



ASSESSING PALESTINIAN - CANADIAN TRADE RELATIONS

Assessment of the Palestinian-Canadian
Framework on Economic Cooperation and Trade
and Position Paper



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Framework on Economic Cooperation and Trade
and Position Paper

Prepared by
PalTrade - Palestine Trade Center

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Foreword

The present document contains an analysis of Palestinian-Canadian trade relations and, in specific, the impact of the Palestinian-Canadian Framework on Economic Cooperation and Trade (FECPT), as well as an assessment of opportunities for trade creation in the different economic sectors in both Canada and Palestine.

Based on this assessment and through extensive dialogue with Palestinian exporters and key stakeholders in the Palestinian public and private sector, a policy paper was developed in order to tackle the Palestinian private sector's key challenges for trading with Canada, and present a set of recommendations in order to facilitate and enhance trade.

Because the position paper is written in Arabic language, the key recommendations were translated into English and attached hereto. The full version in Arabic is attached at the end of the document.

Policy Paper: Key recommendations

Ever since FECPT was signed in 1999, Canada has been a strong partner in development cooperation to the Palestinian people. Committed to private sector-led growth, it has supported a number of programs for private sector-led growth, export development, and the creation of a positive business environment in Palestine. Yet, in spite of Canada's commitment to support the Palestinian economy, and despite the existence of a framework agreement that regulates duty-free access of many Palestinian exports to Canada and vice versa, the trade volume between the two countries has remained modest throughout the years. In 2013, the Palestinian exported value to Canada was approximately 900 thousand USD, contributing only 0.05% to Palestine's world exports. The volume of imports from Canada was 2.7 million USD, which accounts for merely 0.1% of total Palestinian imports in 2013.

In light of Canada's marginal significance as a trade partner to Palestine, it becomes evident that the two trade partners are in need of a more comprehensive framework for economic cooperation. It is therefore recommended that under FECPT, a Joint Canadian-Palestinian Economic Committee will be established in order to set principles and mechanisms for trade development and promotion between the two countries, including initiating the development of a bilateral Free Trade Agreement including both trade in goods and services, exempting agricultural commodities and processed foods from customs duties, providing a market penetration program to enhance Palestinian exports to Canada, facilitating movement of businesspeople between the two countries, and strengthening cooperation among the business community and trade support institutions in Palestine and Canada. All steps taken should seek to represent the interests of women entrepreneurs to encourage and support entrepreneurial initiatives among women and strengthen entrepreneurial competences and business potential of women.

The detailed recommendations are as follows:

Establish a Joint Palestinian-Canadian Economic Committee which partly consists of key institutions in the private sector. Within the Joint Economic Committee, take steps for the development of a bilateral Free Trade Agreement that includes all aspects of trade in goods and services and places particular emphasis on the agricultural, food and pharmaceutical sectors. It is crucial to involve businesswomen and related institutions in all activities carried out by the Joint Economic Committee.

- Establish a Joint Palestinian-Canadian Economic Committee with active participation of key private sector institutions. Within the Joint Committee, take steps for the development of a bilateral Free Trade Agreement that includes all aspects of trade in goods and services and places particular emphasis on the agricultural, food and pharmaceutical sectors. It is crucial to involve businesswomen and related institutions in all activities carried out by the Joint Committee.
- Exempt agricultural commodities and processed foods from customs duties. Priority products are food, especially meat, frozen meat, dairy produce, vegetables, margarine, non-alcoholic beverages, tobacco and cigarettes.
- Regulate the relationship between the Palestine Standards Institution and its Canadian counterpart and work toward the mutual recognition of certificates of conformity and quality.
- Encourage and support business partnerships between the two countries and attract Canadian companies worldwide to invest in Palestine.
- Facilitate the process of obtaining visas for Palestinian businesspeople, including conducting interviews with applicants in Palestine instead of requiring them to travel to Jordan or Israel.
- Establish targeted cooperation in the form of programs for economic development as referred to under FECPT, particularly in the field of product marketing and strengthening small and medium-sized enterprises and women entrepreneurs, in order to enable Palestinian exporters or potential exporters to penetrate the Canadian market.
- Formulate an agreement on trade in services between the two countries.

- Expand the scope of FECP to economic cooperation in the sectors energy, telecommunications, information technology, education, transportation and tourism.
- Support Palestinian efforts to join the World Trade Organization.
- Create channels of communication between private sector institutions in the field of trade, exports and investment, based on the following objectives:
 1. Exchange of information on markets and economic sectors in both countries as well as mechanisms for mutual market access and competition.
 2. Organize events and promotional activities which contribute to introducing products in the reciprocal markets.
 3. Assist companies in receiving information on procedures and requirements for import and export in both countries.
 4. Study the feasibility of joint investment projects that shall contribute to the process of economic development in Palestine.

ASSESSING

**THE PALESTINIAN – CANADIAN
FRAMEWORK ON ECONOMIC COOPERATION
AND TRADE**

USING SUSSEX FRAMEWORK

Executive summary

The present assessment evaluates Canadian-Palestinian trade relations and the impact of the, Canadian-Palestinian Framework on Economic Cooperation and Trade (FECPT), which was implemented in 1999. The objective of our assessment is to identify economic sectors with potential for trade creation for both countries.

The assessment is based on key features of Sussex Framework (SF), a methodology developed by researchers at the University of Sussex. According to SF, the impact of Free Trade Agreements (FTAs) can be examined by looking at trade effects through applied tariffs and/or quotas, defined as “shallow integration”. In order to shed light on the likely shallow integration impact of a trade agreement, SF identifies certain rules of thumb, which are significantly based on tariffs, trade shares, trade structures and comparative advantages.

The first part of our assessment is therefore dedicated to providing an overview of Palestine’s trade with Canada between 1996 and 2013. As we shall see, Canada has been an insignificant partner in trade for Palestine and vice versa. Canada accounted for only 0.1% (0.05%) of Palestinian exports (imports) in 2013 and Palestine’s trade share in Canada has been much lower: 0.0006% of Canada’s exports were directed to Palestine and only 0.0002% of its imports came from Palestine. In numbers, Palestine’s exported value to Canada was 908 thousand USD, and imports from Canada accumulated a value of 2.7 million USD in 2013.

Throughout the years, we find that, even though the value of exports/imports has increased, trade shares have not changed by much. Canada has remained an insignificant trade partner to Palestine even after the implementation of FECPT.

Looking next at the structure of trade, our findings show that at the SITC Rev. 3 5-digit level for 1996-2006 and HS 1996 6-digit level for 2007-2013, Palestine’s exports to Canada have been very concentrated on virgin olive oil, which accounted for 57% of total Palestinian exports to Canada prior to 2007 and almost 50% after 2007. Furthermore, stone and marble products contributed 15% to the exported value to Canada between 1996 and 2006. Between 2007 and 2013, stone, marble and granite products contributed 21.4% to Palestine’s exports to Canada.

Imports from Canada, again at the SITC Rev. 3 5-digit level for 1996-2006 and HS 1996 6-digit level for 2007-2013, were more diversified. Prior to 2007, the most important import products were peas, newsprint and beans, accounting for 7.1%, 6.7% and 6.4% of Palestine’s total imported value from Canada. After 2007, the top import products were vaccines and lentils, which accounted for 20.2% and 15.6% of Palestine’s imports from Canada. The only products imported throughout all years were lentils and medicaments.

In the next part of our assessment we look at applied tariffs by Canada and Israel (latter because Palestine follows the same import policy as Israel) for imports from the world and from each other. Considering first the tariff structure at the total trade level, we find that both countries have applied low tariffs on world imports and imports from Canada and Israel throughout the past years. However, exploring further both tariff profiles, we find that there are many sectors with tariff peaks (especially in Canada), for which the coverage within FECPT or a future Canada-Palestine FTA through customs exemption would be vital for trade creation.

Regarding Palestinian tariffs, the applied tariff policy is the same as in Israel, which considerably limits the scope of tariff measures that can be undertaken by Palestine. Therefore, even though we have identified considerable potential for shallow integration induced trade creation for certain meat products and Canadian dairy produce, Palestine cannot exempt tariffs without Israel applying the same import policy. Because Israel applies a high level of protection through tariffs in the identified sectors, Palestine strongly depends on imports from Israel.

On the other hand, the analysis on Canadian tariffs, the revealed comparative advantage (RCA) of Palestinian exports, as well as the potential demand in the Canadian market, suggest that the reduction of Canadian tariffs is likely to cause trade effects in the following sectors:

1. 040310: yogurt/labneh
2. 160100: sausages
3. 210690: food preparations
4. 220290: non-alcoholic beverages
5. 240220: cigarettes
6. 210500: ice cream
7. 020220: bovine cuts, bone in, frozen
8. 151529: maize oil
9. 151219: sunflower seed oil
10. 200490: vegetables and mixtures
11. 200580: sweet corn
12. 151550: sesame oil
13. 210320: tomato ketchup
14. 230990: animal feed preparations
15. 150790: soya bean oil
16. 160250: meat/offal from bovine animals
17. 071080: vegetables nes

We have identified RCAs for each product except for animal feed preparations and vegetables (071080). Very high RCA levels exist for yogurt/labneh, maize oil, sausages, cigarettes and soya bean oil.

In most sectors we have identified high tariffs applied by Canada, which suggests likelihood for shallow integration induced trade effects. Canadian applied AVE tariffs are particularly high for yogurt/labneh (237.5%), ice cream (141%), sausages (68.75%), food preparations (42.52%), non-alcoholic beverages (37.01%), bovine cuts (26.5%) and animal feed preparations (21.18%). For the remaining products applied tariffs range between 4.75% and 12.5%. Among Palestine's top 15 export products we have identified potential for trade creation in Canada for cigarettes and yogurt/labneh.

In a nutshell, reducing and/or abolishing tariffs is likely to enhance trade if it is carried out in the above mentioned sectors and based on Palestinian elasticities of supply and the Canadian demand in these sectors. In addition, in order to create trade, tariff measures must go along with behind-the-border measures that are taken by the trade partners (e.g. through cooperation with regard to investment and standards). Unfortunately, because FECP does not specify measures for the implementation of deep integration issues or the establishment of a Palestinian-Canadian Joint Committee, mechanisms for economic cooperation between the Parties remain unclear.

Therefore, the dissociation of FECP from the Canada-Israel Free Trade Agreement (CIFTA) or the implementation of an independent Canada-Palestine FTA must accompany both shallow and deep integration measures, to ensure that targeted measures are consistent with the particular needs of the Palestinian private sector and the Palestinian developmental vision.

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LIST OF ABBREVIATIONS

AHS Tariff: Effectively Applied Tariff
AVE Tariff: Ad Valorem Equivalent Tariff
CIFTA: Canada-Israel Free Trade Agreement
EFTA: European Free Trade Association
EU: European Union
FECP: Canadian-Palestinian Framework on Economic Cooperation and Trade
FKI: Finger-Kreinin-Index
FTA: Free Trade Agreement
GAFTA: Greater Arab Free Trade Area
GLI: Grubel-Lloyd-Index
HS: Harmonized System
IIT: Intra-Industry Index
MERCOSUR: Common Market of the South
PCBS: Palestinian Central Bureau of Statistics
RCA: Revealed Comparative Advantage
SF: Sussex Framework
SITC: Standard International Trade Classification

Background

Since the foundation of the Palestinian National Authority (PNA), the Israeli-Palestinian Interim Agreement (hereby referred to as “Paris Protocol”) has been the only basis to regulate economic relations between Israel and Palestine. Although it was designated for an interim period only (1994-1999), the Paris Protocol is still in force till date. The Oslo Agreement, of which Paris Protocol forms an integral part, gives Palestine the right to negotiate and conclude agreements as long as the same import policy is applied in Israel and the Palestine. Therefore, Palestine signed several trade agreements in an attempt to improve and flourish the Palestinian economy, the ultimate objective of which was to reduce dependence on a single market and create an enabling business environment.

The Paris Protocol created a quasi-customs union between Israel and Palestine formulated on the free movement of goods between the two markets without any type of tariff and non-tariff barriers; and the adoption of a joint/unified tariff list while giving the Palestine the right to determine duties and standards requirements for a list of basic or strategic commodities known as lists A1, A2, and B. List A1 refers to locally produced goods originating in Arab countries and Jordan and Egypt particularly, whereas List A2 applies to goods from Arab, Islamic and other countries. Goods in List B are basic food items and other goods for the Palestinian economic development program. However, as for the goods specified in these lists, tariffs are till date the same as those applied by Israel. For imports from Israel, Palestinian applied tariffs are zero.

With respect to goods not specified in these lists, Israeli customs duties serve as the minimum basis for Palestinian applied tariffs. Based thereupon, in an attempt to protect local industries, the Palestinian Customs Authority collects (additional) duties for imported items in the sectors shoes and leather, textiles, furniture and aluminium. These duties are applied irrespective the country of origin, except for countries that Palestine has concluded trade agreements/arrangements with.

Furthermore, the Paris Protocol gives Palestine the right to determine duties for imports of cars and petroleum. Based thereupon, the Palestinian Customs Authority filed a request to reduce the purchase tax on car imports to 50% (for cars < 2000 cc) and 75% (for cars > 2000 cc), which was approved by Israeli authorities and has been in place since mid-2013.

Strategically, Palestine prioritized signing agreements with countries that had Free Trade Agreements (FTAs) with Israel. The underlying logic was to grant Palestinian exports preferential treatment since imports from these countries entered the Palestinian market duty free based on their trade agreements with Israel and the “quasi” customs union between Palestine and Israel under the Paris Protocol. The signed agreements by Palestine include the Interim Association Agreements (IAA) with the European Union (EU) and European Free Trade Association (EFTA), Greater Arab Free Trade Area (GAFTA), a Free Trade Agreement with Turkey, a Free Trade Arrangements with the USA and the Common Market of the South (MERCOSUR), last of which to date has not entered into force yet.

Further, especially with respect to products on lists A1, A2, and B, Palestine signed preferential trade agreements with both Jordan and Egypt to strengthen and flourish the Palestinian economy by exercising rights granted under the Paris Protocol. Israeli Customs, while still in control of external borders for Palestine, would clear goods imported by Palestinian traders on behalf of Palestinian Customs and then transfer this money to Palestine; 3% of the total transfers is taken by Israel as administrative expenses.

The Canadian-Palestinian Framework on Economic Cooperation and Trade (FECPT)¹ was signed in 1999 and is considered an extension of CIFTA, which allows for the entry of products of both countries into their respective markets exempt from duties. Because FECPT mirrors CIFTA, Canadian applied tariffs on imports from Palestine are the same as for Israel.

CIFTA regulates the elimination of tariffs on industrial products while tariffs on agricultural products and processed food were reduced or abolished pursuant to a quota system (see Annex VI for a complete list of products with preferential tariff treatment in line with CIFTA). Furthermore, FECPT aims at promoting a program of economic development improving bilateral trade relations through the elimination of non-tariff barriers to trade, cooperation on product standards and customs cooperation, encouraging and protecting investment and encourage cooperation in science and technology in areas of mutual interest. Unfortunately, FECPT does not specify how to implement respective measures. In addition, because no Palestinian-Canadian Joint Committee was established following the signing of FECPT, mechanisms for economic cooperation are unclear.

With this background, the objective of this study is to evaluate the impact of FECPT using a methodology developed by researchers at the University of Sussex, known as the Sussex Framework (SF).

We divide the report into different sections which revolve around key features of the SF. First, we identify key aspects of the Palestinian economy. Secondly, we look at existing patterns of trade both by sector and by partner country. Thirdly, we use selected SF indicators to identify the likelihood for shallow integration induced trade effects. Lastly, we turn to the issue of deep integration and consider qualitative and quantitative evidence which can shed light on the potential welfare gains which could arise from deeper integration in FECPT or a future Palestine-Canada FTA.

The Sussex Framework²

The Sussex Framework (SF) involves focussing on selected descriptive statistical indicators from which one can draw analytical conclusions well-grounded in economic theory to evaluate the likely effects of a FTA.

Shallow integration

Preferential trade liberalization involves a process of shallow integration, defined as the removal of border barriers to trade, typically tariffs and quotas. The potential net benefits from shallow integration are inherently ambiguous because of the likelihood of both trade creation (which is welfare increasing) and trade diversion (which is welfare reducing). The net welfare impact of a FTA depends on the relative size of these two effects.

There are two possible channels of trade creation: First, this can arise when more efficiently produced imported goods replace less efficient domestically produced goods. Thus, trade is “created” and yields welfare gains on the production side. Secondly, a reduction in tariffs that leads to a reduction in prices will increase the demand for goods which were already previously imported from the partner country. This leads to trade creation and welfare gains on the consumption side as consumers have access to cheaper goods than previously.

Trade diversion occurs when sources of supply switch away from more efficient non-partner countries to less efficient partner countries. If, prior to the FTA, a country chose to import from a non-FTA supplier, this would have occurred because that supplier was more efficient (cheaper) than the alternatives. If, because of tariff reduction, a country moves the source of supply away from the more efficient (cheaper) supplier and towards the less efficient FTA partner country, then trade diversion is considered to result in a welfare loss. On the other hand, there is a potential welfare gain to the exporting FTA partner country, depending on whether the country was at full employment prior to the FTA. If the partner country was previously at full employment, the FTA results in a reallocation of resources from one sector to another, where demand has increased after the formation of the FTA.

The conclusion is that preferential liberalization in the framework of the FTA will have an impact on trade flows through trade creation and trade diversion, but the net welfare effect from that reallocation of trade flows is inherently ambiguous.

The SF identifies the following rules of thumb, which are used to shed light on the likely shallow integration impact of a trade agreement:

1. The higher are the initial tariffs/barriers, the greater are the likely effects on both trade creation and trade diversion. With high initial (MFN) tariffs, the initial distortion is great. This in turn means that in principle there is greater scope for both trade creation and trade diversion as the high tariffs are preferentially removed. Thus if the pre-FTA tariffs were very high, as these are removed it is more likely that the new partner country may be able to supply the good more efficiently than the domestic economy. The higher the pre-FTA tariffs, the more likely it is that this will be the case and consequently, the greater the possibility for such trade to be created. Moreover, the higher the pre-FTA tariffs, the greater the price reduction arising from their removal, which in turn increases the demand for the good and creates more trade. Each of these processes of trade creation are welfare increasing. However, it is also the case that if pre-FTA tariffs were high, then as they are removed there is a greater possibility of the new FTA partner countries supplying the (tariff free) good cheaper than the excluded countries (on whose exports tariffs are levied). Hence, even though these excluded countries may produce the good more efficiently and cheaply, the good will be supplied by the FTA partner who has preferential access to the market. The higher the pre-FTA tariffs, the more likely it is that this form of welfare reducing trade diversion will occur.
2. The greater the number of FTA partners, the more likely it is that there will be trade creation as opposed to trade diversion, because of the increased likelihood of including more efficient suppliers. As an illustration, suppose that a given trade agreement were to include the maximum number of possible countries. At the limit this would include all the countries in the world, and hence by definition the most efficient countries will have been included. Therefore, including a greater number of countries in a FTA minimizes the extent of trade diversion, and simultaneously maximizes the likelihood of trade creation.
3. Wide differences in comparative advantage between partner countries are likely to lead to a welfare improving FTA. Trade creation occurs when there are differences in efficiency and costs across partner countries – hence the FTA enables the partners to source the goods from the most efficient FTA partner. The greater those differences in comparative

² This section draws heavily on CARIS (2007), ‘Qualitative Analysis of a Potential Free Trade Agreement between the European Union and India’, and CARIS (2007), ‘Assessing Preferential Trading Agreements Using the Sussex Framework’.

advantage (and hence in costs across the countries) the greater is the likely gain from trade creation. If Palestine is only marginally more efficient than Canada in producing a given good, then the gain to Canada from importing the good from Palestine as opposed to producing it itself is relatively small. However, if Palestine is significantly more efficient than the potential gains are that much higher. It is worth noting, however, that if the initial tariffs are high then, as detailed in the first rule of thumb, there is also greater likelihood of trade diversion which diminishes the trade creation gains.

4. The more similar the product mix in the economies concerned and the higher the elasticities of supply, the greater the possibility of trade creation. Recall that trade creation occurs when the importing country produces less of the good itself and instead imports the good from its FTA partner. Suppose that prior to the FTA there was no overlap whatsoever between the two countries' production bundles. If that were the case then the only possibilities for trade creation would arise on the demand side. Conversely, if there is a significant overlap in the goods produced by the partner countries, there is much more scope for switching sources of supply to the more efficient country. Note also that assuming a given degree of overlap in the production structures, the more responsive supply is to the tariff reduction-induced changes in prices, the greater the extent of trade creation.

5. The higher the percentage of trade with potential partners, the greater the possibility of the FTA enhancing welfare. Consider an initial situation where there was very little trade with the potential partner country. This would suggest that in the initial situation, third countries were more efficient suppliers. A FTA is therefore more likely to result in trade diversion under these circumstances. Conversely, if in the initial situation the countries traded significantly with each other, it is more likely that they are each respectively importing from the more efficient supplier, and the chances of trade diversion occurring are lessened.

6. Trade diversion is more likely when partners and excluded countries are close competitors. If it is the case that the partner exports a similar range of products as the excluded countries, then it is clearly more likely that a FTA may result in the partner displacing the exports of one of the excluded countries.

7. The greater the possibilities for supply chain integration the greater the likely gains: Following from RT4, specialization and supply chain integration greatly increases the chances of welfare gains, which are characteristic of deep integration.

8. Greater share of trade in GDP suggests that larger gains are likely: A low trade share in GDP suggests a high degree of protection, which thus points to greater distortions. Thus, a boost in trade to a closed economy will constitute a welfare gain, and the less trade there is, the lesser is the risk of trade diversion.

Deep integration

In addition to shallow integration effects, there are further welfare gains arising from the induced growth effects stimulated by, for example, productivity growth, positive externalities between firms, sectors or across sectors (e.g. between manufacturing and services), technology transfer and diffusion both through trade and FDI, pro-competitive gains from increasing import competition in an environment of imperfect competition, the increased geographical dispersion of production through trade that supports the exploitation of different factor proportions for different parts of the production process and/or local economies of scale through increased specialization and division of labor in production. These gains are more likely to arise in the presence of deeper integration.

In contrast to shallow integration, deep integration involves policies and institutions that facilitate trade by reducing or eliminating regulatory and behind-the-border impediments to trade, where such impediments may or may not be intentional. These can include issues such as customs procedures, regulation of domestic services production that discriminate against foreigners, product standards that differ from international norms or where testing and certification of foreign goods is complex and perhaps exclusionary, regulation of inward investments, competition policy, intellectual property protection and rules surrounding access to government procurement.

There is a contrast between shallow and deep integration: For shallow there is wealth of data and comprehensive and sophisticated analytical methods for analysis of welfare effects, but usually the estimated welfare benefits are relative small. Deep integration, in contrast, is likely to result in the creation of large welfare gains. However, there is a relatively low availability of data and analytical methods for the analysis of deep integration.

In assessing a FTA it is therefore crucial to first identify the implications arising from the implied shallow integration using the above-mentioned Rules of Thumb and then build upon this to consider the possible role and importance of measures of deeper integration.

