assistance, aimed at improving Ukrainian goods access to the market of Canada and contributing to the agricultural complex development. In the long term outlook the agreement provides for an increase in high tech equipment and manufactured goods deliveries.

Alongside with raising the trade turnover between the countries, the Agreement is expected to contribute to the foreign investment influx to Ukraine, creating new jobs, positively affecting the GDP of Ukraine growth.