A snapshot of Palestinian economic performance

Palestine had a GDP of 7.1 billion USD in 2013 at constant prices and the economy grew by 3.8% over 2012-2013. As illustrated in Figure 1, Palestinian GDP per capita has seen an average annual growth rate of 1.23% throughout the years 1994-2013. The Palestinian economy is predominantly services-based; the sector has accounted for more than 70% of GDP (see Figure 2) and total employment over time. Within services, other services (see Figure 3) constitute the largest share (20% of GDP in 2013), followed by construction (14.1%) and wholesale and retail trade (14%). In view of this sectorial distribution, any agreement involving the Palestine should cover services. Having said this, the majority of Palestinian trade is in merchandise goods. In 2013, Palestinian net imports of services were 2.6% of total net imports of goods and services, and net exports of services contributed 20.6% to Palestinian exports, compared to 17% in 2012. Palestinian total exports have contributed roughly 12.8% to the Palestinian GDP of 2013.³

Figure 1: Palestinian GDP per capita at constant prices (base year 2004, Source: PCBS)

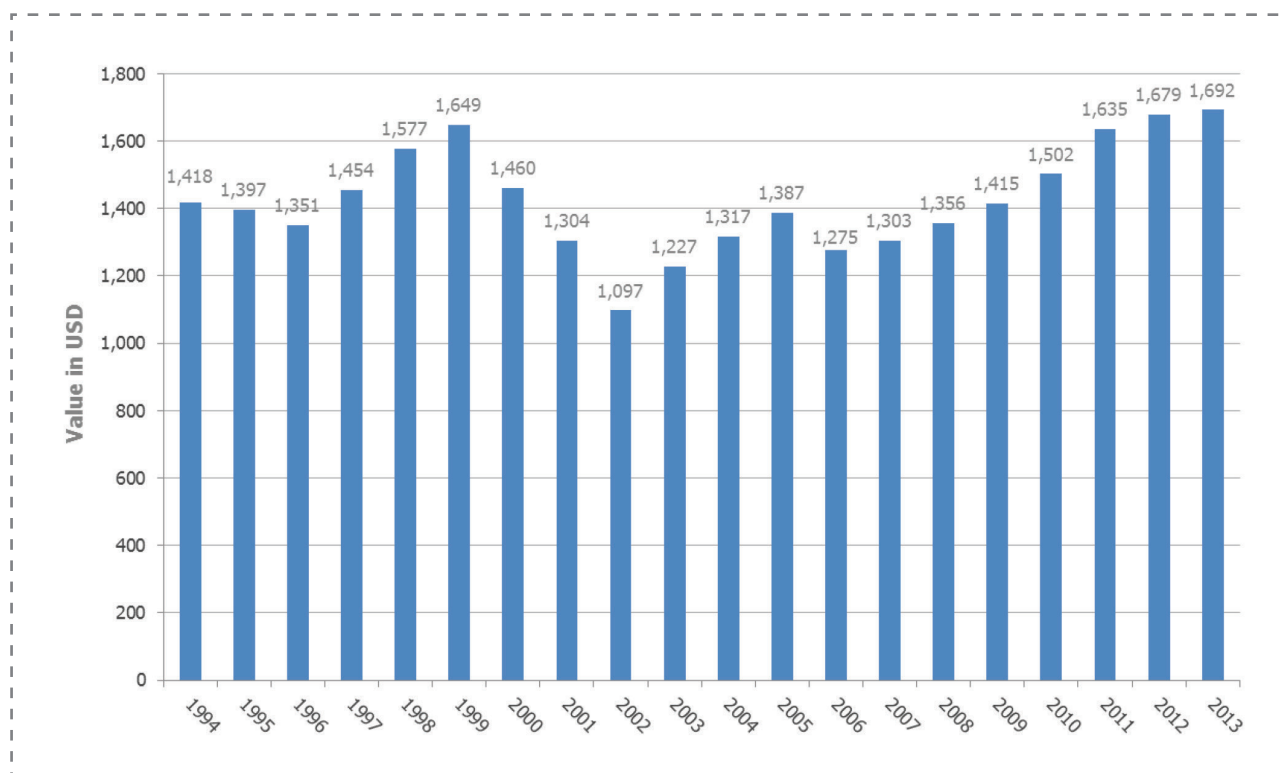
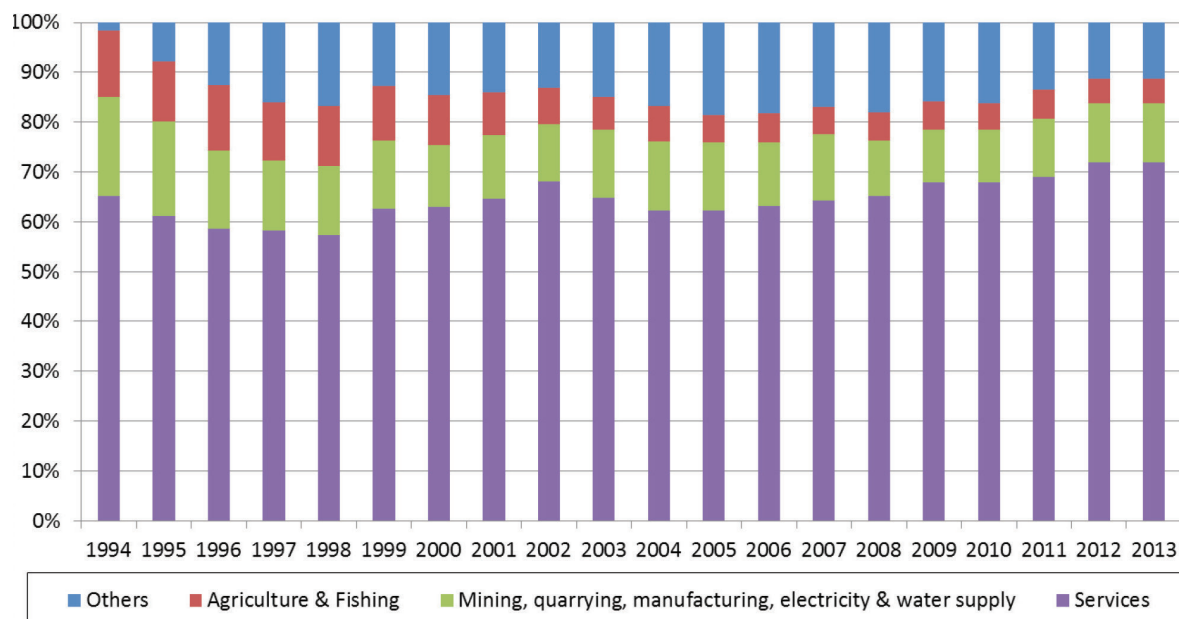
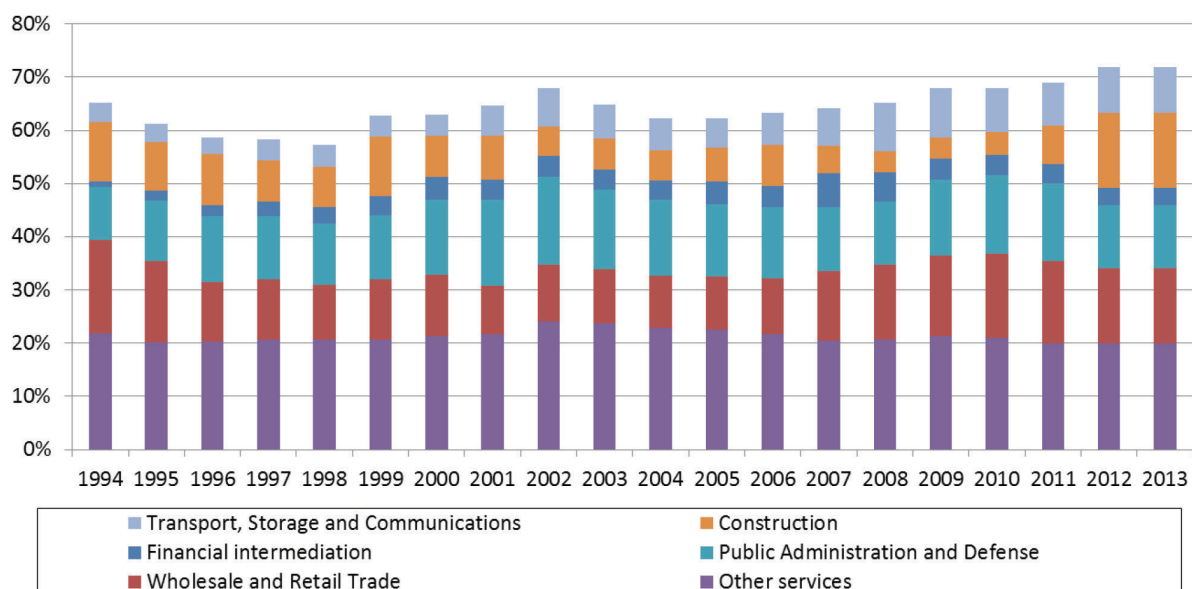


Figure 2: Sectorial distribution of GDP at constant prices (Source: PCBS)



Note: Others include 'Households with employed persons', 'Public owned employed persons', FISIM, Customs duties, Net VAT on Imports.

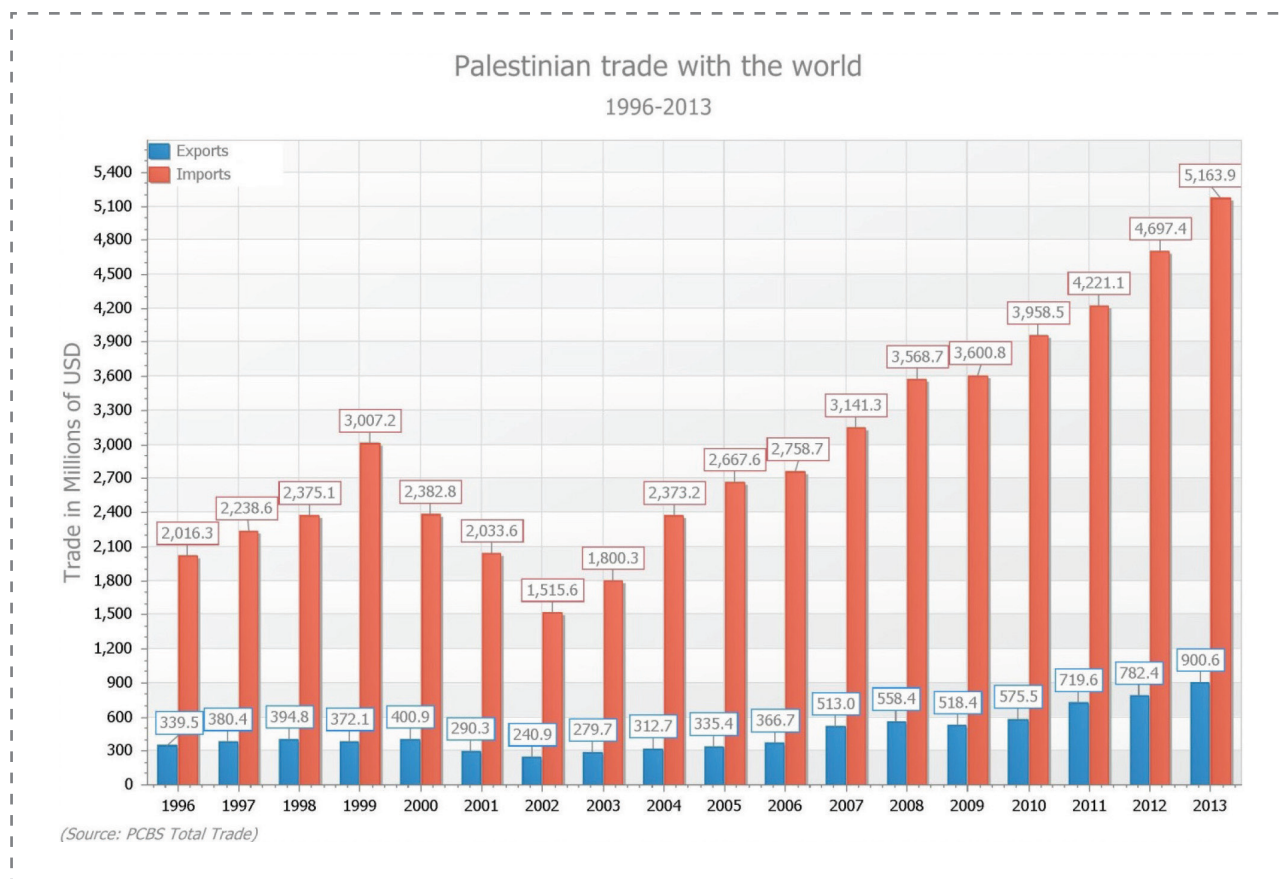
Figure 3: Breakdown of services contribution to GDP at constant prices 1994-2013 (Source: PCBS)



Note: Other services include accommodation and food service activities (hotel & restaurants); real estate activities; professional, scientific and technical activities; administrative and support service activities; education, health and social work; and arts, entertainment and recreation.

Figure 4 below illustrates the value of Palestinian exports/imports between 1996 and 2013. Throughout the years, Israel has been Palestine's major trade partner. In 2013, it has accounted for 71.6% of Palestine's imports and more than 87% of Palestinian exports. Other important trade partners are the EU, GAFTA, Turkey, China, USA, South Korea, MERCOSUR, India, Thailand, Japan and EFTA. Palestine's trade relations with the world and Canada will be highlighted in more detail in the following chapters.

Figure 4: Palestinian total trade with the world 1996-2013



Palestinian-Canadian trade relations

The Joint Canadian-Palestinian Framework on Economic Cooperation and Trade (FECPT) has created a basis for economic cooperation in many fields. In line with the Canada-Israel Free Trade Agreement (CIFTA), Canada and Palestine eliminated their customs duties for goods listed in Chapters 25 to 97 of the Harmonized System, in addition to several goods⁴ listed in Chapters 1-24. Other areas of cooperation include the promotion of a program for economic development in Palestine. Economic cooperation includes also assistance in customs procedures and practices, investment cooperation and protection, cooperation in science and technology fields and other areas of mutual interest and the promotion of greater cooperation between Canadian and Palestinian business communities, associations and institutions. In a nutshell, the Canadian-Palestinian FECPT has created considerable potential for trade enhancement between the two countries. Unfortunately, as we shall see in this chapter, this potential has barely been tapped in the past years. In fact, after FECPT was signed in 1999 until 2008, Palestinian exports to Canada have remained very low at values not exceeding 270 thousand USD. Between 2009 and 2012 exports were relatively high at values between 1.8 and 3.3 million USD. In 2013 however, the exported value went down to only 908 thousand USD.

Imports from Canada have reached peaks in 1999 (3.3 million USD), 2007 (5.2 million USD) and 2010 (8.2 million USD). After 2010, imports have remained fairly low at values not exceeding 2.9 million USD.

Figure 5: Palestinian total trade with Canada

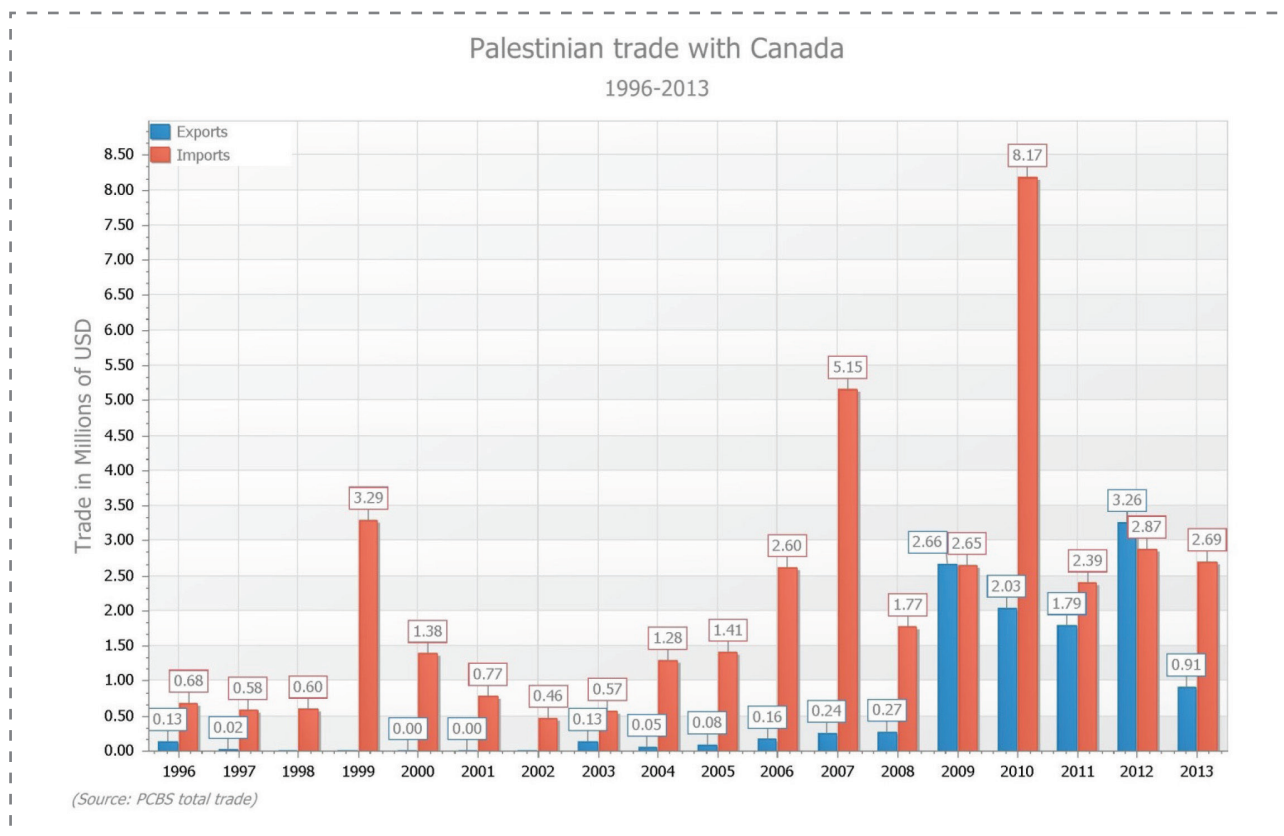


Table 1: Palestinian total trade with Canada

Year	Imports value ('000s USD)	Exports value ('000s USD)	Imports share	Exports share
1996	684.306	133.853	0.03%	0.039%
1997	582.485	15.286	0.03%	0.004%
1998	598.415	0	0.03%	0.000%
1999	3,285.66	0	0.11%	0.000%
2000	1,382.87	1.2	0.06%	0.000%
2001	768.571	4.465	0.04%	0.002%
2002	458.711	0	0.03%	0.000%
2003	568.544	134.35	0.03%	0.048%
2004	1,283.66	50.936	0.05%	0.016%
2005	1,405.41	82.158	0.05%	0.024%
2006	2,603.92	164.06	0.09%	0.045%
2007	5,151.99	242.57	0.16%	0.047%
2008	1,767.88	267.731	0.05%	0.048%
2009	2,649.62	2,664.82	0.07%	0.514%
2010	8,168.77	2,028.70	0.21%	0.353%
2011	2,394.00	1,788.69	0.05%	0.240%
2012	2,871.33	3,259.43	0.06%	0.417%
2013	2,686.51	908.04	0.05%	0.101%

Source: PCBS

Trade Shares

Table 2 below illustrates Canada's trade with its most important trade partners in 2013. This table suggests that the USA has been Canada's most important partner in trade, accounting for 52% of its imports and nearly 75% of its exports, followed by EU, China, Mexico, Japan, GAFTA, EFTA, South Korea, MERCOSUR, Taiwan-China (Other Asia nes), India, China-Hong Kong SAR, Peru, Australia, Thailand, Indonesia, Malaysia and Kazakhstan. Palestine has accounted for an insignificant share of both Canadian imports (0.0002%) and exports (0.0006%). We find similar trade shares when we look at Canadian trade during the period 1996-2013 (Figures 6 and 7).

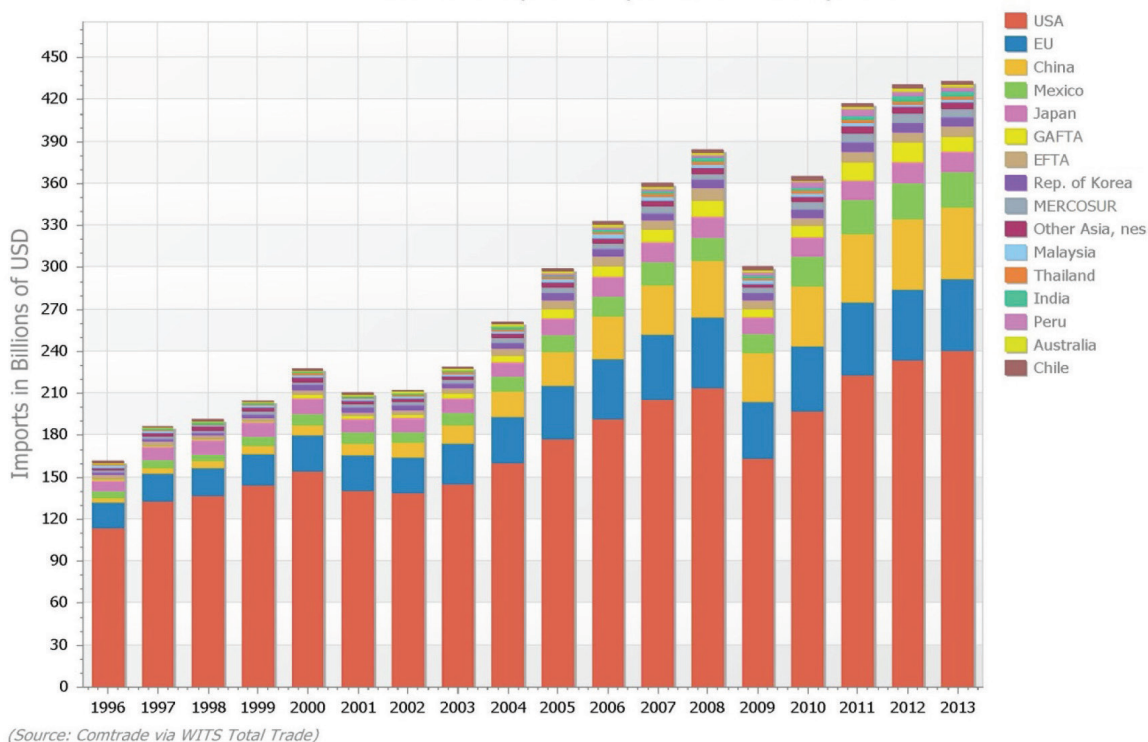
Table 2: Geographical distribution of Canada's trade in 2013

Partner	Imports Value ('000s USD)	Exports Value ('000s USD)	Imports share	Exports share
World	461,799,508.84	456,395,278.17	100.00%	100.00%
USA	240,696,434.39	345,739,643.87	52.12%	75.75%
EU28	51,605,500.95	32,006,652.41	11.17%	7.01%
China	51,206,246.15	19,923,755.11	11.09%	4.37%
Mexico	25,916,502.42	5,271,897.27	5.61%	1.16%
Japan	13,335,003.64	10,383,314.78	2.89%	2.28%
United Kingdom	8,187,740.55	13,621,422.88	1.77%	2.98%
Germany	14,953,137.34	3,252,990.05	3.24%	0.71%
GAFTA	10,822,609.89	4,869,033.65	2.34%	1.07%
EFTA	7,554,531.68	3,754,800.45	1.64%	0.82%
South Korea	7,127,110.86	3,338,252.39	1.54%	0.73%
MERCOSUR	5,740,932.88	3,507,626.01	1.24%	0.77%
France	5,227,853.24	2,940,290.12	1.13%	0.64%
Italy	5,646,055.99	1,903,920.42	1.22%	0.42%
Netherlands	3,278,727.90	3,483,839.28	0.71%	0.76%
Other Asia, nes	4,577,617.76	1,462,607.96	0.99%	0.32%
Brazil	3,521,081.46	2,401,034.02	0.76%	0.53%
Norway	3,660,346.85	2,004,236.97	0.79%	0.44%
India	2,895,743.50	2,761,996.27	0.63%	0.61%
Switzerland	3,850,959.05	1,707,335.58	0.83%	0.37%
China, Hong Kong SAR	249,213.04	4,778,860.64	0.05%	1.05%
Belgium	1,764,996.77	2,403,107.13	0.38%	0.53%
Algeria	3,253,267.55	362,029.33	0.70%	0.08%
Peru	2,985,922.81	590,738.61	0.65%	0.13%
Saudi Arabia	2,631,714.79	893,916.93	0.57%	0.20%
Australia	1,742,620.10	1,619,209.56	0.38%	0.35%
Iraq	3,115,608.14	192,171.58	0.67%	0.04%
Thailand	2,561,840.25	737,184.38	0.55%	0.16%
Indonesia	1,333,653.13	1,842,438.92	0.29%	0.40%
Malaysia	2,116,671.89	760,265.91	0.46%	0.17%
Kazakhstan	2,518,837.51	166,984.66	0.55%	0.04%
Palestine*	908.04	2,686.51	0.0002%	0.0006%

Source: Comtrade via WITS

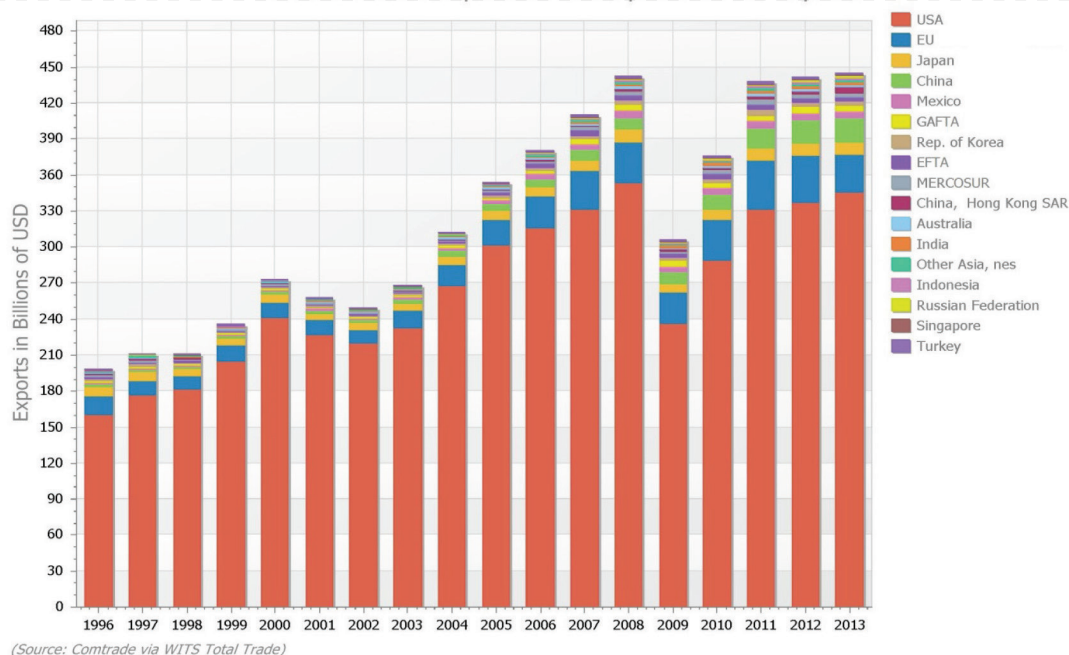
*Note: Because Canada does not differentiate between its trade with Israel and Palestine, data for trade between Canada and Palestine originates from PCBS (with Palestine as reporter country)

Figure 6: Canada's top trade partners for imports 1996-2013 (refer to details in Annex II)



Note: Most important partners for imports from EU: United Kingdom, Germany, France, Italy, Sweden, Netherlands, Ireland, Belgium; from GAFTA: Algeria, Saudi Arabia, Iraq; from EFTA: Norway, Switzerland; from Mercosur: Brazil.

Figure 7: Canada's top trade partners for exports 1996-2013 (refer to details in Annex II)



Note: Most important partners for exports to EU: United Kingdom, Germany, The Netherlands, France, Belgium, Italy, Spain; to GAFTA: United Arab Emirates, Saudi Arabia; to EFTA: Norway, Switzerland; to Mercosur: Brazil, Venezuela.

Turning now to Palestine's geographical distribution of trade, Table 3 shows that Palestine's most important trade partners in 2013 were Israel, followed by the EU, GAFTA, Turkey, China, USA, South Korea, MERCOSUR, India, Thailand, Ukraine, Japan, EFTA.

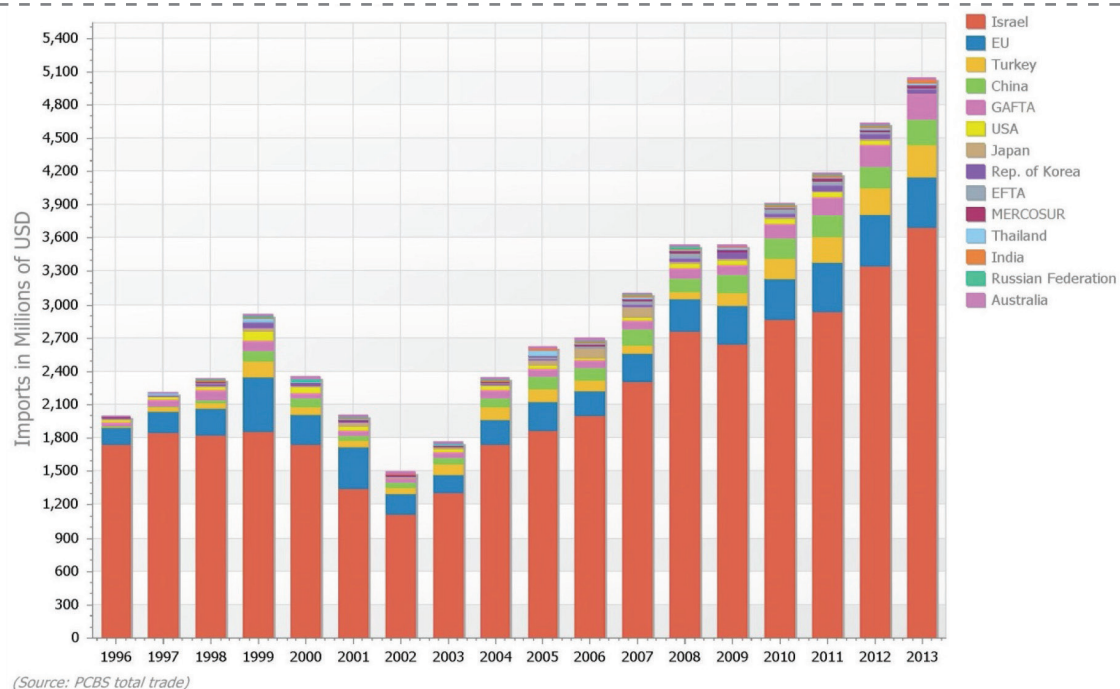
Looking at Palestinian trade with Canada throughout time (Table 1) we find that Canadian trade shares have not or barely increased since the implementation of FECF: Around 0.05% of Palestinian imports came from Canada and 0.10% of Palestine's exports were directed to Canada, compared to 0.11% imports and 0% exports share in 1999.

Table 3: Geographical distribution of Palestine's trade in 2013

Partner	Imports Value ('000s USD)	Exports Value ('000s USD)	Imports share	Exports share
World	5,163,897.46	900,617.86	100.00%	100.00%
Israel	3,694,820.63	785,110.86	71.55%	87.17%
EU28	455,472.33	13,151.73	8.82%	1.46%
GAFTA	214,774.86	84,214.46	4.16%	9.35%
Turkey	289,169.86	2,987.65	5.60%	0.33%
China	236,601.08	0.00	4.58%	0.00%
Jordan	91,504.33	55,389.85	1.77%	6.15%
Germany	124,152.70	1,750.10	2.40%	0.19%
Italy	61,155.12	1,154.70	1.18%	0.13%
Spain	60,607.62	0.00	1.17%	0.00%
USA	41,750.41	11,616.49	0.81%	1.29%
Saudi Arabia	43,997.36	8,421.49	0.85%	0.94%
France	51,629.47	549.94	1.00%	0.06%
Egypt	43,501.32	204.13	0.84%	0.02%
South Korea	38,352.45	299.48	0.74%	0.03%
MERCOSUR	26,395.85	0.00	0.51%	0.00%
Sweden	26,068.82	181.43	0.50%	0.02%
United Kingdom	22,921.07	2,928.70	0.44%	0.33%
Netherlands	22,825.21	2,991.95	0.44%	0.33%
India	23,506.68	0.00	0.46%	0.00%
Thailand	23,353.78	0.00	0.45%	0.00%
United Arab Emirates	15,834.77	7,366.87	0.31%	0.82%
Ukraine	22,177.82	11.92	0.43%	0.00%
Brazil	20,035.29	0.00	0.39%	0.00%
Poland	17,492.71	1,102.39	0.34%	0.12%
Belgium	15,989.37	718.06	0.31%	0.08%
Qatar	11,426.78	4,812.23	0.22%	0.53%
Japan	12,485.66	476.10	0.24%	0.05%
Ireland	12,129.26	59.82	0.23%	0.01%
EFTA	10,139.09	382.82	0.20%	0.04%
Switzerland	10,016.59	311.99	0.19%	0.03%
Canada	2,686.51	908.04	0.05%	0.10%

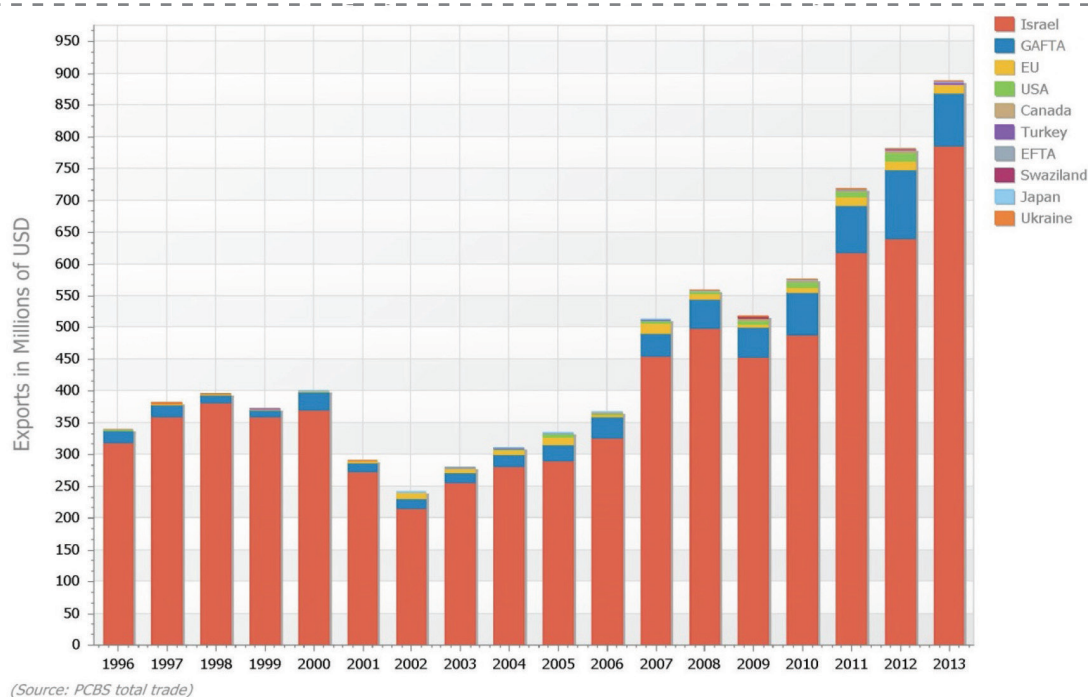
Source: PCBS

Figure 8: Palestine's top trade partners for imports 1996-2013 (refer to details in Annex III)



Note: Most important partners for imports from the EU: Italy, Germany, Spain, France, United Kingdom, The Netherlands, Sweden; from GAFTA: Jordan, Egypt; from EFTA: Switzerland, from MERCOSUR: Brazil

Figure 9: Palestine's top trade partners for exports 1996-2013 (refer to details in Annex III)



Note: Most important partners for exports to the EU: The Netherlands, Italy, United Kingdom, France, Belgium, Germany, Poland, Malta, Slovakia; to GAFTA: Jordan, Saudi Arabia, United Arab Emirates, Algeria, Kuwait, Qatar, Egypt, Yemen, Iraq, Oman; to EFTA: Switzerland.

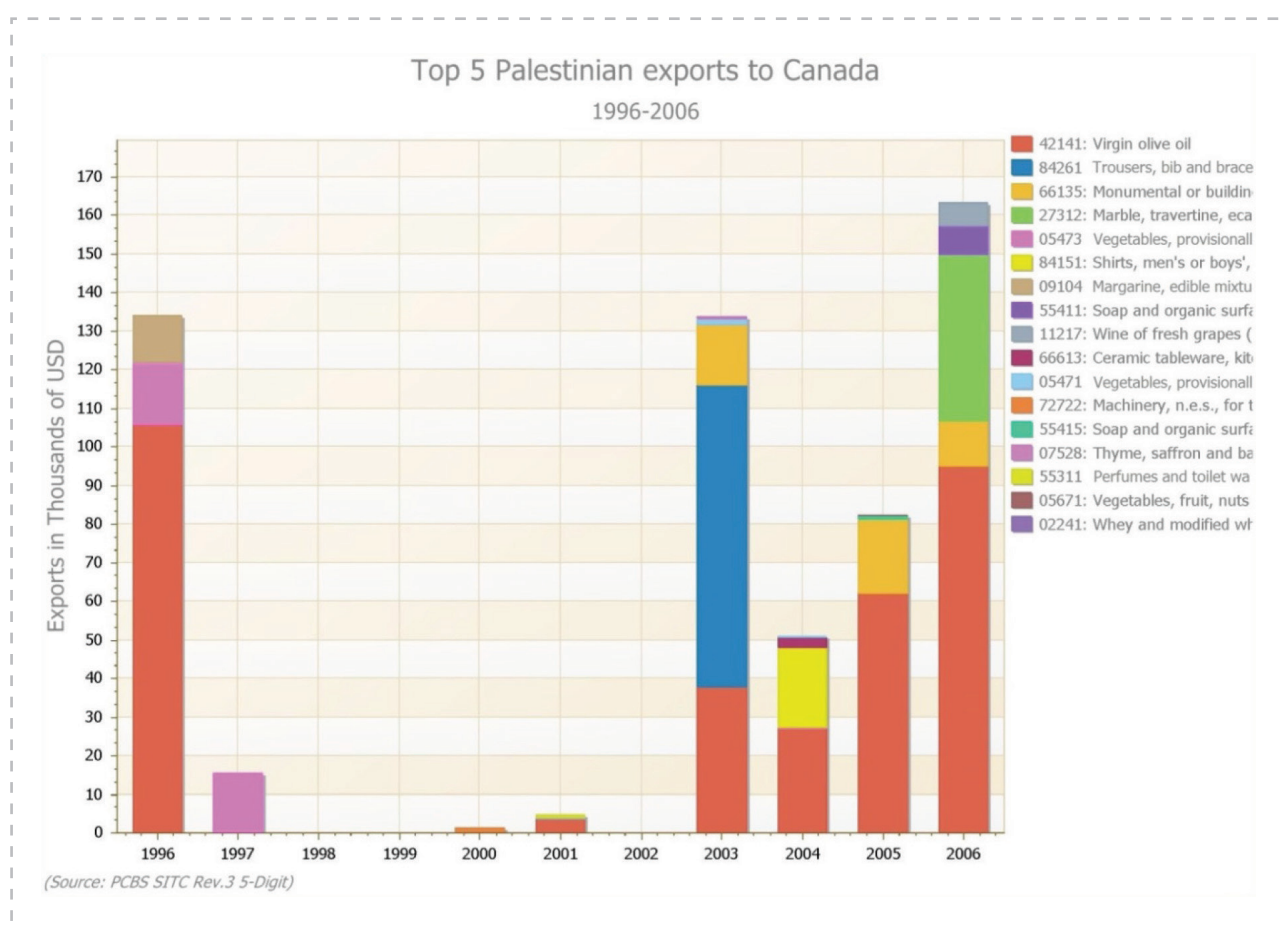
Trade Structure

As we shall see in the following section, the structure of Palestinian exports to Canada has been very concentrated throughout the past years. Figures 10 and 11 illustrate the 5 most exported products to Canada between 1996 and 2006 (at the SITC Rev.3 5-digit level) and 2007 and 2013 (at the HS 1996 6-digit level).⁵ We find that the top 5 products exported between 1996 and 2006 account for 99.75% of Palestine's total exports to Canada, compared to 98.9% during 2007-2013.

Figure 10 shows that prior to 2007, export products were very concentrated on product 42141 (virgin olive oil), which in total accounted for 332.06 thousand USD or 57% of total Palestinian exports to Canada between 1999 and 2006. Other significant export products were 84261 (trousers, bib and brace overalls), 66135 (monumental or building stone), 27312 (marble) and 05473 (vegetables provisionally preserved), which accounted for 13%, 8%, 7% and 5% of total Palestinian exports to Canada between 1996 and 2006.

As illustrated in Figure 11, the top export product between 2007 and 2013 remained olive oil, adding nearly 50% (5.4 million USD) to the total exported value during this period. "Commodities not elsewhere specified" account for 19%, and stone, marble and granite together contributed 21.4% to the total exported value between 2007 and 2013.

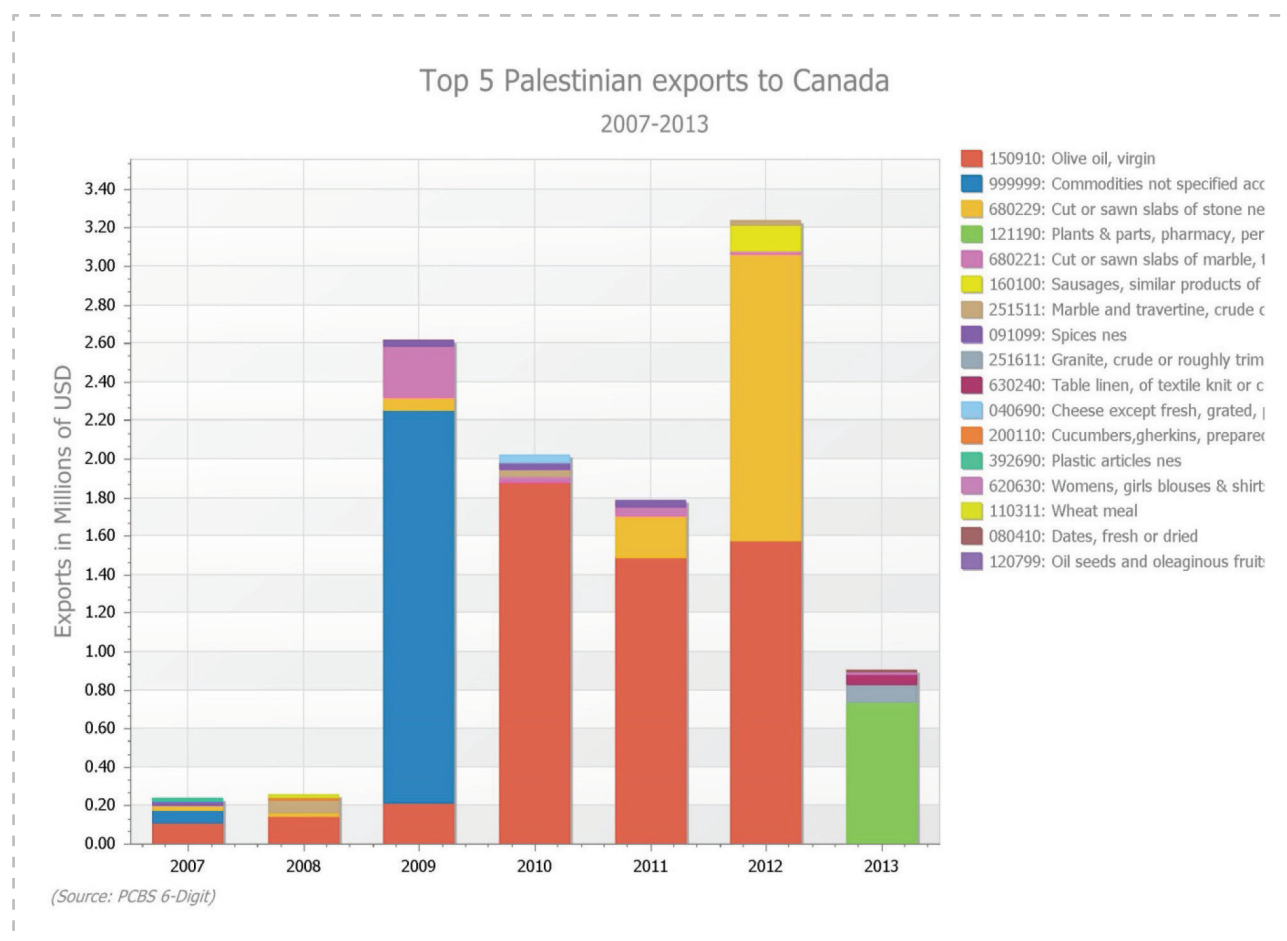
Figure 10: Top 5 Palestinian exports to Canada 1996-2006 (refer to details in Annex IV)



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Because trade data for the years 1999-2006 is only available at the SITC Rev.3 level, we consider the periods 1999-2006 and 2007-2013 separately in our analysis.

Figure 11: Top 5 Palestinian exports to Canada 2007-2013 (refer to details in Annex IV)



Looking next at the structure of Palestinian imports from Canada, we find that the trade structure is much more diverse than for exports. Figures 12 and 13 illustrate the 5 most imported products from Canada between 1996 and 2006 (at the SITC Rev.3 5-digit level), and 2007 and 2013 (at the HS 1996 6-digit level).

Between 1996 and 2006, the top 5 products imported from Canada account for 62% of Palestine's total imports from Canada, whereas between 2007 and 2013 they accounted for 74%.

Figure 12 shows that prior to 2007, the most important import product was 05421 (peas), which accounted for 7.1% of total Palestinian imports from Canada between 1996 and 2006, followed by 64111 (newsprint) and 05423 (beans), which contributed 6.7% and 6.4% to Palestine's value of imports from Canada.

Between 2007 and 2013 (Figure 13), the top import products were more concentrated with 300220 (vaccines), 071340 (lentils), 481920 (cartons), 020230 (bovine cuts boneless, frozen), 300490 (medicaments) and 870323 (automobiles) which accounted for 20.2%, 15.6%, 5.8%, 5.4%, 4.7% and 3.3% of the total value of imports from Canada. The only products exported throughout all years were lentils and medicaments.

Figure 12: Top 5 Palestinian imports from Canada 1996-2006 (refer to details in Annex V)

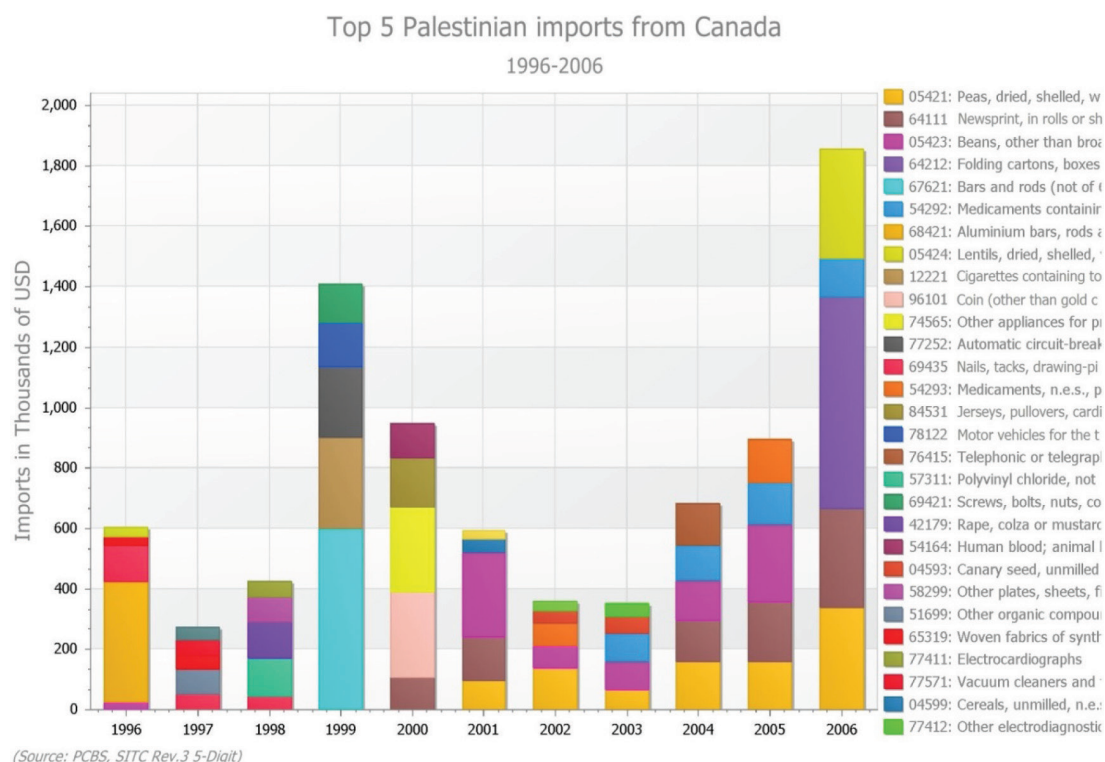
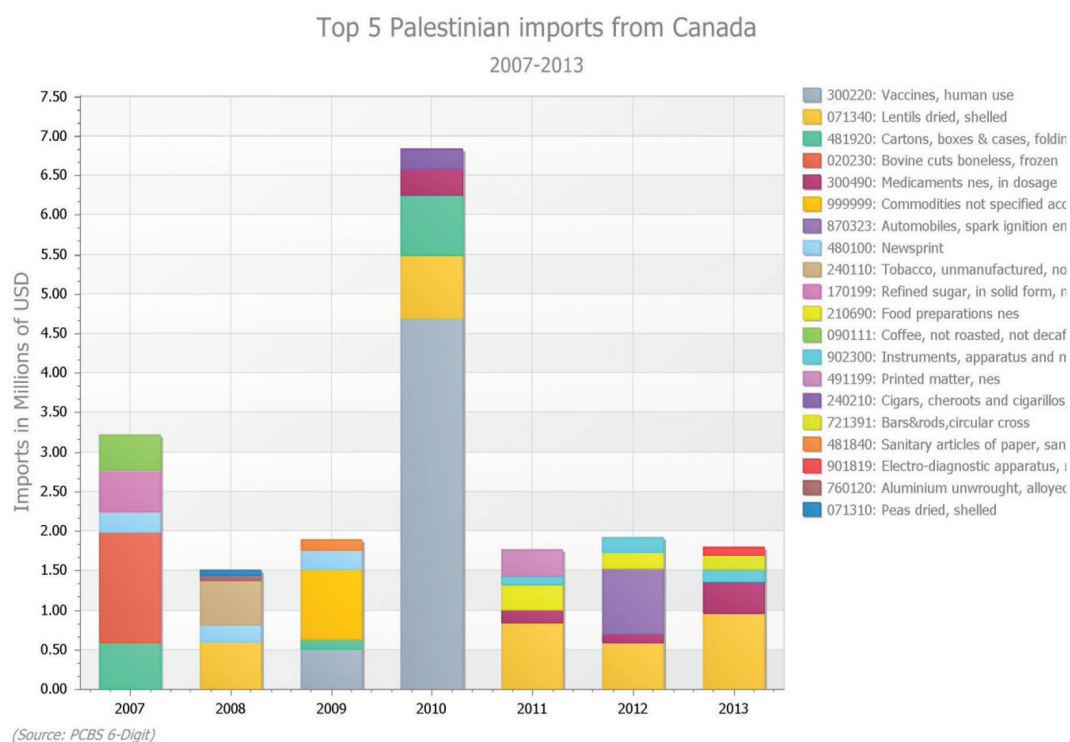


Figure 13: Top 5 Palestinian imports from Canada 2007-2013 (refer to details in Annex V)



Looking at the composition of Palestinian trade with Canada in the year 2012 only, Table 4 reveals that at the 6-digit level Palestine exported only 8 products to Canada. Moreover, just 2 products, namely 150910 (olive oil) and 680229 (cut or sawn slabs of stone) contributed 94% to the total exported value of exports to Canada.

Table 4 also suggests that there are no Palestinian imports from Canada in Palestine's top 10 export products, which points at the low likelihood of intra-industry trade (IIT) in these products. IIT shall be explored in detail later for all traded products via the Grubel-Lloyd Index (GLI).

Table 4: Palestinian exports to Canada in 2012

Product	Product Name	PSE - CAN				CAN - WLD		CAN-ISR
		Exp. value PSE>CAN ('000s USD)	Exports Share	Imp. value PSE<CAN ('000s USD)	Imports Share	Imp. value ('000s USD)	Exp. value ('000s USD)	Applied AVE tariffs
150910	Olive oil, virgin	1,577.46	48.40%	0.00	0.00%	117,493.62	760.08	0.00%
680229	Cut or sawn slabs of stone nes	1,486.82	45.62%	0.00	0.00%	18,992.47	1,019.17	0.00%
160100	Sausages	138.75	4.26%	0.00	0.00%	166,083.05	40,810.89	68.75%
680221	Cut,sawn slabs of marble, traverti ..	15.62	0.48%	0.00	0.00%	34,963.32	149.49	0.00%
251511	Marble and traver..	13.59	0.42%	0.00	0.00%	183.80	65.91	0.00%
999999	Commodities n ..	11.83	0.36%	0.30	0.01%	0.00	0.00	-
091099	Spices nes	8.17	0.25%	0.00	0.00%	16,549.30	4,710.46	0.00%
220290	Non-alcoholic bev.	7.20	0.22%	0.00	0.00%	396,903.48	70,122.54	37.01%
Total		3,259.43	100.00%	0.30	0.01%	751,169.03	117,638.53	

Source: Comtrade via WITS (trade data) and TradeMap Market Access Map (tariff data)

The table also shows that among the products exported in 2012, 150910 (olive oil), 160100 (sausages), 091099 (spices) and 220290 (non-alcoholic beverages) fall within Chapters 1-24 of Harmonized System (agricultural and processed agricultural products). Looking at Canadian applied AVE tariffs on imports from Israel (which, as outlined before, are the same as applied for imports from Palestine), we find that Canada applies zero tariffs for most products except for sausages and non-alcoholic beverages. Imports under Canada's national tariff lines 16010031 (turkey sausages) and 16010099 (beef sausages) are exempted from tariffs, as stated in Annex 2.1.2A of CIFTA (Annex VI to this document). Table 4 also shows that Canadian imports from the world are relatively high compared to its exports in these sectors, which indicates a high demand for these products in the Canadian market.

The coverage of these products through customs exemption in FECP or a future FTA with Canada would therefore be vital for trade creation.

Turning now to the composition of Palestine's imports, we find that the top 10 import products at the 6-digit level account for 78% of Palestinian total imports from Canada in 2012. Table 5 reveals that the products 870323 (automobiles), 071340 (lentils) account for nearly half of Canada's exports to Palestine, which suggests a more diverse export profile of Canada compared to that of Palestine.

Table 5 also suggests that there are no Palestinian exports to Canada from its top 10 import products, which points to a low level of IIT in these products.

Table 5: Palestinian top 10 imports from Canada in 2012

Product	Product Name	Imports Value ('000s USD)	Imports Share	Exports Value ('000s USD)	Exports Share	Israeli applied AVE tariffs
870323	Automobiles, spark ignition..	829.869	28.90%	0.00	0.00%	0.00%
071340	Lentils dried, shelled	598.571	20.85%	0.00	0.00%	0.00%
210690	Food preparations nes	217.388	7.57%	0.00	0.00%	7.17%
902300	Instruments, apparatus and models, for demonstration	175.034	6.10%	0.00	0.00%	0.00%
300490	Medicaments nes, in dosage	99.609	3.47%	0.00	0.00%	0.00%
310590	Fertilizers, mixes, nes	75.704	2.64%	0.00	0.00%	0.00%
854370	Electrical machines and	73.759	2.57%	0.00	0.00%	0.00%
391610	Monofilament(>1mm), rods,..	69.851	2.43%	0.00	0.00%	0.00%
760719	Foil, aluminium, not backed a..	51.242	1.78%	0.00	0.00%	0.00%
491199	Printed matter, nes	39.28	1.37%	0.00	0.00%	0.00%
Others		641.027	22.33%	0.30	0.01%	
Total		2,871.33	100.00%	0.30	0.01%	

Source: Comtrade via WITS (trade data) and TradeMap Market Access Map (tariff data)

Looking further at Canada's export profile, we find that there are 2 out of 10 products which fall within chapters 1-24 of the Harmonized System, i.e. 071340 (lentils) and 210690 (food preparations). The product 071340 (lentils) is already exempted from tariffs under CIFTA at a quota of 10,000 tons, whereas the product 210690 (food preparations) is subject to customs duties and cannot be exempted from tariffs by Palestine without Israel adapting the same import policy.

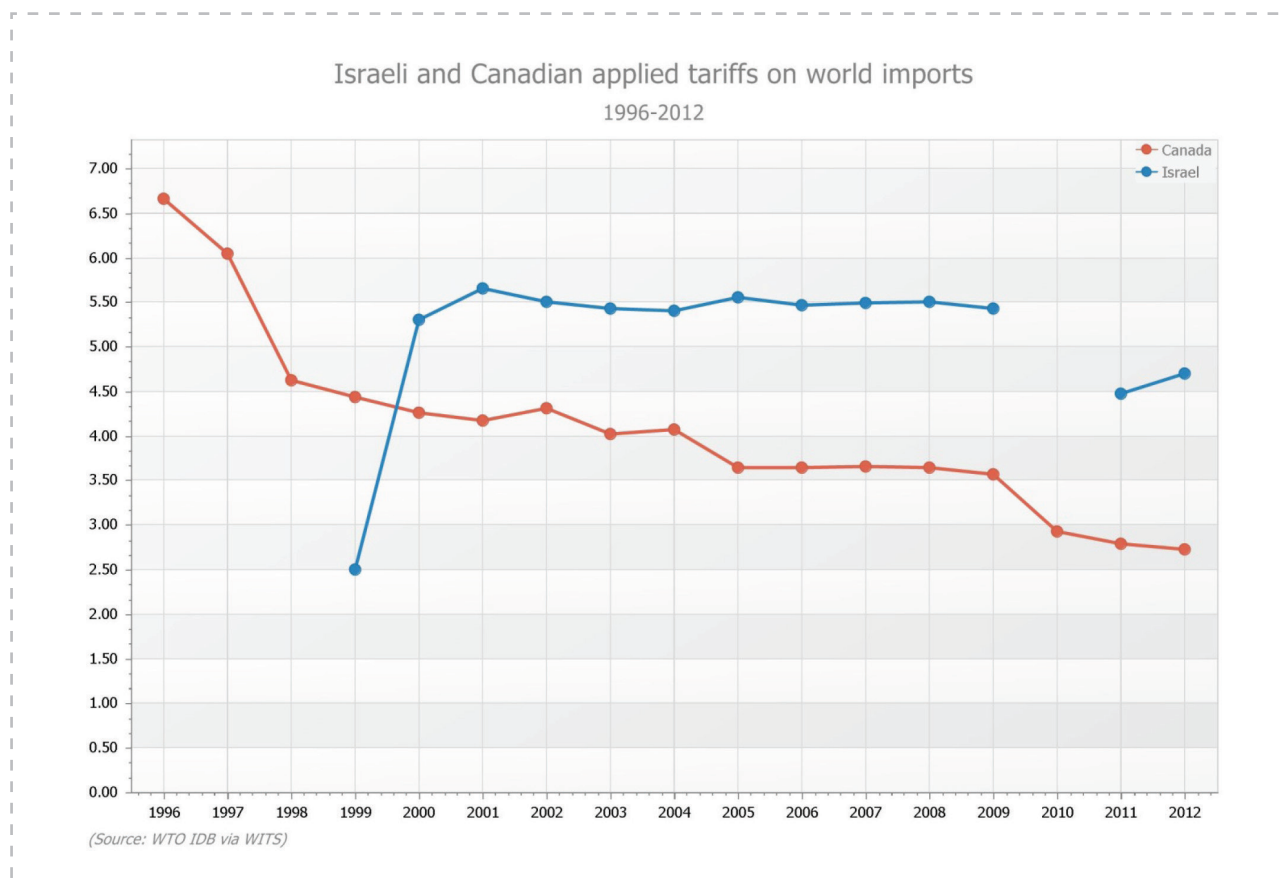
In the discussion above we mentioned that based on Paris Protocol, Palestine has reduced the purchase tax on car imports to 50% (for cars < 2000 cc) and 75% (for cars > 2000 cc). Considering the Canadian high trade share in this sector, further reduction in taxes is likely to enhance trade for Canada.

Shallow integration effects of the Palestinian-Canadian FECP

Rule of Thumb 1 of the SF focuses on the initial tariff and/or trade barrier structure⁶.

Given that Palestinian tariffs are the same as applied Israeli tariffs in general, Figure 14 shows the evolution of Canadian and Israeli tariffs over time. The figure shows that at the total trade level, Israeli tariffs on global imports have been low in the past 13 years at around 5.1%. Canadian tariffs, on the other hand, have been even lower at an average of 4.1% since 1996. In 2012, average applied tariffs were 2.7% in Canada and 4.7% in Israel. The low tariff levels suggest that the extent of trade creation for Palestine and Canada in FECP or a future Canada-Palestine FTA is likely to be low.

Figure 14: Evolution of tariffs in Israel and Canada over time (Simple average AHS in %)



However, looking further at the minimum and maximum applied tariff rates on global imports in Israel and Canada, we find that the two economies have been similar throughout the past decade. Whilst the minimum tariff rate is 0% in both countries, maximum applied rates are 212% in Israel and 238% in Canada in 2012. As a share of total tariff lines in each country, the share of domestic tariff peaks⁷ is 10.4% in Canada compared to 1% in Israel. The share of international tariff peaks⁸ is 7% in Canada and 1% in Israel.

6. If not mentioned otherwise, our analysis on tariffs is based on World Integrated Trade Solution (WITS). WITS uses the concept of “effectively applied tariffs” (AHS), which are defined as the lowest available tariffs. Furthermore, we are working with “simple average” AHS tariffs, which means that we use the simple average tariff of included 6-digit lines. The 6-digit tariff is itself an average of included tariff line level lines.

In the final part of our assessment we will include the “ad valorem equivalent” (AVE) tariff, which is defined as the tariff calculated as a percentage of the value of goods cleared through customs. This tariff is used by International Trade Center (ITC) Trade Map Market Access Map.

7. Domestic tariff peaks are the number of tariff lines exceeding three times the overall simple average applied rate.

8. International peaks are the number of tariff lines exceeding the overall average applied rate by 15% or more.

These figures suggest that for certain tariff lines, there is potential for both Canada and Palestine to create trade. Because of the relatively high number of tariff peaks in Canada, there is high likelihood that further trade liberalization through FECF or a future Canada-Palestine FTA will particularly benefit Palestinian exporters.

Table 6: Comparative tariff profiles of Israel and Canada on world imports

Importer	Year	Simple Average AHS Tariff (%)	Imports Value ('000s USD)	Minimum Rate (%)	Maximum Rate (%)	Total Lines	Domestic Peaks	International Peaks
Canada	1996	6.66	170,605,559.80	0.00	266.40	156,350	6.30%	10.40%
	1997	6.04	197,010,898.90	0.00	83.30	188,001	8.16%	9.64%
	1998	4.63	201,372,549.10	0.00	252.00	189,814	9.90%	9.28%
	1999	4.43	215,554,886.30	0.00	245.00	194,919	10.08%	9.09%
	2000	4.26	240,090,677.20	0.00	238.00	234,289	9.20%	7.76%
	2001	4.17	221,623,398.00	0.00	238.00	248,375	8.94%	7.38%
	2002	4.31	222,440,059.10	0.00	238.00	275,067	9.70%	7.64%
	2003	4.02	240,376,249.50	0.00	238.00	276,203	9.54%	5.71%
	2004	4.07	273,873,699.60	0.00	238.00	231,978	10.76%	7.09%
	2005	3.65	314,444,419.00	0.00	238.00	236,142	9.71%	6.57%
	2006	3.64	350,257,149.90	0.00	238.00	239,756	9.64%	6.59%
	2007	3.66	380,646,622.00	0.00	238.00	240,726	9.85%	6.77%
	2008	3.65	408,762,167.60	0.00	238.00	242,119	9.90%	6.88%
	2009	3.57	321,227,567.70	0.00	238.00	235,779	10.04%	7.02%
	2010	2.93	392,108,702.50	0.00	238.00	239,711	10.36%	6.55%
	2011	2.79	450,579,509.10	0.00	238.00	243,361	10.97%	6.23%
	2012	2.73	462,369,244.60	0.00	238.00	218,780	10.43%	7.16%
Israel	1999	2.50	31,085,575.00	0.00	250.00	129,325	0.61%	0.83%
	2000	5.30	35,742,024.00	0.00	250.00	130,930	0.65%	0.94%
	2001	5.65	33,303,113.00	0.00	250.00	121,533	0.53%	0.63%
	2002	5.50	33,105,904.00	0.00	250.00	120,414	0.49%	0.58%
	2003	5.43	34,210,938.00	0.00	250.00	118,681	0.45%	0.51%
	2004	5.40	40,969,518.00	0.00	230.00	123,450	0.44%	0.47%
	2005	5.55	45,032,350.00	0.00	230.00	122,163	1.09%	1.14%
	2006	5.47	47,834,446.00	0.00	230.00	122,200	1.10%	1.15%
	2007	5.49	56,619,379.00	0.00	230.00	125,236	1.22%	1.27%
	2008	5.51	65,170,546.00	0.00	230.00	124,544	1.27%	1.33%
	2009	5.43	47,362,724.00	0.00	230.00	122,054	1.11%	1.17%
	2011	4.47	73,526,105.00	0.00	212.00	126,242	0.77%	0.77%
	2012	4.70	73,112,080.00	0.00	212.00	126,948	1.05%	1.09%

Source: WTO IDB and Comtrade via WITS

The following section is dedicated to a more detailed analysis of Israeli applied tariffs on Canada imports and Canadian applied tariffs on imports from Israel and the world. As Table 7 reveals, Israeli applied tariffs are similar for Canada as for world imports. The maximum applied rates are relatively low for imports from Canada (100%), with domestic and international peaks at only 0.7%.

Table 7: Israel tariffs on imports from Canada (total trade)

Year	Simple Average AHS Tariff (%)	Imp. value ('000s USD)	Minimum Rate (%)	Maximum Rate (%)	Total Lines	Domestic Peaks	International Peaks
1999	0.47	182,523.00	0.00	153.00	3,351	0.36%	0.45%
2000	5.40	291,647.00	0.00	50.00	3,211	0.22%	0.50%
2001	6.12	313,567.00	0.00	134.00	2,941	0.41%	0.48%
2002	5.82	305,138.00	0.00	20.00	2,814	0.04%	0.11%
2003	5.74	338,856.00	0.00	40.00	2,876	0.10%	0.10%
2004	5.73	282,788.00	0.00	25.00	2,939	0.07%	0.10%
2005	5.95	369,307.00	0.00	100.00	2,904	0.65%	0.69%
2006	5.62	229,570.00	0.00	100.00	2,803	0.57%	0.61%
2007	5.62	240,339.00	0.00	105.00	2,794	0.75%	0.79%
2008	5.64	317,618.00	0.00	100.00	2,732	0.81%	0.84%
2009	5.61	366,348.00	0.00	100.00	2,690	0.74%	0.78%
2011	4.24	429,442.00	0.00	50.00	2,659	0.38%	0.38%
2012	4.78	505,237.00	0.00	100.00	2,742	0.69%	0.69%

Source: WTO IDB and Comtrade via WITS

Exploring Israel's tariff profile further, Table 8 illustrates that (at the 6-digit level) Israel applies several tariff peaks for Canada's exports to the world in 2012. Among the products with tariff peaks, Israel's applied AVE tariffs on imports from Canada are particularly high for meat products, especially 020120 and 020130 (meat of bovine animals), and dairy products. Canadian exports in these sectors enter the Palestinian market under the same tariff rates.

Table 8: Israeli tariff peaks for Canada's exports to the world (2012)

Product	Product Name	CAN > WLD	WLD > ISR				ISR < CAN
		Exp. Value ('000s USD)	Simple Av. AHS Tariffs	Total lines	Domestic peaks	International peaks	Israeli applied AVE tariffs
010391	Live swine other than pure-bre..	188,747.03	15.00%	4	50.00%	50.00%	30.00%
020120	Meat of bovine animals, fresh/..	77,732.81	190.00%	1	100.00%	100.00%	145.00%
020130	Meat of bovine animals, fres..	738,679.71	190.00%	3	100.00%	100.00%	145.00%
020319	Meat of swine (excl. carcasses/..	987,373.76	30.00%	1	100.00%	100.00%	30.00%
020410	Carcasses/half-carcasses of la..	22.53	50.00%	2	100.00%	100.00%	50.00%
020442	Meat of sheep (excl. lamb & ..	195.68	50.00%	4	100.00%	100.00%	50.00%
020890	Meat&edible meat offal, n.e...	3,745.31	18.00%	1	100.00%	100.00%	18.00%
030629	Crustaceans, other than ...	130.92	12.50%	28	25.00%	25.00%	20.49%
030749	Cuttle fish (Sepia officinalis, ..	669.25	23.50%	12	50.00%	50.00%	39.06%
030759	Octopus (Octopus spp.), other ..	1,848.31	23.50%	4	50.00%	50.00%	35.00%
040210	Milk in powder/granules/other..	32,964.54	162.00%	24	100.00%	100.00%	102.25%
040221	Milk in powder/granules/ot..	1,272.77	212.00%	18	100.00%	100.00%	159.00%
040291	Milk & cream, concentrated ..	11.32	94.00%	2	100.00%	100.00%	94.00%
040310	Yogurt	20,095.67	117.86%	21	100.00%	100.00%	117.67%
040390	Buttermilk/curdled milk & ..	3,117.89	119.00%	5	100.00%	100.00%	119.00%
040410	Whey & modified whey, ..	37,827.48	20.00%	18	50.00%	50.00%	26.67%
040490	Milk products of natural milk ..	38,750.18	40.00%	2	100.00%	100.00%	40.00%
040510	Butter	1,296.73	75.00%	44	50.00%	50.00%	100.00%

041000	Edible products of animal ..	475.29	22.00%	6	50.00%	50.00%	22.00%
060390	Cut flowers & flower buds of a..	657.88	20.00%	10	100.00%	100.00%	6.67%
070110	Seed potatoes, fresh/chilled	37,857.94	53.50%	4	50.00%	50.00%	0.00%
070490	Cabbages, kohlrabi, kale & ..	25,437.50	75.00%	4	25.00%	25.00%	45.71%
071029	Leguminous vegetables (excl. ..	3,814.70	14.00%	6	50.00%	50.00%	13.33%
071030	Spinach, New Zealand spina..	278.63	30.00%	3	100.00%	100.00%	30.00%
071080	Vegetables, n.e.s., uncook..	41,400.86	17.50%	55	40.00%	40.00%	15.84%
071190	Vegetables (excl. olives/..	269.72	22.80%	7	42.86%	42.86%	29.31%
071290	Dried vegetables, n.e.s.; ..	1,807.25	11.25%	160	12.50%	37.50%	9.78%
080290	Nuts, n.e.s...	4,056.52	14.00%	9	0.00%	33.33%	16.67%
080450	Guavas, mangoes & mangos..	1,063.50	25.00%	9	33.33%	33.33%	12.50%
080590	Citrus fruit ..	3.18	50.00%	3	66.67%	66.67%	33.33%
081190	Fruit & nuts, n.e.s., ..	328,321.89	16.67%	51	33.33%	33.33%	14.00%
081310	Apricots, dried	706.78	20.00%	5	100.00%	100.00%	20.00%
081340	Dried fruit ...	4,161.74	20.00%	20	100.00%	100.00%	20.00%
120890	Flours & meals of oil seeds/..	14,854.07	12.50%	4	50.00%	50.00%	12.50%
120999	Seeds, n.e.s., of a kind used f..	783.73	35.00%	57	33.33%	33.33%	42.00%
190190	Malt extract; food preparation..	142,867.68	16.33%	156	50.00%	50.00%	16.33%
200190	Vegetables, fruit, nuts & oth..	3,998.56	26.00%	92	25.00%	25.00%	0.00%
200410	Potatoes, prepared/preserved ..	867,796.21	22.00%	12	33.33%	33.33%	13.33%
200490	Vegetables & mixtures of ..	10,822.98	17.00%	35	20.00%	20.00%	24.25%
200819	Nuts (excl. ground-nuts), incl. ..	29,294.64	14.75%	198	22.22%	22.22%	13.25%
200911	Orange juice, frozen, unfe..	22,645.90	25.00%	78	83.33%	83.33%	25.00%
200919	Orange juice, not frozen (excl..	831.09	25.00%	6	66.67%	66.67%	25.00%
200950	Tomato juice, unfermented ..	4,613.25	25.00%	20	100.00%	100.00%	0.00%
200990	Mixtures of juices, unferm..	5,539.62	30.00%	72	83.33%	83.33%	33.24%
210690	Food preparations, n.e.s.	832,643.07	15.08%	735	20.00%	20.00%	7.17%
300650	First-aid boxes & kits	1,633.51	100.00%	2	100.00%	100.00%	0.00%
940320	Metal furniture (excl. of ..	360,980.57	41.33%	168	33.33%	33.33%	0.00%
940340	Wooden furniture of a kind ..	146,853.65	41.33%	87	33.33%	33.33%	0.00%
940360	Wooden furniture (excl. of ..	366,586.00	41.33%	252	33.33%	33.33%	0.00%
940370	Furniture of plastics (excl. of ..	46,738.01	41.33%	105	33.33%	33.33%	0.00%
940510	Chandeliers & other electric ..	230,626.46	23.33%	270	16.67%	16.67%	0.00%
940520	Electric table, desk, bedside/..	10,249.22	26.00%	145	20.00%	20.00%	0.00%
940540	Electric lamps & lighting ..	149,916.15	21.67%	270	16.67%	16.67%	0.00%
970500	Collections & collectors' piec..	38,144.41	50.00%	4	50.00%	50.00%	0.00%

Source: WTO IDB (for AHS tariffs), Comtrade via WITS (for trade data), ITC Trade Access Map (for AVE tariffs)

As for Israeli imports from Canada in the sectors 020120 and 020130 (meat of bovine animals), ITC Market Access Map reveals that the applied AVE tariff for both products is 145%. Israel's AVE tariffs for imports of Canadian dairy produce range between 22% and 159%.

Looking at Palestine's import of 0201 (meat of bovine animals) (Table 9), we find that Israel has been the only country exporting to Palestine between 2007 and 2012. Similarly, as illustrated in Table 10, dairy produce is mainly sourced in Israel. Palestinian imports are particularly high in the sector 0403 (buttermilk, cream, yogurt etc.), with Israel being the sole supplier to Palestine. Tariff exemption is therefore likely to create trade for Canadian exporters, divert trade away from Israel toward Canada, and decrease Palestine's dependence from Israel as the major supplier in the sector. However, due to restrictive import policies placed upon the Palestinians through Paris Protocol, tariffs have to be the same as applied by Israel.

Table 9: Palestinian imports of 0201 (meat of bovine animals) (Source: Comtrade)

Product	Product Name	Year	Partner	Imports Value (*000s USD)	Imports Share
0201	Meat of bovine animals, fresh or chilled	2007	World	52.73	100.00%
			Israel	52.73	100.00%
		2008	World	285.90	100.00%
			Israel	285.90	100.00%
		2009	World	379.30	100.00%
			Israel	379.30	100.00%
		2010	World	12.50	100.00%
			Israel	12.50	100.00%
		2011	World	14.16	100.00%
			Israel	24.02	100.00%
		2012	World	12.39	100.00%
			Israel	12.39	100.00%

Table 10: Palestinian import of dairy produce in 2012 (Source: Comtrade)

Product	Product Name	Partner	Imports Value (*000s USD)	Imports Share
0402	Milk and cream, concentrated or sweetened	World	9,899.76	100.00%
		EU28	5,189.22	52.42%
		Israel	4,675.48	47.23%
		Turkey	35.06	0.35%
0403	Buttermilk, cream, yogurt etc	World	30,465.62	100.00%
		Israel	30,465.62	100.00%
0404	Whey, natural milk products nes	World	437.78	100.00%
		Israel	185.15	42.29%
		Turkey	143.63	32.81%
		EU28	94.70	21.63%
		Philippines	14.30	3.27%
0405	Butter and other fats and oils derived from milk	World	3,612.57	100.00%
		Israel	3,583.44	99.19%
		Others	29.13	0.81%

In order to identify the potential for trade creation for Palestinian products in the Canadian market, we look at Palestine's exports to the world at the 6-digit level (2012) vis-à-vis Canada's tariff peaks for its world imports. Table 11 reveals that tariff peaks exist for many Palestinian exports in Chapters 1-24 of HS. Under CIFTA, the following Palestinian export products receive preferential tariff treatment in the Canadian market:

- 16010031 (turkey sausages) and 16010099 (beef sausages): zero tariffs.
- 16023192 (specially defined mixtures of turkey): 10% tariffs.
- 16025099 (other prepared meat of bovine animals): zero tariffs.
- Product codes from 1701 to 1704, hence, 170490 (sugar confectionery), 170390 (molasses), 170410 (chewing gum) and 170290 (sugars): zero tariffs.
- 190110 (preparations for infant use/baby food): zero tariffs.
- 200799 (preparations of fruit) and 20099020 (orange and grapefruit juice mixture): zero tariffs.
- 210390 (sauces): zero tariffs.

Taking into consideration Canada's world imports of the products listed in Table 11, we find that Canada imports in all sectors except for 200599 (vegetables and mixtures of vegetables) and 200961 (grape juice).

Among the products with tariff peaks, Canada's level of protection is particularly high for processed meat products, including 160100 (sausages) and 160231 (preparations of turkey meat and meat offal). For these products, AVE tariffs applied on imports from Israel are between 68.75% and 98.71%. Furthermore, Canada applies a 26.5% AVE tariff rate on Israeli exports of 020130, 020220 and 02030 (meat of bovine animals).

In addition, Canadian AVE tariffs applied on imports from Israel are high for 210500 (ice cream) (141%), 210690 (food preparations) (42.52%) and 220290 (non-alcoholic beverages) (37.01%), and relatively high for 230990 (animal feeding preparation) (21.18%).

Among the above identified products with high applies AVE tariffs by Canada, Palestinian exports are very high for 160100 (sausages), 210690 (food preparations), 220290 (non-alcoholic beverages). For these products, Palestine's exported value to the world is 9.3 million USD, 7.1 million USD and 7.5 million USD.

Furthermore, with exported values ranging between 237 and 536 thousand USD, Palestinian exports are relatively strong in the sectors 020220 (meat of bovine animals, frozen), 210500 (ice cream) and 230990 (animal feeding preparations).

Preferential tariff treatment under FCEP or a future Palestine-Canada FTA for products that are yet exported at normal tariff rates would give Palestine a competitive edge vis-à-vis other exporting countries. Therefore, based on Palestine's export elasticities, there is considerable potential for Palestine to create trade in the Canadian market.

Table 11: Canadian tariff peaks for Palestine's exports to the world (2012)

Product	Product Name	PSE - WLD	CAN -WLD					CAN<ISR
		Exp. Value ('000s USD)	Simple Av. AHS Tariffs	Domestic peaks	Internat. peaks	Imp. value CAN<WLD ('000s USD)	Exp. value CAN>WLD ('000s USD)	Applied AVE tariffs
020130	Meat of bovine animals, fresh/chille..	11.93	9.94%	37.50%	37.50%	766,872.82	738,679.71	26.50%
020220	Meat of bovine animals, frozen (excl...	237.76	8.83%	33.33%	33.33%	3,464.33	57,583.01	26.50%
020230	Meat of bovine animals, frozen, ..	10.60	10.86%	100.00%	0.00%	226,779.03	146,620.86	26.50%
071021	Peas (Pisum sativum), shelled/uns..	12.10	8.38%	88.24%	0.00%	11,926.77	11,563.53	9.50%
071029	Leguminous vegetables (excl. of ..	57.20	2.64%	9.09%	0.00%	954.64	3,814.70	3.00%
071080	Vegetables, n.e.s., uncooked/cooked ..	130.50	8.65%	68.59%	13.78%	50,790.39	41,400.86	8.92%
071140	Cucumbers & gherkins, provisionally..	3,972.52	3.15%	30.00%	0.00%	412.26	431.72	5.25%
150790	Soya bean oil, other than crude, & ..	2,207.42	4.32%	45.45%	0.00%	37,227.74	62,319.68	4.75%
151219	Sunflower seed/safflower oil, other ..	540.66	9.32%	90.91%	0.00%	36,815.43	1,093.77	10.25%
151529	Maize (corn) oil, other than crude, &..	2,752.57	7.92%	83.33%	0.00%	17,211.68	24,101.25	9.50%
151550	Sesame oil & fractions thereof, ..	83.51	7.95%	46.77%	0.00%	9,091.98	11.37	8.50%
151590	Fixed vegetable fats & oils (excl. ..	35.33	4.34%	24.89%	0.00%	28,617.92	11,656.17	5.67%
160100	Sausages & similar products, of ...	9,287.07	68.75%	46.88%	25.00%	166,083.05	40,810.89	68.75%
160231	Prepared/preserved preparations ..	26.95	5.78%	16.67%	0.00%	13,870.58	495.16	98.71%
160250	Prepared/preserved preparations ..	126.69	4.11%	33.33%	0.00%	174,634.99	5,775.28	4.83%
160413	Sardines, sardinella & brisling/sprat..	22.59	3.64%	23.44%	0.00%	7,662.74	17,090.04	3.50%
170290	Sugars, incl. invert sugar & other ..	12.22	5.53%	2.03%	0.00%	26,165.66	7,552.90	0.00%
170390	Molasses, other than cane molasse ..	1,896.16	5.00%	40.00%	0.00%	22,036.99	902.75	0.00%
170410	Chewing gum, whether/not sugar-..	65.06	5.16%	30.43%	0.00%	10,848.55	59,008.36	0.00%
170490	Sugar confectionery other than ...	5,560.02	3.71%	20.83%	0.00%	359,414.02	437,178.49	0.00%
190110	Preparations for infant use, put up ..	30.57	6.49%	55.07%	0.00%	131,722.20	3,635.89	0.00%
190590	Bread, pastry, cakes, biscuits & ..	179.83	2.68%	6.41%	0.00%	949,881.73	863,105.13	4.50%
200290	Tomatoes, prepared/preserved othw. ...	343.74	9.09%	79.07%	0.00%	45,253.79	701.04	0.00%
200310	Mushrooms of the genus Agaricus..	14.32	16.28%	100.00%	0.00%	26,274.82	897.71	17.00%
200490	Vegetables & mixtures of vegetable..	195.22	9.72%	69.93%	14.05%	48,296.03	10,822.98	9.17%
200580	Sweet corn (Zea mays var. saccha..	114.42	8.75%	83.33%	0.00%	8,423.49	5,732.96	10.50%

200599	Vegetables & mixtures of vegetable..	12.30	6.37%	21.04%	0.00%	0.00	0.00	3.63%
200799	Preparations of fruit (excl. citrus fr..	257.13	5.66%	27.06%	0.00%	65,073.53	41,830.97	0.00%
200961	Grape juice, incl. grape must, of a Br..	145.45	4.28%	45.00%	0.00%	0.00	0.00	4.75%
200990	Mixtures of juices, unfermented &..	83.60	3.19%	20.56%	0.00%	109,524.64	5,539.62	3.88%
210320	Tomato ketchup & other tomato ..	83.18	10.16%	80.60%	0.00%	158,952.76	43,125.16	12.50%
210390	Sauces & preparations therefor, ...	21.24	6.24%	34.64%	0.00%	320,313.87	211,034.74	0.00%
210500	Ice cream & other edible ice, whet..	536.32	6.47%	15.00%	0.00%	16,921.82	57,347.00	141.00%
210690	Food preparations, n.e.s.	7,125.42	3.80%	5.03%	0.00%	1,249,011.27	832,643.07	42.52%
220210	Waters, incl. mineral waters & aerate..	108.72	6.25%	34.12%	0.00%	332,569.21	124,725.21	5.00%
220290	Non-alcoholic beverages other than ...	7,473.49	6.26%	24.17%	0.00%	396,903.48	70,122.54	37.01%
220900	Vinegar & substitutes for vinegar ob..	53.79	3.64%	38.33%	0.00%	33,730.14	3,220.95	0.00%
230990	Preparations of a kind used in animal ..	325.74	2.67%	7.80%	0.00%	280,357.00	233,064.61	21.18%
240220	Cigarettes containing tobacco	29,149.10	11.51%	92.11%	0.00%	5,336.75	76,419.87	12.50%

Note: Table contains products in chapters 1-24 of the HS and with an exported value higher than 10 thousand USD.

Source: WTO IDB (AHS tariff data), Comtrade via WITS (trade data) and ITC Market Access Map (AVE tariff data)

The essence of Rule of Thumb 3 is the extent to which Palestine and Canada differ in comparative advantage, which can be estimated by calculating the revealed comparative advantage (RCA). The RCA measures a country's exports of a commodity relative to its total exports and compares this to the world exports of a commodity relative to total world exports⁹. A comparative advantage is "revealed" if $RCA > 1$. This is because the index shows that the country is exporting a higher share of the good than the share of the good in world exports – hence the country has a comparatively higher share for that good, implying a comparative advantage. Analogously, if the RCA is less than unity, the country is said to have comparative disadvantage in that commodity.

Table 12 illustrates the calculated RCAs for the top fifteen export sectors of both Palestine and Canada at the HS 1996 6-digit level for the year 2012. A comparison reveals that except for 300490 (medicaments), where both countries have a comparative disadvantage, there is little similarity in patterns of comparative advantage/disadvantage of the two countries. This analysis also reveals that the export structure of Palestine and Canada are similarly concentrated, with Canada's top 15 exports accounting for 47% and nearly 49% in Palestine.

The huge RCA magnitudes for Palestine suggest that the country seems to occupy a much more important position globally in the export of its top 15 products compared to Canada.

Looking also at the RCAs for Palestine's top 15 export products only (Table 13), we find that Canada has a comparative advantage for some of these products, namely 720430 (waste or scrap, of tinned iron or steel), 392321 (sacks and bags) and 390190 (polymers of ethylene), but the low RCA magnitudes for Canada suggest that the country occupies a less important position globally than Palestine for the Palestinian top 15 export products.

In line with Rule of Thumb 3, the differences in comparative advantage between Palestine's and Canada's exports indicate that tariff exemption/reduction under FECF or a future Palestinian-Canadian FTA is likely to increase welfare for both countries.

As for Canada's top 15 exports to the world at the 6-digit level, there are two products fall within chapters 1-24, namely 120500 (rape or colza seeds) and 100190 (wheat). Taking into consideration preferential tariffs under CIFTA, we find that Israel applies zero tariffs on Canada's exports in both sectors, at a quota not of not less than 150,000 tons for 100190 (wheat). For Palestine, on the other hand, there are two products among its top 15 world exports which are currently excluded from preferential tariff treatment in the Canadian market: 240220 (cigarettes) and 040310 (yogurt). As illustrated in Table 12, Canada imports in each of these sectors, which indicates that there is a demand in the Canadian market. However, Canadian imports vis-à-vis its exports are relatively low for the products 240220 (cigarettes) and 040310 (yogurt), which suggests that Palestine may compete with domestic (Canadian) production of these products.

$$RCA_{iw}^k = \frac{x_{iw}^k}{X_{iw}} \bigg/ \frac{x_{ww}^k}{X_{ww}}$$

9 where x_{iw} represents exports of sector k by country i to the world, X_{iw} denotes total exports from country i to the World, capital letter subscripts represent total flows of all goods.

10 The definitions of all statistical indicators used in this report are taken from TradeSift.

Table 12: Comparison of RCAs for the top 15 exports of Palestine and Canada (2012)

Canada					Palestine				
Product	Product Name	RCA	Exp. Share CAN>WLD	Exp.Share WLD>WLD	Product	Product Name	RCA	Exp.Share PSE>WLD	Exp.Share WLD>WLD
270900	Petroleum oils, oils from ..	3.53	16.92%	4.79%	680229	Cut or sawn slabs of stone ..	9,575.61	11.55%	0.00%
870324	Automobiles, spark ignition ..	8.32	6.69%	0.80%	720430	Waste or scrap, of tinned ir..	762.54	6.27%	0.01%
271000	Petroleum oils&oils obta	0.81	4.48%	5.55%	680221	Cut or sawn slabs of marbl..	483.85	4.35%	0.01%
870323	Automobiles, spark ignition ..	2.46	3.84%	1.56%	392321	Sacks & bags (including ..	70.12	4.04%	0.06%
710812	Gold in unwrought forms ..	2.75	3.47%	1.26%	240220	Cigarettes cont. tobacco	29.52	3.73%	0.13%
271121	Natural gas in gaseous state	1.73	1.96%	1.13%	150910	Olive oil, virgin	118.66	2.98%	0.03%
270112	Bituminous coal, not agglom..	2.17	1.44%	0.66%	640199	Waterproof footwear (wellin..	2,270.20	2.83%	0.00%
310420	Potassium chloride, in packs.	13.32	1.38%	0.10%	940350	Bedroom furniture, wooden..	40.17	2.04%	0.05%
440710	Lumber, coniferous (softwo..	9.09	1.30%	0.14%	441520	Wooden pallets, box palle..	142.54	1.90%	0.01%
120500	Rape or colza seeds	15.13	1.19%	0.08%	940429	Mattresses, stuffed, spring ..	162.72	1.72%	0.01%
100190	Wheat except durum whea ..	3.81	1.06%	0.28%	760429	Bars, rods and other profile..	28.38	1.65%	0.06%
470321	Chem wood pulp, soda or ...	9.82	0.84%	0.09%	300490	Medicaments nes, in dosage	0.96	1.52%	1.59%
880240	Fixed wing aircraft, unladen ..	1.37	0.78%	0.56%	690810	Glazed ceramic mosaic tiles..	500.98	1.46%	0.00%
300490	Medicaments nes, in dosage	0.46	0.73%	1.59%	040310	Yogurt	98.10	1.34%	0.01%
870829	Parts and accessories of bodi..	2.04	0.71%	0.35%	390190	Polymers of ethylene nes, ..	17.30	1.34%	0.08%
Canadian top 15 exports			46.80%	18.96%	Top 15 exports			48.72%	2.05%

Source: Comtrade via WITS

Table 13: Comparison of RCAs for Palestine's top 15 exports (2012)

Product	Product Name	Palestine			Canada				
		RCA	Exp.Share PSE>WLD	Exp.Share WLD>WLD	RCA	Exp.Share CAN>WLD	Exp.Share WLD>WLD	Imp. Value CAN<WLD ('000s USD)	Exp. Value CAN>WLD ('000s USD)
680229	Cut or sawn slabs of stone nes	9,575.61	11.55%	0.00%	0.19	0.00%	0.00%	18,992.47	1,019.17
720430	Waste or scrap, of tinned iron or steel	762.54	6.27%	0.01%	1.09	0.01%	0.01%	4,319.16	39,301.53
680221	Cut or sawn slabs of marble, travertine or ala..	483.85	4.35%	0.01%	0	0.00%	0.01%	34,963.32	149.49
392321	Sacks & bags (including cones) of polymers ...	70.12	4.04%	0.06%	1.76	0.10%	0.06%	406,519.95	447,025.06
240220	Cigarettes containing tobacco	29.52	3.73%	0.13%	0.14	0.02%	0.13%	5,336.75	76,419.87
150910	Olive oil, virgin	118.66	2.98%	0.03%	0.01	0.00%	0.03%	117,493.62	760.08
640199	Waterproof	2,270.20	2.83%	0.00%	0.08	0.00%	0.00%	3,050.68	430.95
940350	Bedroom furniture, wooden, nes	40.17	2.04%	0.05%	0.64	0.03%	0.05%	383,633.33	143,809.47
441520	Wooden pallets, box pallets and load boards	142.54	1.90%	0.01%	0.97	0.01%	0.01%	25,127.03	57,062.59
940429	Mattresses, stuffed, spring interior, etc	162.72	1.72%	0.01%	0.44	0.00%	0.01%	63,696.35	20,391.67
760429	Bars, rods and other profiles, aluminium ..	28.38	1.65%	0.06%	0.75	0.04%	0.06%	221,214.97	192,830.81
300490	Medicaments nes, in dosage	0.96	1.52%	1.59%	0.46	0.73%	1.59%	7,319,580.72	3,204,037.35
690810	Glazed ceramic mosaic tiles, cubes & similar ..	500.98	1.46%	0.00%	0.02	0.00%	0.00%	3,082.55	211.35
40310	Yogurt	98.1	1.34%	0.01%	0.34	0.00%	0.01%	3,291.20	20,095.67
390190	Polymers of ethylene nes, in primary forms	17.3	1.34%	0.08%	5.7	0.44%	0.08%	353,146.95	1,938,375.45
Palestinian top 15 exports			48.72%	2.05%		1.38%	2.05%	8,963,449.04	6,141,920.49

Source: Comtrade via WITS

Recalling our analysis of Canadian tariffs applied on Palestine's exports to the world (Table 11), Table 14 reveals that there are many products with Canadian tariff peaks for which we have now identified a comparative advantage for Palestine, including:

- 020220 (meat of bovine animals, frozen)
- 071029 (leguminous vegetables)
- 071140 (cucumbers and gherkins)
- 150790 (soya bean oil)
- 151219 (sunflower seed oil)
- 151529 (maize corn oil)
- 151550 (sesame oil)
- 160100 (sausages)
- 160250 (prepared/preserved meat)
- 170390 (molasses)
- 170410 (chewing gum)
- 170490 (sugar confectionary)
- 200290 (tomatoes)
- 200490 (vegetables)
- 200580 (sweet corn)
- 200799 (preparations of fruit)
- 200990 (mixtures of juices)
- 210320 (tomato ketchup)
- 210500 (ice cream)
- 210690 (food preparations)
- 220290 (non-alcoholic beverages)
- 220900 (vinegar)
- 240220 (cigarettes)

Except for 170410 (chewing gum), Palestine's comparative advantage for each of the 23 products is higher than for Canada. In addition, we have revealed that Canada has a comparative disadvantage for 16 out of 23 products. Finally, looking at Canada's trade volume, we find that Canadian imports of these products are in most cases considerably higher than its imports, which points at a high demand in the Canadian market.

As previously outlined, several products with tariff peaks in Canada already receive preferential tariff treatment under CIFTA. Therefore, based on our list of products with Canadian tariff peaks as well as comparative advantage for Palestine, we can identify the following products with zero tariff rates under CIFTA:

- 16010031 (turkey sausages) and 16010099 (beef sausages);
- 16025099 (other prepared meat of bovine animals);
- product codes from 1701 to 1704, hence, 170490 (sugar confectionery), 170390 (molasses) and 170410 (chewing gum);
- 200799 (preparations of fruit);
- 20099020 (orange and grapefruit juice mixture).

Table 14: Comparison of RCAs for products with tariff peaks in Canada (see Table 10) (2012)

Product	Product Name	Palestine			Canada					
		RCA	Exp. Share PSE>WLD	Exp.Share WLD>WLD	RCA	Exp.Share CAN>WLD	Exp.Share WLD>WLD	Imp. Value CAN<WLD ('000s USD)	Exp. Value CAN>WLD ('000s USD)	Applied AVE tariffs CAN<ISR
20130	Meat of bovine animals, fresh/chille..	0.02	0.00%	0.09%	1.97	0.16%	0.09%	766,872.82	738,679.71	26.50%
20220	Meat of bovine animals, frozen (excl...	5.69	0.03%	0.01%	2.45	0.01%	0.01%	3,464.33	57,583.01	26.50%
20230	Meat of bovine animals, frozen, .	0.00	0.00%	0.11%	0.31	0.03%	0.11%	226,779.03	146,620.86	26.50%
71021	Peas (Pisum sativum), shelled/uns..	0.51	0.00%	0.00%	0.87	0.00%	0.00%	11,926.77	11,563.53	9.50%
71029	Leguminous vegetables (excl. of ..	4.02	0.01%	0.00%	0.48	0.00%	0.00%	954.64	3,814.70	3.00%
71080	Vegetables, n.e.s., uncooked/cooked ..	0.89	0.02%	0.02%	0.50	0.01%	0.02%	50,790.39	41,400.86	8.92%
71140	Cucumbers & gherkins, provisionally..	862.19	0.51%	0.00%	0.17	0.00%	0.00%	412.26	431.72	5.25%
150790	Soya bean oil, other than crude, & ..	22.14	0.28%	0.01%	1.11	0.01%	0.01%	37,227.74	62,319.68	4.75%

151219	Sunflower seed/safflower oil, other ..	3.17	0.07%	0.02%	0.01	0.00%	0.02%	36,815.43	1,093.77	10.25%
151529	Maize (corn) oil, other than crude, &..	78.67	0.35%	0.00%	1.23	0.01%	0.00%	17,211.68	24,101.25	9.50%
151550	Sesame oil & fractions thereof ,	8.70	0.01%	0.00%	0.00	0.00%	0.00%	9,091.98	11.37	8.50%
151590	Fixed vegetable fats & oils (excl.	0.63	0.00%	0.01%	0.37	0.00%	0.01%	28,617.92	11,656.17	5.67%
160100	Sausages & similar products, of ...	38.98	1.19%	0.03%	0.30	0.01%	0.03%	166,083.05	40,810.89	68.75%
160231	Prepared/preserved preparations ..	0.74	0.00%	0.00%	0.02	0.00%	0.00%	13,870.58	495.16	98.71%
160250	Prepared/preserved preparations ..	1.07	0.02%	0.02%	0.09	0.00%	0.02%	174,634.99	5,775.28	4.83%
160413	Sardines, sardinella & brisling/sprat..	0.35	0.00%	0.01%	0.47	0.00%	0.01%	7,662.74	17,090.04	3.50%
170290	Sugars, incl. invert sugar & other ..	0.25	0.00%	0.01%	0.28	0.00%	0.01%	26,165.66	7,552.90	0.00%
170390	Molasses, other than cane molasse ..	121.84	0.24%	0.00%	0.10	0.00%	0.00%	22,036.99	902.75	0.00%
170410	Chewing gum, whether/not sugar-..	1.50	0.01%	0.01%	2.42	0.01%	0.01%	10,848.55	59,008.36	0.00%
170490	Sugar confectionery other than ...	13.09	0.71%	0.05%	1.83	0.10%	0.05%	359,414.02	437,178.49	0.00%
190110	Preparations for infant use, put up ..	0.10	0.00%	0.04%	0.02	0.00%	0.04%	131,722.20	3,635.89	0.00%
190590	Bread, pastry, cakes, biscuits & ..	0.24	0.02%	0.10%	2.01	0.19%	0.10%	949,881.73	863,105.13	4.50%
200290	Tomatoes, prepared/preserved othw. ...	2.43	0.04%	0.02%	0.01	0.00%	0.02%	45,253.79	701.04	0.00%
200310	Mushrooms of the genus Agaricus..	0.00	0.00%	0.01%	0.03	0.00%	0.01%	26,274.82	897.71	17.00%
200490	Vegetables & mixtures of vegetable..	3.80	0.02%	0.01%	0.37	0.00%	0.01%	48,296.03	10,822.98	9.17%
200580	Sweet corn (Zea mays var. saccha..	2.49	0.01%	0.01%	0.22	0.00%	0.01%	8,423.49	5,732.96	70.50%
200599	Vegetables & mixtures of vegetable..	0.00	0.00%	0.00%	0.00	0.00%	0.00%	0.00	0.00	3.63%
200799	Preparations of fruit (excl. citrus fr..	2.21	0.03%	0.01%	0.64	0.01%	0.01%	65,073.53	41,830.97	0.00%
200961	Grape juice, incl. grape must, of a Br..	0.00	0.02%	0.00%	0.00	0.00%	0.00%	0.00	0.00	4.75%
200990	Mixtures of juices, unfermented &..	1.34	0.01%	0.01%	0.16	0.00%	0.01%	109,524.64	5,539.62	3.88%
210320	Tomato ketchup & other tomato ..	1.09	0.01%	0.01%	1.01	0.01%	0.01%	158,952.76	43,125.16	12.50%
210390	Sauces & preparations therefor, ...	0.06	0.00%	0.05%	1.01	0.05%	0.05%	320,313.87	211,034.74	0.00%
210500	Ice cream & other edible ice, whet..	3.66	0.07%	0.02%	0.70	0.01%	0.02%	16,921.82	57,347.00	141.00%
210690	Food preparations, n.e.s.	5.22	0.91%	0.17%	1.09	0.18%	0.17%	1,249,011.27	832,643.07	42.52%
220210	Waters, incl. mineral waters & aerate..	0.32	0.01%	0.04%	0.65	0.03%	0.04%	332,569.21	124,725.21	5.00%
220290	Non-alcoholic beverages other than ...	17.85	0.96%	0.05%	0.30	0.02%	0.05%	396,903.48	70,122.54	37.01%
220900	Vinegar & substitutes for vinegar ob..	2.01	0.01%	0.00%	0.21	0.00%	0.00%	33,730.14	3,220.95	0.00%
230990	Preparations of a kind used in animal ..	0.51	0.04%	0.08%	0.65	0.05%	0.08%	280,357.00	233,064.61	21.18%
240220	Cigarettes containing tobacco	29.52	3.73%	0.13%	0.14	0.02%	0.13%	5,336.75	76,419.87	12.50%

Source: Comtrade via WITS (trade data) and ITC Market Access Map (AVE tariff data)

In order to “reveal” the comparative advantage of Palestinian exports in the Canadian market in particular, we can use the bilateral RCA, which indicates how much Palestine is exporting to Canada relative to how much the world is exporting to Canada. A bilateral RCA above 1 reveals a comparative advantage for Palestinian exports in the Canadian market, compared with the rest of the world.¹¹

Table 15 shows the calculated bilateral RCAs for 2012 only, revealing a comparative advantage for each product currently exported to Canada. Among the listed products, four products fall within chapters 1-24 of the HS, and among these products, 16010031/16010099 (turkey/beef sausages) and 091099 (spices) are already exempted from tariffs under CIFTA. Furthermore, Canada applies a zero tariff rate¹² on 150910 (olive oil) irrespective the country of origin.

The remaining product subject to customs duties in the Canadian market are 220290 (non-alcoholic beverages) and certain products under 160100 (sausages). Canadian applied AVE tariffs on imports from Israel (at the 6-digit level) in these two sectors are high at 37.01% and 68.75%. Furthermore, Canada’s high imported value relative to the exported value points at a high demand for both products in the Canadian market.

Assuming that preferential tariff treatment is provided in the discussed sectors, FECF or a future Palestine-Canada FTA are expected to create trade for Palestine’s exports in the Canadian market.

$$BRCA2_{ij}^k = \left(\frac{x_{ij}^k}{X_{ij}} \right) / \left(\frac{x_{wj}^k}{X_{wj}} \right)$$

¹¹

¹² Trade Map Market Access Map: <http://www.macmap.org/QuickSearch/CompareTariffs/CompareTariffs.aspx?country=SCC%7c&isimporter=1>

Table 15: Bilateral RCAs for Palestinian exports to Canada (2012)

Product	Product Name	Palestine			Canada		CAN<ISR
		RCA	Exp. value PSE>CAN ('000s USD)	Exp. value WLD>CAN ('000s USD)	Imp. value CAN<WLD ('000s USD)	Exp. value CAN>WLD ('000s USD)	Applied AVE tariffs
150910	Olive oil, virgin	1,982.54	1,595.13	102,140.13	117,493.62	760.08	0.00%
680229	Cut or sawn slabs of stone nes	19,072.78	1,503.47	10,006.97	18,992.47	1,019.17	0.00%
160100	Sausages, similar products ..	104.28	140.30	170,802.37	166,083.05	40,810.89	68.75%
680221	Cut or sawn slabs of marble, ..	57.81	15.79	34,683.19	34,963.32	149.49	0.00%
251511	Marble and travertine, crude ..	3,106.99	13.75	561.67	183.80	65.91	0.00%
091099	Spices nes	79.69	8.26	13,151.93	16,549.30	4,710.46	0.00%
220290	Non-alcoholic beverages nes, ..	1.92	7.28	480,712.43	396,903.48	70,122.54	37.01%

Source: Comtrade via WITS (trade data) and ITC Market Access Map (AVE tariff data)

In the discussion above we outlined how trade creation could occur either on the production side (i.e. trade displacing domestic production), or on the consumption side (increased imports arising from lower partner country prices). The extent to which the former will occur depends on the degree of overlap in production and trade structures across the two economies, and on the differences in relative costs of production between them (Rule of Thumb 3 and Rule of Thumb 4). To measure the degree of similarity between the two partners, we use the Finger-Kreinin Index (FKI)¹³. The FKI is equal to one when the structure of trade (defined by the share of each sector in total trade) across the two partners being compared is identical and is equal to zero when the structure of trade is completely different.

If we compare Canadian and Palestinian exports to the world, the FKI calculated at the HS 1996 6-digit level for the year 2012 is low at 0.081. This suggests that in terms of the export structure, the two trading partners are highly dissimilar. This would appear to suggest that on the production side there is not much evidence of scope for trade creation.

Furthermore, we have approached the issue of IIT, which, based on the overlap of Palestinian/Canadian imports/exports, appears to be low. The likelihood of IIT can be measured in different ways. By way of example, we used the FKI to calculate how similar the pattern across products of imports and exports is. However, the standard measure of IIT is the Grubel-Lloyd Index (GLI), which measures the overlap of imports and exports at a given aggregation level. Unlike the FKI the GLI can be calculated at the disaggregated level for individual sectors, subsectors or products. The value of the GLI ranges between 0 and 1, with higher values indicating greater IIT and potential for deeper integration.¹⁴

Calculating now the GLI for Palestine's trade with Canada in 2012, we find that the computed GLI at the HS 1996 6-digit level is 0 in all sectors. Therefore, there is very low likelihood for IIT between the two countries.

¹³ This is an index which is designed to capture the degree of similarity between a pair of countries either with regard to trade or production structures. Ideally we would like to be able to compute the index on patterns of production as that is the most direct way of addressing the fourth rule of thumb. However, the data is not available. Following common practice we compute the index on the basis of trade flows, and use trade flow similarity as an imperfect proxy for production structure similarity. This index is typically computed at the 6-digit level of disaggregation.

$$FKI_{i_1 i_2 j} = \sum_k \min \left[\left(\frac{x_{i_1 j}}{X_{i_1 j}} \right), \left(\frac{x_{i_2 j}}{X_{i_2 j}} \right) \right]$$

where i_1 and i_2 to the two source countries and j to the destination country. x_k refers to the trade flow in product k ; X to the total trade flow, so $x_{i_1 j}/X_{i_1 j}$ is the share of product k in country i_1 's total exports to the destination partner (j). $x_{i_2 j}/X_{i_2 j}$ is the share of product k in the comparator country's (i_2) total exports.

¹⁴ The GLI for trade between countries i and j in good k , is given by:

$$GLI_{ij}^k = 1 - \left(\frac{|x_{ij}^k - m_{ij}^k|}{x_{ij}^k + m_{ij}^k} \right)$$

where x_{kij} and m_{kij} denote exports and imports from/by country i to/from country j of commodity k .

Summary and Conclusions

In our shallow integration analysis we have discussed the likelihood for trade creation based on existing trade flows/shares, tariffs according to CIFTA, the comparative advantage of Palestine's and Canada's export products in the world and in each other's markets, the FKI and IIT.

As we have seen, Canada has been an insignificant trade partner for Palestine and vice versa: In numbers, Palestine's exported value to Canada was 908 thousand USD, and imports from Canada accumulated a value of 2.7 million USD in 2013. While Canada accounted for only 0.1% (0.05%) of Palestinian exports (imports) in 2013, Palestine's trade share in Canada has been much lower: 0.0006% of Canada's exports were directed to Palestine, and only 0.0002% of its imports came from Palestine. In line with Rule of Thumb 5, this suggests that, in the event of further trade liberalization, the scope for trade creation is low for both countries. Furthermore, as revealed by the low FKI level calculated for the two economies, the lack of similarity between the production structures in Canada and Palestine suggests that there is little scope for trade creation (Rule of Thumb 4).

Rule of Thumb 3 suggests that the wider the differences in comparative advantage between partner countries, the more likely it is that the FTA enhances welfare. Our RCA analysis has revealed little similarity in patterns of comparative advantage between Palestine and Canada, which in turn suggests the likelihood of FECF or a future Palestine-Canada FTA to enhance welfare in both countries.

Our tariff analysis shows that at the total trade level, Israeli and Canadian tariffs have been low throughout time. In line with Rule of Thumb 1, this would suggest that the extent of trade creation for Palestine and Canada under FECF or a future Palestine-Canada FTA is low. However, a deeper analysis of certain products and tariff lines reveals that there are many sectors with tariff peaks (especially in Canada), for which the coverage within FECF or a future Canada-Palestine FTA through customs exemption would be vital for trade creation.

Regarding Palestinian tariffs, the applied tariff policy is the same as in Israel, which considerably limits the scope of tariff measures that can be undertaken by Palestine. Therefore, even though we have identified considerable potential for shallow integration induced trade creation for meat products (020120 and 020130 - meat of bovine animals) and Canadian dairy produce, Palestine cannot exempt tariffs without Israel applying the same import policy.

Because Israel applies a high level of protection through tariffs, Palestine strongly mainly depends on imports from Israel in these sectors.

As for Palestine's exports to the world, we have singled out many products (at the HS 6-digit level) with a comparative advantage or with Canadian applied tariff peaks. The following is a summary of the products we have analyzed in the discussion above, including AVE tariffs¹⁵ applied by Canada and a review of Palestinian exports in the discussed sectors, in order to assess Palestinian export capacities.

HS product code 02... (Meat and edible meat offal):

At the 6-digit level we have identified three products under HS code 02. Palestine's exported value to the world of 020130 (bovine cuts boneless, fresh or chilled) and 020230 (bovine cuts boneless, frozen) barely exceeded 10 thousand USD in 2012 for each. In addition, we have revealed a comparative disadvantage for both products. The likelihood for trade creation in these sectors is therefore fairly low.

With an exported value to the world at around 238 thousand USD in 2012, we have revealed a comparative advantage for Palestine's export of 020220 (bovine cuts, bone in, frozen). Canada applies a 26.5% AVE tariff rate on imports from Palestine, which suggests the likelihood trade creation for Palestine in this sector, if further trade liberalization is provided under FECF or a future Palestine-Canada FTA.

HS product code 040310 (Yogurt):

Among Palestine's exports in the dairy sector, 040310 (yogurt/labneh) is the only product for which we have identified potential for trade creation in the Canadian market. With an exported value of nearly 10.5 million USD, it has been one of Palestine's top 15 export products.

Although Canadian average applied AHS tariffs are low (4.77%), Table 16 below reveals a very high AVE tariff on Canada's imports from Palestine (237.5%). In addition, our RCA analysis reveals a high comparative advantage

for Palestine and a comparative disadvantage for Canada for the product. Hence, there is considerable likelihood of shallow integration induced trade creation, assuming that Canada provides preferential tariff treatment to Palestinian exports in this sector.

HS product code 07... (Edible vegetables and certain roots and tubers)

071080 (vegetables nes) was exported to the world at a value of 131 thousand USD in 2012. Although Palestine has a comparative disadvantage for the product, relatively high applied AVE tariffs (8.92%) on Canada's imports from Palestine suggest that tariff exemption is likely to create trade for Palestine's exports in Canada. Based on Canada's imported value from the world, the Canadian demand for this product appears to be high.

Furthermore, we have assessed a comparative advantage for 071140 (cucumbers and gherkins) and 071029 (leguminous vegetables) for Palestine, and a comparative disadvantage for Canada in these sectors. The exported value to the world was high at around 4 million USD for cucumbers/gherkins and 57 thousand USD for leguminous vegetables. Because Canadian applied AVE tariffs on imports from Palestine are low for both products (5.25% and 3%), shallow integration induced trade effects are ambiguous.

HS product code 15... (Animal/vegetable fats and oils, cleavage products)

150910 (olive oil) has been Palestine's most important export product to Canada since 1996, and Palestine's 6th most important export product to the world in 2012. Canada currently applies a zero tariff rate on olive oil irrespective the country of origin.

We have identified another five products under HS code 15: 150790 (soya bean oil), 151219 (sunflower seed oil), 151529 (maize oil), 151550 (sesame oil) and 151590 (vegetable fats and oils nes). Palestine has a comparative advantage for all products except for vegetable fats and oils nes. None of the products is currently exported to Canada, but Palestine's exports to the world are fairly strong for soya bean oil and maize oil (2.2 and 2.7 million USD). Canadian applied AVE tariffs on imports from Palestine are relatively high for sunflower seed oil (10.25%), maize oil (9.5%) and sesame oil (8.5%) and lower for vegetable fats and oils nes (5.67%). There seems to be potential for trade creation in all sectors except for vegetable fats and oils nes, because of Palestine's revealed comparative disadvantage and its low exported value in the sector.

HS product code 16... (Meat, fish and seafood preparations)

Of all our assessed products under product code 16, Canada's highest AVE tariffs (98.71%) are applied for Palestinian exports of 160231 (turkey meat or meat offal). In line with CIFTA, Palestine receives tariff reduction for 16023192 (specially defined mixtures of turkey). With an exported value of only 27 thousand USD in 2012 to the world, Palestine has a comparative disadvantage in the sector.

Furthermore, Canada applies a high AVE tariff rate (68.75%) on Palestinian exports of 160100 (sausages). 16010031 (Turkey sausages) and 16010099 (beef sausages) are exempted from tariffs under CIFTA. Furthermore, Palestine's high exported value to the world (9.3 million USD in 2012) and a high comparative advantage point at the likelihood for shallow integration induced trade creation in sectors that are still subject to customs duties in the Canadian market.

Palestine also has a comparative advantage for 160250 (meat or offal from bovine animals). Because Canada's applied AVE tariffs for Palestinian exports are low for this product (4.83%), the likelihood for trade creation through tariff exemption is ambiguous. 16025099 (other prepared meat of bovine animals) is granted duty free entry into the Canadian market under CIFTA.

HS product code 17... (Sugars and sugar confectionary)

All identified products in this sector, i.e. 170290 (sugars nes), 170390 (molasses nes), 170410 (chewing gum) and 170490 (sugar confectionary nes), are currently exempt from tariffs in the Canadian market. However, despite zero tariff treatment for Palestine's exports and although the country has had relatively strong exports (and high RCA levels) of molasses nes and sugar confectionary nes to the world, no exports were registered to Canada in 2012.

HS product code 19... (Cereal, flour, starch, milk preparations and products)

The two products assessed under product code 19 are 190110 (preparations of cereals etc. for infant use) and 190590 (communion wafers etc.). Canada applies a zero AVE tariff rate on preparations of cereals etc. for infant use and a low AVE tariff rate (4.5%) on communion wafers etc. Palestine has a comparative disadvantage for its exports to the world in both sectors. Therefore, the likelihood for shallow integration induced trade creation in Canada is low.

HS product code 20... (Vegetable, fruit, nut, etc. food preparations)

Under product code 20 we have assessed 200490 (vegetables and mixtures), 200580 (sweet corn), 200990 (mixtures of juices), 200290 (tomatoes) and 200799 (jams/fruit jellies). For all sectors, Palestine has a comparative advantage and Canada has a comparative disadvantage. Canadian applied AVE tariffs are relatively high for vegetables and mixtures (9.17%) and sweet corn (10.50%). For mixtures of juices, Canada applies a low AVE tariff rate (3.88%). Canada applies a zero tariff rate on tomatoes and jams/fruit jellies.

HS product code 21... (Miscellaneous edible preparations)

Among the assessed products under product code 21, Palestine has its highest exported value to the world (at 7.1 million USD) for 210690 (food preparations). For this product the country has a higher comparative advantage than Canada and Canadian applied AVE tariffs on imports from Palestine are high at 42.52%. Therefore, there appears to be considerable likelihood for shallow integration induced trade creation for Palestinian exports in this sector.

We have also identified potential for trade creation for 210320 (tomato ketchup) and 210500 (ice cream): Palestine has a comparative advantage for both products and Canada's applied AVE tariffs are 12.5% and 141%. These products were exported to the world at values reaching 83 and 536 thousand USD.

Canada applies a zero tariff rate on 210390 (sauces and preparations nes) under CIFTA.

HS product code 22... (Beverages, spirits and vinegar)

220290 (non-alcoholic beverages) is, besides 150910 (olive oil), the only product which was exported to Canada in 2012. The exported value to Canada was very low at 7.3 thousand USD, but high exports to the world (7.4 million USD in 2012) point at existing Palestinian export elasticities. Furthermore, high applied AVE tariffs (37.01%) on Palestinian exports to Canada and a relatively high comparative advantage for Palestine suggest that there is considerable likelihood of trade creation through tariff reduction/exemption.

HS product code 230990 (Animal feed preparations nes)

Canada's applied AVE tariffs for Palestinian exports of 230990 (animal feed preparations nes) are high at 21.18%. The Palestinian exported value to the world was 325 thousand USD in 2012. However, Palestine has a comparative disadvantage for its exports in this sector.

HS product code 240220 (Cigarettes containing tobacco)

With an exported value of more than 29 million USD, 240220 (cigarettes) has been Palestine's fifth most important export product to the world in 2012. Canada currently applies a relatively high AVE tariff rate at 12.50% on Palestinian exports in this sector, which suggests that there is likelihood of Palestine creating trade in Canada, if preferential tariff treatment will be provided to Palestine under FECF or a future Palestine-Canada FTA.

In a nutshell, further trade liberalization through FECF or a future Canada-Palestine FTA is likely to enhance Palestinian exports, particularly in the following sectors:

Table 16: Palestinian export products with potential for trade creation in Canada

Rank	Product	Product Name	Palestine		Canada			
			RCA	Exp. Value PSE>WLD ('000s USD)	RCA	Imp. Value CAN<WLD ('000s USD)	Exp. Value CAN>WLD ('000s USD)	Applied AVE Tariff CAN<PSE
1	040310	Yogurt	98.1	10,467.78	0.34	3,291.20	20,095.67	237.50%
2	160100	Sausages	38.98	9,287.07	0.3	166,083.05	40,810.89	68.75%
3	210690	Food preparati..	5.22	7,125.42	1.09	1,249,011.27	832,643.07	42.52%
4	220290	Non-alcoholic be..	17.85	7,473.49	0.3	396,903.48	70,122.54	37.01%
5	240220	Cigarettes	29.52	29,149.10	0.14	5,336.75	76,419.87	12.50%
6	210500	Ice cream	3.66	536.32	0.7	16,921.82	57,347.00	141.00%
7	020220	Meat of bovine animals	5.69	237.76	2.45	3,464.33	57,583.01	26.50%
8	151529	Maize (corn) oil	78.67	2,752.57	1.23	17,211.68	24,101.25	9.50%
9	151219	Sunflower seed oil	3.17	540.66	0.01	36,815.43	1,093.77	10.25%
10	200490	Vegetables & mixtures	3.8	195.22	0.37	48,296.03	10,822.98	9.17%
11	200580	Sweet corn	2.49	114.42	0.22	8,423.49	5,732.96	10.50%
12	151550	Sesame oil	8.7	83.51	0	9,091.98	11.37	8.50%
13	210320	Tomato ketchup	1.09	83.18	1.01	158,952.76	43,125.16	12.50%
14	230990	Animal feed preparations	0.51	325.74	0.65	280,357.00	233,064.61	21.18%
15	150790	Soya bean oil	22.14	2,207.42	1.11	37,227.74	62,319.68	4.75%
16	160250	Meat or offal from bovine animals	1.07	126.69	0.09	174,634.99	5,775.28	4.83%
17	071080	Vegetables nes	0.89	130.5	0.5	50,790.39	41,400.86	8.92%

As mentioned at the outset of this assessment, tariff measures must go along with behind-the-border measures that are taken by the trade partners (e.g. through cooperation with regard to investment and standards). Unfortunately, because FECF does not specify measures for the implementation of deep integration issues or the establishment of a Palestinian-Canadian Joint Committee, mechanisms for economic cooperation between the Parties remain unclear.

Therefore, the dissociation of FECF from the Canada-Israel Free Trade Agreement (CIFTA) or the implementation of an independent Canada-Palestine FTA must accompany both shallow and deep integration measures, to ensure that targeted measures are consistent with the particular needs of the Palestinian private sector and the Palestinian developmental vision.

Appendices

Annex I: HS – Combined 2-digit product codes and descriptions

Product Code	HS - Combined Product Description
1	LIVE ANIMALS
2	MEAT AND EDIBLE MEAT OFFAL
3	FISH AND CRUSTACEANS, MOLLUSCS AND OTHER AQUATIC INVERTEBRATES
4	DAIRY PRODUCE; BIRDS' EGGS; NATURAL HONEY; EDIBLE PRODUCTS OF ANIMAL ORIGIN, NOT ELSEWHERE SPECIFIED OR INCLUDED
5	PRODUCTS OF ANIMAL ORIGIN, NOT ELSEWHERE SPECIFIED OR INCLUDED
6	LIVE TREES AND OTHER PLANTS; BULBS, ROOTS AND THE LIKE; CUT FLOWERS AND ORNAMENTAL FOLIAGE
7	EDIBLE VEGETABLES AND CERTAIN ROOTS AND TUBERS
8	EDIBLE FRUIT AND NUTS; PEEL OF CITRUS FRUIT OR MELONS
9	COFFEE, TEA, MATÉ AND SPICES
10	CEREALS
11	PRODUCTS OF THE MILLING INDUSTRY; MALT; STARCHES; INULIN; WHEAT GLUTEN
12	OIL SEEDS AND OLEAGINOUS FRUITS; MISCELLANEOUS GRAINS, SEEDS AND FRUIT; INDUSTRIAL OR MEDICINAL PLANTS; STRAW AND FODDER
13	LAC; GUMS, RESINS AND OTHER VEGETABLE SAPS AND EXTRACTS
14	VEGETABLE PLAINTING MATERIALS; VEGETABLE PRODUCTS NOT ELSEWHERE SPECIFIED OR INCLUDED
15	ANIMAL OR VEGETABLE FATS AND OILS AND THEIR CLEAVAGE PRODUCTS; PREPARED EDIBLE FATS; ANIMAL OR VEGETABLE WAXES
16	PREPARATIONS OF MEAT, OF FISH OR OF CRUSTACEANS, MOLLUSCS OR OTHER AQUATIC INVERTEBRATES
17	SUGARS AND SUGAR CONFECTIONERY
18	COCOA AND COCOA PREPARATIONS
19	PREPARATIONS OF CEREALS, FLOUR, STARCH OR MILK; PASTRYCOOKS' PRODUCTS
20	PREPARATIONS OF VEGETABLES, FRUIT, NUTS OR OTHER PARTS OF PLANTS
21	MISCELLANEOUS EDIBLE PREPARATIONS
22	BEVERAGES, SPIRITS AND VINEGAR
23	RESIDUES AND WASTE FROM THE FOOD INDUSTRIES; PREPARED ANIMAL FODDER
24	TOBACCO AND MANUFACTURED TOBACCO SUBSTITUTES
25	SALT; SULPHUR; EARTHS AND STONE; PLASTERING MATERIALS, LIME AND CEMENT
26	ORES, SLAG AND ASH
27	MINERAL FUELS, MINERAL OILS AND PRODUCTS OF THEIR DISTILLATION; BITUMINOUS SUBSTANCES; MINERAL WAXES
28	INORGANIC CHEMICALS; ORGANIC OR INORGANIC COMPOUNDS OF PRECIOUS METALS, OF RARE-EARTH METALS, OF RADIOACTIVE ELEMENTS OR OF ISOTOPES
29	ORGANIC CHEMICALS

30	PHARMACEUTICAL PRODUCTS
31	FERTILISERS
32	TANNING OR DYEING EXTRACTS; TANNINS AND THEIR DERIVATIVES; DYES, PIGMENTS AND OTHER COLOURING MATTER; PAINTS AND VARNISHES; PUTTY AND OTHER MASTICS; INKS
33	ESSENTIAL OILS AND RESINOIDS; PERFUMERY, COSMETIC OR TOILET PREPARATIONS
34	SOAP, ORGANIC SURFACE-ACTIVE AGENTS, WASHING PREPARATIONS, LUBRICATING PREPARATIONS, ARTIFICIAL WAXES, PREPARED WAXES, POLISHING OR SCOURING PREPARATIONS, CANDLES AND SIMILAR ARTICLES, MODELLING PASTES, 'DENTAL WAXES' AND DENTAL PREPARATION
35	ALBUMINOIDAL SUBSTANCES; MODIFIED STARCHES; GLUES; ENZYMES
36	EXPLOSIVES; PYROTECHNIC PRODUCTS; MATCHES; PYROPHORIC ALLOYS; CERTAIN COMBUSTIBLE PREPARATIONS
37	PHOTOGRAPHIC OR CINEMATOGRAPHIC GOODS
38	MISCELLANEOUS CHEMICAL PRODUCTS
39	PLASTICS AND ARTICLES THEREOF
40	RUBBER AND ARTICLES THEREOF
41	RAW HIDES AND SKINS (OTHER THAN FURSKINS) AND LEATHER
42	ARTICLES OF LEATHER; SADDLERY AND HARNESS; TRAVEL GOODS, HANDBAGS AND SIMILAR CONTAINERS; ARTICLES OF ANIMAL GUT (OTHER THAN SILKWORM GUT)
43	FURSKINS AND ARTIFICIAL FUR; MANUFACTURES THEREOF
44	WOOD AND ARTICLES OF WOOD; WOOD CHARCOAL
45	CORK AND ARTICLES OF CORK
46	MANUFACTURES OF STRAW, OF ESPARTO OR OF OTHER PLAITING MATERIALS; BASKETWARE AND WICKERWORK
47	PULP OF WOOD OR OF OTHER FIBROUS CELLULOSIC MATERIAL; RECOVERED (WASTE AND SCRAP) PAPER OR PAPERBOARD
48	PAPER AND PAPERBOARD; ARTICLES OF PAPER PULP, OF PAPER OR OF PAPERBOARD
49	PRINTED BOOKS, NEWSPAPERS, PICTURES AND OTHER PRODUCTS OF THE PRINTING INDUSTRY; MANUSCRIPTS, TYPESCRIPTS AND PLANS
50	SILK
51	WOOL, FINE OR COARSE ANIMAL HAIR; HORSEHAIR YARN AND WOVEN FABRIC
52	COTTON
53	OTHER VEGETABLE TEXTILE FIBRES; PAPER YARN AND WOVEN FABRICS OF PAPER YARN
54	MAN-MADE FILAMENTS; STRIP AND THE LIKE OF MAN-MADE TEXTILE MATERIALS
55	MAN-MADE STAPLE FIBRES
56	WADDING, FELT AND NONWOVENS; SPECIAL YARNS; TWINE, CORDAGE, ROPES AND CABLES AND ARTICLES THEREOF
57	CARPETS AND OTHER TEXTILE FLOOR COVERINGS
58	SPECIAL WOVEN FABRICS; TUFTED TEXTILE FABRICS; LACE; TAPESTRIES; TRIMMINGS; EMBROIDERY
59	IMPREGNATED, COATED, COVERED OR LAMINATED TEXTILE FABRICS; TEXTILE ARTICLES OF A KIND SUITABLE FOR INDUSTRIAL USE
60	KNITTED OR CROCHETED FABRICS
61	ARTICLES OF APPAREL AND CLOTHING ACCESSORIES, KNITTED OR CROCHETED
62	ARTICLES OF APPAREL AND CLOTHING ACCESSORIES, NOT KNITTED OR CROCHETED
63	OTHER MADE-UP TEXTILE ARTICLES; SETS; WORN CLOTHING AND WORN TEXTILE ARTICLES; RAGS

64	FOOTWEAR, GAITERS AND THE LIKE; PARTS OF SUCH ARTICLES
65	HEADGEAR AND PARTS THEREOF
66	UMBRELLAS, SUN UMBRELLAS, WALKING STICKS, SEAT-STICKS, WHIPS, RIDING-CROPS AND PARTS THEREOF
67	PREPARED FEATHERS AND DOWN AND ARTICLES MADE OF FEATHERS OR OF DOWN; ARTIFICIAL FLOWERS; ARTICLES OF HUMAN HAIR
68	ARTICLES OF STONE, PLASTER, CEMENT, ASBESTOS, MICA OR SIMILAR MATERIALS
69	CERAMIC PRODUCTS
70	GLASS AND GLASSWARE
71	NATURAL OR CULTURED PEARLS, PRECIOUS OR SEMI-PRECIOUS STONES, PRECIOUS METALS, METALS CLAD WITH PRECIOUS METAL, AND ARTICLES THEREOF; IMITATION JEWELLERY; COIN
72	IRON AND STEEL
73	ARTICLES OF IRON OR STEEL
74	COPPER AND ARTICLES THEREOF
75	NICKEL AND ARTICLES THEREOF
76	ALUMINIUM AND ARTICLES THEREOF
78	LEAD AND ARTICLES THEREOF
79	ZINC AND ARTICLES THEREOF
80	TIN AND ARTICLES THEREOF
81	OTHER BASE METALS; CERMETS; ARTICLES THEREOF
82	TOOLS, IMPLEMENTS, CUTLERY, SPOONS AND FORKS, OF BASE METAL; PARTS THEREOF OF BASE METAL
83	MISCELLANEOUS ARTICLES OF BASE METAL
84	NUCLEAR REACTORS, BOILERS, MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF
85	ELECTRICAL MACHINERY AND EQUIPMENT AND PARTS THEREOF; SOUND RECORDERS AND REPRODUCERS, TELEVISION IMAGE AND SOUND RECORDERS AND REPRODUCERS, AND PARTS AND ACCESSORIES OF SUCH ARTICLES
86	RAILWAY OR TRAMWAY LOCOMOTIVES, ROLLING STOCK AND PARTS THEREOF; RAILWAY OR TRAMWAY TRACK FIXTURES AND FITTINGS AND PARTS THEREOF; MECHANICAL (INCLUDING ELECTROMECHANICAL) TRAFFIC SIGNALLING EQUIPMENT OF ALL KINDS
87	VEHICLES OTHER THAN RAILWAY OR TRAMWAY ROLLING STOCK, AND PARTS AND ACCESSORIES THEREOF
88	AIRCRAFT, SPACECRAFT, AND PARTS THEREOF
89	SHIPS, BOATS AND FLOATING STRUCTURES
90	OPTICAL, PHOTOGRAPHIC, CINEMATOGRAPHIC, MEASURING, CHECKING, PRECISION, MEDICAL OR SURGICAL INSTRUMENTS AND APPARATUS; PARTS AND ACCESSORIES THEREOF
91	CLOCKS AND WATCHES AND PARTS THEREOF
92	MUSICAL INSTRUMENTS; PARTS AND ACCESSORIES OF SUCH ARTICLES
93	ARMS AND AMMUNITION; PARTS AND ACCESSORIES THEREOF
94	FURNITURE; BEDDING, MATTRESSES, MATTRESS SUPPORTS, CUSHIONS AND SIMILAR STUFFED FURNISHINGS; LAMPS AND LIGHTING FITTINGS, NOT ELSEWHERE SPECIFIED OR INCLUDED; ILLUMINATED SIGNS, ILLUMINATED NAMEPLATES AND THE LIKE; PREFABRICATED BUILDINGS
95	TOYS, GAMES AND SPORTS REQUISITES; PARTS AND ACCESSORIES THEREOF
96	MISCELLANEOUS MANUFACTURED ARTICLES
97	WORKS OF ART, COLLECTORS' PIECES AND ANTIQUES

Annex II: Canada's top trade partners 1996-2013(Source: Comtrade)

Partner	Year	Imports Value (*000s USD)	Exports Value (*000s USD)	Imports Share	Exports Share
World	1996	170,605,559.80	202,262,544.40	100.00%	100.00%
World	1997	197,010,898.90	216,037,343.20	100.00%	100.00%
World	1998	201,372,549.10	214,606,348.30	100.00%	100.00%
World	1999	215,554,886.30	238,778,007.50	100.00%	100.00%
World	2000	240,090,677.20	277,113,405.40	100.00%	100.00%
World	2001	221,623,398.00	261,058,870.70	100.00%	100.00%
World	2002	222,440,059.10	252,584,259.60	100.00%	100.00%
World	2003	240,376,249.50	272,229,685.90	100.00%	100.00%
World	2004	273,873,699.60	317,161,191.60	100.00%	100.00%
World	2005	314,444,419.00	360,552,446.30	100.00%	100.00%
World	2006	350,257,149.90	388,178,675.70	100.00%	100.00%
World	2007	380,646,622.00	419,881,603.90	100.00%	100.00%
World	2008	408,762,167.60	455,632,184.20	100.00%	100.00%
World	2009	321,227,567.70	315,176,831.40	100.00%	100.00%
World	2010	392,108,702.50	386,579,899.70	100.00%	100.00%
World	2011	450,579,509.10	450,430,007.60	100.00%	100.00%
World	2012	462,369,244.60	453,380,895.30	100.00%	100.00%
World	2013	461,799,508.84	456,395,278.17	100.00%	100.00%
USA	1996	114,535,727.10	161,108,656.10	67.13%	79.65%
USA	1997	133,103,951.90	176,882,024.40	67.56%	81.88%
USA	1998	137,306,128.40	181,853,782.00	68.19%	84.74%
USA	1999	144,425,243.50	205,020,266.10	67.00%	85.86%
USA	2000	154,498,973.70	241,590,894.60	64.35%	87.18%
USA	2001	140,999,523.90	227,244,371.60	63.62%	87.05%
USA	2002	139,278,667.40	220,072,350.60	62.61%	87.13%
USA	2003	145,755,350.50	233,380,458.10	60.64%	85.73%
USA	2004	160,827,006.70	267,804,199.90	58.72%	84.44%
USA	2005	177,635,571.10	302,195,424.30	56.49%	83.81%
USA	2006	192,177,944.20	316,556,507.50	54.87%	81.55%
USA	2007	206,439,118.60	331,601,972.10	54.23%	78.98%
USA	2008	214,046,444.00	353,782,674.80	52.36%	77.65%
USA	2009	164,245,761.50	236,480,911.50	51.13%	75.03%
USA	2010	197,547,488.60	289,418,958.60	50.38%	74.87%
USA	2011	223,172,493.30	331,755,015.90	49.53%	73.65%
USA	2012	234,031,631.30	337,829,639.50	50.62%	74.51%
USA	2013	240,696,434.39	345,739,643.87	52.12%	75.75%
EU	1996	17,693,870.32	14,487,575.29	10.37%	7.16%
EU	1997	19,934,882.80	11,529,714.05	10.12%	5.34%
EU	1998	19,723,516.64	11,349,979.17	9.79%	5.29%
EU	1999	22,579,797.18	13,708,947.69	10.48%	5.74%
EU	2000	25,559,930.66	13,059,812.42	10.65%	4.71%
EU	2001	25,517,706.54	12,144,749.98	11.51%	4.65%

EU	2002	25,565,045.96	11,430,400.30	11.49%	4.53%
EU	2003	28,856,868.85	14,373,779.81	12.00%	5.28%
EU	2004	32,561,045.73	17,724,106.25	11.89%	5.59%
EU	2005	37,953,745.34	20,662,303.52	12.07%	5.73%
EU	2006	43,195,250.88	25,768,958.57	12.33%	6.64%
EU	2007	46,108,823.31	32,487,901.61	12.11%	7.74%
EU	2008	51,064,251.51	34,306,090.48	12.49%	7.53%
EU	2009	39,914,799.06	26,150,419.77	12.43%	8.30%
EU	2010	46,604,237.47	33,450,000.81	11.89%	8.65%
EU	2011	52,620,275.73	40,348,387.78	11.68%	8.96%
EU	2012	50,601,014.84	38,512,443.59	10.94%	8.49%
EU	2013	51,605,500.95	32,006,652.41	11.17%	7.01%
China	1996	3,617,608.70	2,211,431.68	2.12%	1.09%
China	1997	4,578,677.76	1,737,778.18	2.32%	0.80%
China	1998	5,162,410.50	1,682,306.30	2.56%	0.78%
China	1999	6,004,018.43	1,788,503.71	2.79%	0.75%
China	2000	7,594,140.67	2,496,569.34	3.16%	0.90%
China	2001	8,218,549.94	2,755,219.64	3.71%	1.06%
China	2002	10,201,969.01	2,633,769.96	4.59%	1.04%
China	2003	13,288,636.10	3,436,397.07	5.53%	1.26%
China	2004	18,549,052.88	5,209,105.81	6.77%	1.64%
China	2005	24,369,378.08	5,961,766.07	7.75%	1.65%
China	2006	30,443,272.24	6,879,497.81	8.69%	1.77%
China	2007	35,824,735.10	8,873,346.58	9.41%	2.11%
China	2008	40,152,202.57	9,881,454.06	9.82%	2.17%
China	2009	34,872,190.74	9,797,289.63	10.86%	3.11%
China	2010	43,240,159.89	12,854,413.79	11.03%	3.33%
China	2011	48,653,536.13	16,984,615.85	10.80%	3.77%
China	2012	50,756,665.51	19,363,968.02	10.98%	4.27%
China	2013	51,206,246.15	19,923,755.11	11.09%	4.37%
Japan	1996	7,658,073.60	8,222,161.41	4.49%	4.07%
Japan	1997	9,065,110.53	8,063,374.34	4.60%	3.73%
Japan	1998	9,437,557.76	5,805,636.10	4.69%	2.71%
Japan	1999	10,121,260.28	5,650,491.73	4.70%	2.37%
Japan	2000	11,176,293.38	6,063,075.33	4.66%	2.19%
Japan	2001	9,456,954.73	5,388,440.97	4.27%	2.06%
Japan	2002	9,834,671.94	5,328,023.88	4.42%	2.11%
Japan	2003	9,882,955.93	5,853,852.00	4.11%	2.15%
Japan	2004	10,399,999.59	6,587,074.14	3.80%	2.08%
Japan	2005	12,220,229.42	7,578,135.00	3.89%	2.10%
Japan	2006	13,521,423.76	8,306,150.53	3.86%	2.14%
Japan	2007	14,447,453.34	8,603,085.32	3.80%	2.05%
Japan	2008	14,404,326.52	10,464,781.82	3.52%	2.30%
Japan	2009	10,860,575.30	7,299,595.43	3.38%	2.32%
Japan	2010	13,054,186.90	8,932,610.11	3.33%	2.31%

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Japan	2011	13,193,768.10	10,776,245.27	2.93%	2.39%
Japan	2012	15,042,352.44	10,360,835.03	3.25%	2.29%
Japan	2013	13,335,003.64	10,383,314.78	2.89%	2.28%
Mexico	1996	4,427,130.37	923,302.72	2.59%	0.46%
Mexico	1997	5,067,969.54	959,363.65	2.57%	0.44%
Mexico	1998	5,174,450.69	980,349.25	2.57%	0.46%
Mexico	1999	6,423,819.18	1,098,985.11	2.98%	0.46%
Mexico	2000	8,142,021.63	1,372,903.17	3.39%	0.50%
Mexico	2001	7,830,501.94	1,779,811.65	3.53%	0.68%
Mexico	2002	8,123,439.70	1,542,258.32	3.65%	0.61%
Mexico	2003	8,717,559.80	1,580,227.70	3.63%	0.58%
Mexico	2004	10,339,012.51	2,382,389.45	3.78%	0.75%
Mexico	2005	12,049,994.57	2,781,853.78	3.83%	0.77%
Mexico	2006	14,131,523.79	3,858,046.47	4.03%	0.99%
Mexico	2007	16,050,278.78	4,625,052.37	4.22%	1.10%
Mexico	2008	16,857,733.84	5,517,021.13	4.12%	1.21%
Mexico	2009	14,531,602.92	4,220,206.05	4.52%	1.34%
Mexico	2010	21,465,147.37	4,865,217.00	5.47%	1.26%
Mexico	2011	24,813,962.89	5,529,808.60	5.51%	1.23%
Mexico	2012	25,523,292.62	5,392,935.97	5.52%	1.19%
Mexico	2013	25,916,502.42	5,271,897.27	5.61%	1.16%
GAFTA	1996	1,143,708.54	1,479,906.78	0.67%	0.73%
GAFTA	1997	1,146,779.63	1,690,885.55	0.58%	0.78%
GAFTA	1998	816,164.13	1,259,866.85	0.41%	0.59%
GAFTA	1999	988,962.81	1,119,040.21	0.46%	0.47%
GAFTA	2000	2,164,214.79	1,173,026.03	0.90%	0.42%
GAFTA	2001	2,039,392.96	1,059,861.04	0.92%	0.41%
GAFTA	2002	2,457,978.33	1,220,701.55	1.11%	0.48%
GAFTA	2003	3,507,333.87	1,427,955.96	1.46%	0.52%
GAFTA	2004	4,631,442.68	1,758,988.71	1.69%	0.55%
GAFTA	2005	6,386,717.94	2,085,413.42	2.03%	0.58%
GAFTA	2006	8,084,655.69	2,580,691.57	2.31%	0.66%
GAFTA	2007	8,453,437.34	3,787,881.81	2.22%	0.90%
GAFTA	2008	12,185,126.88	5,129,198.62	2.98%	1.13%
GAFTA	2009	6,345,081.76	4,920,310.09	1.98%	1.56%
GAFTA	2010	8,152,350.22	4,266,798.36	2.08%	1.10%
GAFTA	2011	12,901,812.14	4,561,644.24	2.86%	1.01%
GAFTA	2012	14,228,765.06	5,667,190.23	3.08%	1.25%
GAFTA	2013	10,822,609.89	4,869,033.65	2.34%	1.07%
EFTA	1996	2,821,196.00	1,327,642.00	1.65%	0.66%
EFTA	1997	3,122,522.74	877,634.30	1.58%	0.41%
EFTA	1998	2,522,830.01	1,214,518.99	1.25%	0.57%
EFTA	1999	2,627,225.91	842,549.70	1.22%	0.35%
EFTA	2000	3,942,150.60	868,531.44	1.64%	0.31%
EFTA	2001	3,209,429.79	882,705.91	1.45%	0.34%

EFTA	2002	3,506,211.07	987,253.99	1.58%	0.39%
EFTA	2003	4,129,747.60	1,085,000.98	1.72%	0.40%
EFTA	2004	5,118,890.33	1,764,506.31	1.87%	0.56%
EFTA	2005	6,804,169.98	2,237,178.21	2.16%	0.62%
EFTA	2006	6,725,857.11	2,756,518.20	1.92%	0.71%
EFTA	2007	7,172,030.06	4,890,713.49	1.88%	1.16%
EFTA	2008	8,853,049.92	3,935,604.99	2.17%	0.86%
EFTA	2009	6,197,560.24	2,664,631.81	1.93%	0.85%
EFTA	2010	5,655,782.43	4,048,447.71	1.44%	1.05%
EFTA	2011	7,628,584.93	4,023,445.52	1.69%	0.89%
EFTA	2012	7,383,585.29	3,239,944.94	1.60%	0.71%
EFTA	2013	7,554,531.68	3,754,800.45	1.64%	0.82%
Rep. of Korea	1996	2,001,957.25	2,066,295.42	1.17%	1.02%
Rep. of Korea	1997	2,048,881.79	2,191,393.28	1.04%	1.01%
Rep. of Korea	1998	2,236,000.51	1,224,570.37	1.11%	0.57%
Rep. of Korea	1999	2,406,208.30	1,336,100.81	1.12%	0.56%
Rep. of Korea	2000	3,473,816.32	1,502,792.83	1.45%	0.54%
Rep. of Korea	2001	2,974,378.04	1,303,307.79	1.34%	0.50%
Rep. of Korea	2002	3,101,007.57	1,285,401.01	1.39%	0.51%
Rep. of Korea	2003	3,654,012.79	1,428,879.64	1.52%	0.52%
Rep. of Korea	2004	4,486,976.60	1,747,246.69	1.64%	0.55%
Rep. of Korea	2005	4,438,072.87	2,334,217.29	1.41%	0.65%
Rep. of Korea	2006	5,085,106.28	2,897,433.50	1.45%	0.75%
Rep. of Korea	2007	5,015,415.30	2,805,791.65	1.32%	0.67%
Rep. of Korea	2008	5,663,204.82	3,622,188.36	1.39%	0.79%
Rep. of Korea	2009	5,215,056.29	3,100,333.91	1.62%	0.98%
Rep. of Korea	2010	5,970,679.09	3,603,394.20	1.52%	0.93%
Rep. of Korea	2011	6,674,642.45	5,148,677.20	1.48%	1.14%
Rep. of Korea	2012	6,380,322.47	3,719,941.80	1.38%	0.82%
Rep. of Korea	2013	7,127,110.86	3,338,252.39	1.54%	0.73%
MERCOSUR	1996	1,527,555.14	1,677,776.64	0.90%	0.83%
MERCOSUR	1997	1,873,405.27	2,231,976.14	0.95%	1.03%
MERCOSUR	1998	1,714,066.62	1,661,069.18	0.85%	0.77%
MERCOSUR	1999	1,862,892.72	1,224,098.50	0.86%	0.51%
MERCOSUR	2000	2,280,263.95	1,329,789.39	0.95%	0.48%
MERCOSUR	2001	2,181,820.13	1,261,204.46	0.98%	0.48%
MERCOSUR	2002	2,242,622.47	876,788.65	1.01%	0.35%
MERCOSUR	2003	2,310,806.05	924,307.71	0.96%	0.34%
MERCOSUR	2004	3,163,893.73	1,257,373.08	1.16%	0.40%
MERCOSUR	2005	4,620,985.17	1,652,780.65	1.47%	0.46%
MERCOSUR	2006	4,670,026.22	2,061,639.59	1.33%	0.53%
MERCOSUR	2007	5,087,304.31	2,390,700.61	1.34%	0.57%
MERCOSUR	2008	4,504,915.42	3,734,184.36	1.10%	0.82%
MERCOSUR	2009	3,746,296.14	2,120,698.19	1.17%	0.67%
MERCOSUR	2010	5,529,557.97	3,434,004.60	1.41%	0.89%

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MERCOSUR	2011	7,098,086.99	4,113,111.29	1.58%	0.91%
MERCOSUR	2012	6,549,713.87	3,680,520.71	1.42%	0.81%
MERCOSUR	2013	5,740,932.88	3,507,626.01	1.24%	0.77%
Other Asia, nes	1996	2,091,970.56	1,039,862.66	1.23%	0.51%
Other Asia, nes	1997	2,508,898.30	1,171,004.80	1.27%	0.54%
Other Asia, nes	1998	2,718,091.78	795,738.88	1.35%	0.37%
Other Asia, nes	1999	3,092,367.06	769,295.54	1.43%	0.32%
Other Asia, nes	2000	3,347,479.55	772,450.69	1.39%	0.28%
Other Asia, nes	2001	2,850,277.91	659,004.85	1.29%	0.25%
Other Asia, nes	2002	2,704,462.82	718,048.52	1.22%	0.28%
Other Asia, nes	2003	2,689,852.44	888,271.38	1.12%	0.33%
Other Asia, nes	2004	3,024,724.94	952,849.35	1.10%	0.30%
Other Asia, nes	2005	3,213,076.93	1,122,047.52	1.02%	0.31%
Other Asia, nes	2006	3,425,095.74	1,234,987.84	0.98%	0.32%
Other Asia, nes	2007	3,643,143.56	1,443,444.87	0.96%	0.34%
Other Asia, nes	2008	3,742,315.73	1,469,535.54	0.92%	0.32%
Other Asia, nes	2009	2,948,205.14	970,044.80	0.92%	0.31%
Other Asia, nes	2010	3,856,090.83	1,250,569.40	0.98%	0.32%
Other Asia, nes	2011	4,981,696.29	1,763,736.00	1.11%	0.39%
Other Asia, nes	2012	4,588,741.01	1,466,151.11	0.99%	0.32%
Other Asia, nes	2013	4,577,617.76	1,462,607.96	0.99%	0.32%
India	1996	442,780.61	258,700.51	0.26%	0.13%
India	1997	536,599.26	354,325.18	0.27%	0.16%
India	1998	606,161.92	262,560.51	0.30%	0.12%
India	1999	684,061.55	281,734.28	0.32%	0.12%
India	2000	828,457.41	332,870.43	0.35%	0.12%
India	2001	745,771.06	437,064.34	0.34%	0.17%
India	2002	846,085.84	430,353.07	0.38%	0.17%
India	2003	1,017,947.27	545,505.47	0.42%	0.20%
India	2004	1,213,891.61	662,853.95	0.44%	0.21%
India	2005	1,474,767.56	898,252.29	0.47%	0.25%
India	2006	1,693,253.99	1,476,710.53	0.48%	0.38%
India	2007	1,849,595.25	1,671,504.27	0.49%	0.40%
India	2008	2,107,082.59	2,282,701.76	0.52%	0.50%
India	2009	1,761,385.67	1,879,252.82	0.55%	0.60%
India	2010	2,062,031.07	1,999,922.62	0.53%	0.52%
India	2011	2,560,390.82	2,654,520.70	0.57%	0.59%
India	2012	2,858,768.74	2,357,692.44	0.62%	0.52%
India	2013	2,895,743.50	2,761,996.27	0.63%	0.61%
Australia	1996	946,771.84	745,543.04	0.55%	0.37%
Australia	1997	853,293.63	712,148.80	0.43%	0.33%
Australia	1998	864,983.81	654,117.25	0.43%	0.30%
Australia	1999	818,166.14	646,430.76	0.38%	0.27%
Australia	2000	1,043,317.57	796,321.54	0.43%	0.29%
Australia	2001	1,049,308.39	697,180.87	0.47%	0.27%

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Australia	2002	1,097,280.71	745,652.70	0.49%	0.30%
Australia	2003	1,168,711.86	1,051,933.98	0.49%	0.39%
Australia	2004	1,419,325.96	1,212,567.95	0.52%	0.38%
Australia	2005	1,442,332.34	1,354,266.62	0.46%	0.38%
Australia	2006	1,403,927.04	1,623,423.90	0.40%	0.42%
Australia	2007	1,663,641.50	1,629,126.29	0.44%	0.39%
Australia	2008	1,550,064.99	2,021,236.52	0.38%	0.44%
Australia	2009	1,428,777.55	1,557,928.98	0.44%	0.49%
Australia	2010	1,572,237.78	1,701,762.38	0.40%	0.44%
Australia	2011	1,785,174.19	1,916,685.34	0.40%	0.43%
Australia	2012	2,079,885.37	2,040,239.07	0.45%	0.45%
Australia	2013	1,742,620.10	1,619,209.56	0.38%	0.35%
Malaysia	1996	1,158,398.46	398,482.21	0.68%	0.20%
Malaysia	1997	1,437,717.89	504,624.10	0.73%	0.23%
Malaysia	1998	1,347,256.45	307,308.64	0.67%	0.14%
Malaysia	1999	1,385,296.07	280,408.79	0.64%	0.12%
Malaysia	2000	1,673,527.30	273,151.55	0.70%	0.10%
Malaysia	2001	1,227,001.16	222,576.33	0.55%	0.09%
Malaysia	2002	1,287,493.08	313,130.41	0.58%	0.12%
Malaysia	2003	1,629,007.23	345,815.35	0.68%	0.13%
Malaysia	2004	2,026,750.75	347,445.02	0.74%	0.11%
Malaysia	2005	2,155,554.75	340,076.55	0.69%	0.09%
Malaysia	2006	2,594,547.04	458,435.85	0.74%	0.12%
Malaysia	2007	2,726,037.68	548,728.82	0.72%	0.13%
Malaysia	2008	2,755,728.40	787,762.54	0.67%	0.17%
Malaysia	2009	2,036,074.26	694,515.25	0.63%	0.22%
Malaysia	2010	2,225,107.29	763,512.63	0.57%	0.20%
Malaysia	2011	2,161,741.21	769,236.13	0.48%	0.17%
Malaysia	2012	2,228,187.18	784,267.58	0.48%	0.17%
Malaysia	2013	2,116,671.89	760,265.91	0.46%	0.17%
Thailand	1996	766,525.76	420,741.73	0.45%	0.21%
Thailand	1997	850,757.50	336,587.14	0.43%	0.16%
Thailand	1998	858,867.90	203,004.30	0.43%	0.09%
Thailand	1999	1,015,274.53	203,082.79	0.47%	0.09%
Thailand	2000	1,124,500.74	249,020.24	0.47%	0.09%
Thailand	2001	1,092,749.80	285,945.04	0.49%	0.11%
Thailand	2002	1,132,420.26	338,018.14	0.51%	0.13%
Thailand	2003	1,333,577.72	328,689.30	0.55%	0.12%
Thailand	2004	1,550,183.20	397,537.08	0.57%	0.13%
Thailand	2005	1,636,139.01	398,943.42	0.52%	0.11%
Thailand	2006	1,986,512.37	477,789.79	0.57%	0.12%
Thailand	2007	2,147,871.25	548,697.93	0.56%	0.13%
Thailand	2008	2,330,340.82	672,349.10	0.57%	0.15%
Thailand	2009	2,021,051.55	498,690.67	0.63%	0.16%
Thailand	2010	2,339,442.33	633,399.43	0.60%	0.16%

ASSESSING PALESTINIAN - CANADIAN TRADE RELATIONS

Thailand	2011	2,702,606.99	847,451.12	0.60%	0.19%
Thailand	2012	2,635,274.01	716,510.96	0.57%	0.16%
Thailand	2013	2,561,840.25	737,184.38	0.55%	0.16%
China, Hong Kong SAR	1996	837,760.70	938,036.48	0.49%	0.46%
China, Hong Kong SAR	1997	913,683.20	1,264,664.19	0.46%	0.59%
China, Hong Kong SAR	1998	846,689.66	909,875.78	0.42%	0.42%
China, Hong Kong SAR	1999	877,142.68	737,980.45	0.41%	0.31%
China, Hong Kong SAR	2000	975,406.59	882,551.36	0.41%	0.32%
China, Hong Kong SAR	2001	793,301.12	802,181.98	0.36%	0.31%
China, Hong Kong SAR	2002	634,598.42	765,994.61	0.29%	0.30%
China, Hong Kong SAR	2003	613,848.14	840,150.81	0.26%	0.31%
China, Hong Kong SAR	2004	553,297.70	1,069,066.44	0.20%	0.34%
China, Hong Kong SAR	2005	461,647.13	1,198,536.77	0.15%	0.33%
China, Hong Kong SAR	2006	452,379.64	1,418,701.86	0.13%	0.37%
China, Hong Kong SAR	2007	497,033.89	1,446,768.88	0.13%	0.34%
China, Hong Kong SAR	2008	437,462.01	1,671,709.18	0.11%	0.37%
China, Hong Kong SAR	2009	320,253.67	1,312,173.85	0.10%	0.42%
China, Hong Kong SAR	2010	341,923.43	1,819,476.47	0.09%	0.47%
China, Hong Kong SAR	2011	321,787.74	2,989,716.97	0.07%	0.66%
China, Hong Kong SAR	2012	280,062.36	2,459,542.16	0.06%	0.54%
China, Hong Kong SAR	2013	249,213.04	4,778,860.64	0.05%	1.05%
Peru	1996	92,680.77	128,694.48	0.05%	0.06%
Peru	1997	97,150.95	225,087.74	0.05%	0.10%
Peru	1998	115,540.71	126,205.98	0.06%	0.06%
Peru	1999	100,971.12	116,085.07	0.05%	0.05%
Peru	2000	127,070.96	140,603.14	0.05%	0.05%
Peru	2001	162,383.77	122,663.95	0.07%	0.05%
Peru	2002	186,846.51	107,801.33	0.08%	0.04%
Peru	2003	187,806.49	95,632.61	0.08%	0.04%
Peru	2004	351,562.81	127,335.28	0.13%	0.04%
Peru	2005	1,121,105.05	218,529.96	0.36%	0.06%
Peru	2006	1,847,743.53	254,396.97	0.53%	0.07%
Peru	2007	1,993,411.30	309,125.37	0.52%	0.07%
Peru	2008	2,312,890.81	359,416.53	0.57%	0.08%
Peru	2009	2,529,163.25	375,120.86	0.79%	0.12%
Peru	2010	3,543,453.59	462,841.41	0.90%	0.12%
Peru	2011	4,455,184.59	521,353.98	0.99%	0.12%
Peru	2012	3,686,962.28	536,688.30	0.80%	0.12%
Peru	2013	2,985,922.81	590,738.61	0.65%	0.13%
Indonesia	1996	460,034.75	701,157.76	0.27%	0.35%
Indonesia	1997	589,562.88	578,821.63	0.30%	0.27%
Indonesia	1998	621,640.26	367,184.96	0.31%	0.17%
Indonesia	1999	582,429.87	366,864.76	0.27%	0.15%
Indonesia	2000	599,675.01	474,642.82	0.25%	0.17%
Indonesia	2001	621,293.01	301,458.91	0.28%	0.12%
Indonesia	2002	614,333.74	314,088.57	0.28%	0.12%
Indonesia	2003	663,629.87	325,369.11	0.28%	0.12%
Indonesia	2004	716,622.04	514,594.05	0.26%	0.16%
Indonesia	2005	789,251.36	572,952.97	0.25%	0.16%

Indonesia	2006	835,267.96	703,030.10	0.24%	0.18%
Indonesia	2007	928,475.51	922,884.86	0.24%	0.22%
Indonesia	2008	1,015,865.99	1,385,164.22	0.25%	0.30%
Indonesia	2009	887,211.72	852,796.61	0.28%	0.27%
Indonesia	2010	1,227,679.33	1,031,152.60	0.31%	0.27%
Indonesia	2011	1,443,705.45	1,660,831.92	0.32%	0.37%
Indonesia	2012	1,314,383.42	1,681,590.40	0.28%	0.37%
Indonesia	2013	1,333,653.13	1,842,438.92	0.29%	0.40%
Russian Federation	1996	329,276.38	243,150.18	0.19%	0.12%
Russian Federation	1997	448,432.38	273,858.05	0.23%	0.13%
Russian Federation	1998	493,690.37	194,119.70	0.25%	0.09%
Russian Federation	1999	408,854.32	120,974.10	0.19%	0.05%
Russian Federation	2000	449,788.19	134,107.68	0.19%	0.05%
Russian Federation	2001	233,188.25	187,514.10	0.11%	0.07%
Russian Federation	2002	242,385.79	152,674.74	0.11%	0.06%
Russian Federation	2003	578,023.74	238,493.08	0.24%	0.09%
Russian Federation	2004	1,066,068.52	319,620.15	0.39%	0.10%
Russian Federation	2005	1,426,054.10	467,525.16	0.45%	0.13%
Russian Federation	2006	1,579,018.21	772,153.52	0.45%	0.20%
Russian Federation	2007	1,384,544.92	1,070,434.76	0.36%	0.25%
Russian Federation	2008	1,802,727.70	1,412,107.93	0.44%	0.31%
Russian Federation	2009	1,349,446.68	781,378.65	0.42%	0.25%
Russian Federation	2010	1,596,041.31	1,155,951.24	0.41%	0.30%
Russian Federation	2011	1,298,773.72	1,511,604.61	0.29%	0.34%
Russian Federation	2012	1,108,964.98	1,652,505.98	0.24%	0.36%
Russian Federation	2013	839,774.62	1,372,955.89	0.18%	0.30%
Singapore	1996	874,827.78	420,066.50	0.51%	0.21%
Singapore	1997	847,958.14	395,340.96	0.43%	0.18%
Singapore	1998	796,513.73	285,880.80	0.40%	0.13%
Singapore	1999	843,184.46	248,368.06	0.39%	0.10%
Singapore	2000	941,325.12	247,699.74	0.39%	0.09%
Singapore	2001	734,434.34	255,328.18	0.33%	0.10%
Singapore	2002	630,144.76	367,138.32	0.28%	0.15%
Singapore	2003	746,049.65	317,528.96	0.31%	0.12%
Singapore	2004	752,206.93	586,226.14	0.27%	0.18%
Singapore	2005	803,688.62	529,141.74	0.26%	0.15%
Singapore	2006	870,117.61	654,566.56	0.25%	0.17%
Singapore	2007	1,395,042.96	852,136.17	0.37%	0.20%
Singapore	2008	1,184,169.67	777,297.61	0.29%	0.17%
Singapore	2009	1,009,086.38	952,730.66	0.31%	0.30%
Singapore	2010	1,104,653.31	810,819.53	0.28%	0.21%
Singapore	2011	1,571,769.07	812,269.91	0.35%	0.18%
Singapore	2012	1,426,197.64	896,489.19	0.31%	0.20%
Singapore	2013	1,261,237.74	935,989.13	0.27%	0.21%

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Chile	1996	251,027.50	304,792.90	0.15%	0.15%
Chile	1997	235,237.95	283,396.99	0.12%	0.13%
Chile	1998	243,066.80	227,432.80	0.12%	0.11%
Chile	1999	283,772.14	242,725.92	0.13%	0.10%
Chile	2000	373,912.70	299,895.71	0.16%	0.11%
Chile	2001	413,804.19	238,455.15	0.19%	0.09%
Chile	2002	427,383.30	180,163.74	0.19%	0.07%
Chile	2003	633,784.96	231,526.08	0.26%	0.09%
Chile	2004	1,006,988.21	276,670.60	0.37%	0.09%
Chile	2005	1,373,126.36	344,905.71	0.44%	0.10%
Chile	2006	1,634,871.43	417,010.80	0.47%	0.11%
Chile	2007	1,576,305.18	702,068.49	0.41%	0.17%
Chile	2008	1,690,014.79	683,351.77	0.41%	0.15%
Chile	2009	1,521,879.25	566,304.58	0.47%	0.18%
Chile	2010	1,818,588.90	570,636.89	0.46%	0.15%
Chile	2011	1,930,835.59	826,886.84	0.43%	0.18%
Chile	2012	1,678,789.30	789,750.80	0.36%	0.17%
Chile	2013	1,702,026.41	784,838.40	0.37%	0.17%
Turkey	1996	111,608.17	194,453.04	0.07%	0.10%
Turkey	1997	140,355.38	242,146.18	0.07%	0.11%
Turkey	1998	168,466.37	152,388.94	0.08%	0.07%
Turkey	1999	168,840.25	144,563.21	0.08%	0.06%
Turkey	2000	197,016.10	174,600.70	0.08%	0.06%
Turkey	2001	203,609.97	111,549.95	0.09%	0.04%
Turkey	2002	255,223.41	171,269.04	0.11%	0.07%
Turkey	2003	333,700.83	195,276.65	0.14%	0.07%
Turkey	2004	469,350.51	286,313.90	0.17%	0.09%
Turkey	2005	526,147.60	402,237.13	0.17%	0.11%
Turkey	2006	551,372.73	483,356.85	0.16%	0.12%
Turkey	2007	525,120.27	627,345.08	0.14%	0.15%
Turkey	2008	662,280.25	1,167,200.18	0.16%	0.26%
Turkey	2009	555,947.40	783,246.63	0.17%	0.25%
Turkey	2010	693,593.36	817,712.53	0.18%	0.21%
Turkey	2011	1,134,046.53	1,284,024.02	0.25%	0.29%
Turkey	2012	1,480,410.78	850,435.03	0.32%	0.19%
Turkey	2013	1,280,393.26	888,424.20	0.28%	0.19%
Palestine*	1996	133.853	684.306	0.00008%	0.00034%
Palestine*	1997	15.286	582.485	0.00001%	0.00027%
Palestine*	1998	0	598.415	0.00000%	0.00028%
Palestine*	1999	0	3,285.66	0.00000%	0.00138%
Palestine*	2000	1.2	1,382.87	0.00000%	0.00050%
Palestine*	2001	4.465	768.571	0.00000%	0.00029%
Palestine*	2002	0	458.711	0.00000%	0.00018%

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Palestine*	2003	134.35	568.544	0.00006%	0.00021%
Palestine*	2004	50.936	1,283.66	0.00002%	0.00040%
Palestine*	2005	82.158	1,405.41	0.00003%	0.00039%
Palestine*	2006	164.06	2,603.92	0.00005%	0.00067%
Palestine*	2007	242.57	5,151.99	0.00006%	0.00123%
Palestine*	2008	267.731	1,767.88	0.00007%	0.00039%
Palestine*	2009	2,664.82	2,649.62	0.00083%	0.00084%
Palestine*	2010	2,028.70	8,168.77	0.00052%	0.00211%
Palestine*	2011	1,788.69	2,394.00	0.00040%	0.00053%
Palestine*	2012	3,259.43	2,871.33	0.00070%	0.00063%
Palestine*	2013	908.04	2,686.51	0.00020%	0.00059%

*Source: PCBS

Annex III: Palestine's top trade partners 1996-2013 (Source: PCBS)

Partner	Year	Imports Value ('000s USD)	Exports Value ('000s USD)	Imports share	Exports share
World	1996	2,016,279.00	339,467.00	100.00%	100.00%
World	1997	2,238,560.00	380,423.00	100.00%	100.00%
World	1998	2,375,102.00	394,846.00	100.00%	100.00%
World	1999	3,007,227.00	372,148.00	100.00%	100.00%
World	2000	2,382,807.00	400,857.00	100.00%	100.00%
World	2001	2,033,647.00	290,349.00	100.00%	100.00%
World	2002	1,515,608.00	240,867.00	100.00%	100.00%
World	2003	1,800,268.00	279,680.00	100.00%	100.00%
World	2004	2,373,248.00	312,688.00	100.00%	100.00%
World	2005	2,667,592.00	335,443.00	100.00%	100.00%
World	2006	2,758,726.00	366,706.00	100.00%	100.00%
World	2007	3,141,279.29	512,982.82	100.00%	100.00%
World	2008	3,568,673.59	558,446.00	100.00%	100.00%
World	2009	3,600,785.37	518,355.48	100.00%	100.00%
World	2010	3,958,511.52	575,512.92	100.00%	100.00%
World	2011	4,221,105.70	719,588.97	100.00%	100.00%
World	2012	4,697,355.94	782,368.75	100.00%	100.00%
World	2013	5,163,897.46	900,617.86	100.00%	100.00%
Israel	1996	1,743,190.13	319,247.24	86.46%	94.04%
Israel	1997	1,852,943.48	360,250.78	82.77%	94.70%
Israel	1998	1,833,651.79	381,443.35	77.20%	96.61%
Israel	1999	1,857,229.43	360,426.99	61.76%	96.85%
Israel	2000	1,740,704.61	369,680.10	73.05%	92.22%
Israel	2001	1,352,896.73	273,109.09	66.53%	94.06%
Israel	2002	1,118,157.71	216,325.73	73.78%	89.81%
Israel	2003	1,309,641.90	256,018.62	72.75%	91.54%
Israel	2004	1,747,850.12	281,148.77	73.65%	89.91%
Israel	2005	1,873,700.41	290,558.19	70.24%	86.62%
Israel	2006	2,002,150.28	326,567.64	72.58%	89.05%

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Israel	2007	2,307,935.29	455,231.68	73.47%	88.74%
Israel	2008	2,767,714.18	499,422.97	77.56%	89.43%
Israel	2009	2,651,128.87	453,494.35	73.63%	87.49%
Israel	2010	2,873,497.68	488,395.42	72.59%	84.86%
Israel	2011	2,938,379.64	617,781.53	69.61%	85.85%
Israel	2012	3,350,424.82	639,180.36	71.33%	81.70%
Israel	2013	3,694,820.63	785,110.86	71.55%	87.17%
EU	1996	155,743.94	244.14	7.72%	0.07%
EU	1997	188,825.10	915.15	8.44%	0.24%
EU	1998	233,608.42	1,649.95	9.84%	0.42%
EU	1999	498,001.40	1,526.16	16.56%	0.41%
EU	2000	272,589.97	1,708.87	11.44%	0.43%
EU	2001	374,485.22	2,480.65	18.41%	0.85%
EU	2002	179,737.18	8,921.95	11.86%	3.70%
EU	2003	161,285.31	7,073.67	8.96%	2.53%
EU	2004	215,814.95	7,058.54	9.09%	2.26%
EU	2005	252,291.91	11,556.07	9.46%	3.45%
EU	2006	227,589.51	2,640.60	8.25%	0.72%
EU	2007	250,863.57	18,078.26	7.99%	3.52%
EU	2008	289,237.77	8,121.22	8.10%	1.45%
EU	2009	348,496.32	4,739.52	9.68%	0.91%
EU	2010	368,048.76	9,874.67	9.30%	1.72%
EU	2011	444,337.19	14,462.80	10.53%	2.01%
EU	2012	469,295.84	14,392.09	9.99%	1.84%
EU	2013	455,472.33	13,151.73	8.82%	1.46%
GAFTA	1996	26,570.00	19,054.00	1.32%	5.61%
GAFTA	1997	56,146.00	19,058.00	2.51%	5.01%
GAFTA	1998	85,411.00	11,558.00	3.60%	2.93%
GAFTA	1999	81,071.00	9,638.00	2.70%	2.59%
GAFTA	2000	39,668.00	29,122.00	1.66%	7.26%
GAFTA	2001	36,781.00	14,576.00	1.81%	5.02%
GAFTA	2002	31,075.00	15,093.00	2.05%	6.27%
GAFTA	2003	45,721.00	14,977.00	2.54%	5.36%
GAFTA	2004	65,100.00	19,357.00	2.74%	6.19%
GAFTA	2005	69,000.00	25,855.00	2.59%	7.71%
GAFTA	2006	66,937.00	34,031.00	2.43%	9.28%
GAFTA	2007	78,239.47	34,771.88	2.49%	6.78%
GAFTA	2008	81,907.99	45,832.72	2.30%	8.21%
GAFTA	2009	91,959.41	47,247.73	2.55%	9.11%
GAFTA	2010	129,816.68	65,876.98	3.28%	11.45%
GAFTA	2011	162,301.23	73,958.40	3.84%	10.28%
GAFTA	2012	187,159.89	108,778.25	3.98%	13.90%
GAFTA	2013	214,774.86	84,214.46	4.16%	9.35%
Turkey	1996	8,982.18	0.00	0.45%	0.00%
Turkey	1997	35,558.00	0.00	1.59%	0.00%
Turkey	1998	48,439.25	0.00	2.04%	0.00%
Turkey	1999	141,671.29	6.99	4.71%	0.00%

Turkey	2000	65,905.51	284.53	2.77%	0.07%
Turkey	2001	58,984.59	147.96	2.90%	0.05%
Turkey	2002	61,280.56	82.42	4.04%	0.03%
Turkey	2003	96,469.87	139.26	5.36%	0.05%
Turkey	2004	116,670.66	1,227.88	4.92%	0.39%
Turkey	2005	120,665.64	1,227.83	4.52%	0.37%
Turkey	2006	92,526.18	274.92	3.35%	0.07%
Turkey	2007	81,885.39	429.01	2.61%	0.08%
Turkey	2008	68,511.44	123.09	1.92%	0.02%
Turkey	2009	110,348.08	53.00	3.06%	0.01%
Turkey	2010	179,112.32	483.49	4.52%	0.08%
Turkey	2011	233,819.56	418.12	5.54%	0.06%
Turkey	2012	233,842.30	833.03	4.98%	0.11%
Turkey	2013	289,169.86	2,987.65	5.60%	0.33%
China	1996	10,643.33	0.00	0.53%	0.00%
China	1997	16,187.59	0.00	0.72%	0.00%
China	1998	33,816.98	0.00	1.42%	0.00%
China	1999	98,171.85	0.00	3.26%	0.00%
China	2000	88,652.88	0.00	3.72%	0.00%
China	2001	44,629.67	0.00	2.19%	0.00%
China	2002	42,881.81	0.00	2.83%	0.00%
China	2003	63,584.08	42.36	3.53%	0.02%
China	2004	88,705.31	504.06	3.74%	0.16%
China	2005	110,935.17	373.98	4.16%	0.11%
China	2006	114,326.27	139.03	4.14%	0.04%
China	2007	143,834.33	113.06	4.58%	0.02%
China	2008	125,963.10	46.94	3.53%	0.01%
China	2009	161,815.70	11.71	4.49%	0.00%
China	2010	181,261.40	20.30	4.58%	0.00%
China	2011	194,118.01	0.00	4.60%	0.00%
China	2012	197,319.71	0.00	4.20%	0.00%
China	2013	236,601.08	0.00	4.58%	0.00%
USA	1996	24,765.52	671.94	1.23%	0.20%
USA	1997	24,002.38	2.01	1.07%	0.00%
USA	1998	33,382.85	75.17	1.41%	0.02%
USA	1999	87,186.94	291.90	2.90%	0.08%
USA	2000	56,690.50	70.03	2.38%	0.02%
USA	2001	40,293.32	123.13	1.98%	0.04%
USA	2002	190.36	203.30	0.01%	0.08%
USA	2003	31,021.99	668.01	1.72%	0.24%
USA	2004	39,475.27	1,649.29	1.66%	0.53%
USA	2005	31,908.00	4,136.35	1.20%	1.23%
USA	2006	21,644.29	2,389.47	0.78%	0.65%
USA	2007	24,303.50	3,358.52	0.77%	0.65%
USA	2008	37,680.28	3,559.10	1.06%	0.64%
USA	2009	40,356.03	6,131.72	1.12%	1.18%
USA	2010	41,919.49	7,273.01	1.06%	1.26%

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USA	2011	39,900.89	8,702.17	0.95%	1.21%
USA	2012	43,899.90	13,576.83	0.93%	1.74%
USA	2013	41,750.41	11,616.49	0.81%	1.29%
Japan	1996	3,901.21	0.00	0.19%	0.00%
Japan	1997	6,031.64	0.00	0.27%	0.00%
Japan	1998	6,710.43	0.00	0.28%	0.00%
Japan	1999	29,438.69	0.00	0.98%	0.00%
Japan	2000	8,761.94	23.85	0.37%	0.01%
Japan	2001	35,820.81	0.06	1.76%	0.00%
Japan	2002	22,749.31	0.45	1.50%	0.00%
Japan	2003	13,634.65	0.00	0.76%	0.00%
Japan	2004	11,950.29	56.01	0.50%	0.02%
Japan	2005	46,970.11	187.79	1.76%	0.06%
Japan	2006	87,082.27	169.10	3.16%	0.05%
Japan	2007	103,109.41	101.17	3.28%	0.02%
Japan	2008	17,011.99	192.81	0.48%	0.03%
Japan	2009	18,712.35	460.13	0.52%	0.09%
Japan	2010	20,327.73	372.84	0.51%	0.06%
Japan	2011	17,013.07	256.78	0.40%	0.04%
Japan	2012	14,836.89	87.98	0.32%	0.01%
Japan	2013	12,485.66	476.10	0.24%	0.05%
South Korea	1996	8,349.55	0.00	0.41%	0.00%
South Korea	1997	9,750.32	0.00	0.44%	0.00%
South Korea	1998	17,174.59	0.00	0.72%	0.00%
South Korea	1999	46,702.77	0.00	1.55%	0.00%
South Korea	2000	15,448.18	0.00	0.65%	0.00%
South Korea	2001	8,292.93	0.13	0.41%	0.00%
South Korea	2002	5,010.45	0.00	0.33%	0.00%
South Korea	2004	3,261.40	15.31	0.14%	0.00%
South Korea	2005	10,788.38	0.00	0.40%	0.00%
South Korea	2006	2,492.50	0.00	0.09%	0.00%
South Korea	2007	12,872.51	0.00	0.41%	0.00%
South Korea	2008	27,696.97	0.00	0.78%	0.00%
South Korea	2009	50,511.95	0.00	1.40%	0.00%
South Korea	2010	29,654.56	258.94	0.75%	0.04%
South Korea	2011	46,900.96	697.18	1.11%	0.10%
South Korea	2012	42,403.61	231.45	0.90%	0.03%
South Korea	2013	38,352.45	299.48	0.74%	0.03%
EFTA	1996	5,497.21	0.00	0.27%	0.00%
EFTA	1997	7,525.45	6.74	0.34%	0.00%
EFTA	1998	14,151.69	3.06	0.60%	0.00%
EFTA	1999	11,810.72	0.00	0.39%	0.00%
EFTA	2000	8,334.63	0.00	0.35%	0.00%
EFTA	2001	5,748.72	0.01	0.28%	0.00%
EFTA	2002	5,187.06	239.72	0.34%	0.10%
EFTA	2003	7,250.37	318.23	0.40%	0.11%
EFTA	2004	9,181.94	77.73	0.39%	0.02%

EFTA	2005	15,947.90	172.72	0.60%	0.05%
EFTA	2006	16,125.39	273.97	0.58%	0.07%
EFTA	2007	35,462.09	116.02	1.13%	0.02%
EFTA	2008	53,901.76	168.25	1.51%	0.03%
EFTA	2009	4,670.74	173.21	0.13%	0.03%
EFTA	2010	37,348.82	453.67	0.94%	0.08%
EFTA	2011	40,756.83	461.06	0.97%	0.06%
EFTA	2012	14,162.91	378.65	0.30%	0.05%
EFTA	2013	10,139.09	382.82	0.20%	0.04%
MERCOSUR	1996	2,702.00	0.00	0.13%	0.00%
MERCOSUR	1997	3,796.19	0.00	0.17%	0.00%
MERCOSUR	1998	4,361.45	0.00	0.18%	0.00%
MERCOSUR	1999	4,052.02	0.00	0.13%	0.00%
MERCOSUR	2000	5,879.33	0.00	0.25%	0.00%
MERCOSUR	2001	8,550.60	0.14	0.42%	0.00%
MERCOSUR	2002	5,908.25	0.00	0.39%	0.00%
MERCOSUR	2003	8,546.22	0.00	0.47%	0.00%
MERCOSUR	2004	12,986.71	0.00	0.55%	0.00%
MERCOSUR	2005	14,642.75	0.00	0.55%	0.00%
MERCOSUR	2006	19,673.31	0.00	0.71%	0.00%
MERCOSUR	2007	13,087.38	2.31	0.42%	0.00%
MERCOSUR	2008	21,090.17	0.00	0.59%	0.00%
MERCOSUR	2009	20,481.50	0.00	0.57%	0.00%
MERCOSUR	2010	11,734.16	204.99	0.30%	0.04%
MERCOSUR	2011	21,886.26	65.33	0.52%	0.01%
MERCOSUR	2012	24,073.00	72.00	0.51%	0.01%
MERCOSUR	2013	26,395.85	0.00	0.51%	0.00%
Thailand	1996	507.11	0.00	0.03%	0.00%
Thailand	1997	1,030.86	0.00	0.05%	0.00%
Thailand	1998	5,926.49	0.00	0.25%	0.00%
Thailand	1999	21,088.13	0.00	0.70%	0.00%
Thailand	2000	5,690.57	0.00	0.24%	0.00%
Thailand	2001	9,992.86	0.00	0.49%	0.00%
Thailand	2002	4,169.09	0.00	0.28%	0.00%
Thailand	2003	3,604.88	0.00	0.20%	0.00%
Thailand	2004	4,912.80	0.00	0.21%	0.00%
Thailand	2005	49,096.46	0.00	1.84%	0.00%
Thailand	2006	9,389.69	0.00	0.34%	0.00%
Thailand	2007	25,460.43	0.00	0.81%	0.00%
Thailand	2008	8,316.52	0.00	0.23%	0.00%
Thailand	2009	14,263.41	0.00	0.40%	0.00%
Thailand	2010	9,089.27	3.72	0.23%	0.00%
Thailand	2011	12,872.63	0.00	0.30%	0.00%
Thailand	2012	16,875.37	0.00	0.36%	0.00%
Thailand	2013	23,353.78	0.00	0.45%	0.00%
India	1996	2,661.78	0.00	0.13%	0.00%
India	1997	3,201.33	0.00	0.14%	0.00%

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India	1998	7,456.72	0.00	0.31%	0.00%
India	1999	14,005.29	0.00	0.47%	0.00%
India	2000	7,674.28	0.00	0.32%	0.00%
India	2001	5,796.61	0.00	0.29%	0.00%
India	2002	6,659.79	0.00	0.44%	0.00%
India	2003	7,566.68	0.00	0.42%	0.00%
India	2004	9,613.26	0.00	0.41%	0.00%
India	2005	12,375.11	0.00	0.46%	0.00%
India	2006	10,969.03	0.00	0.40%	0.00%
India	2007	12,560.24	0.00	0.40%	0.00%
India	2008	12,352.33	0.00	0.35%	0.00%
India	2009	15,112.18	0.00	0.42%	0.00%
India	2010	17,084.51	0.02	0.43%	0.00%
India	2011	21,465.90	462.81	0.51%	0.06%
India	2012	22,670.83	33.59	0.48%	0.00%
India	2013	23,506.68	0.00	0.46%	0.00%
Russia	1996	284.83	0.92	0.01%	0.00%
Russia	1997	1,036.40	71.08	0.05%	0.02%
Russia	1998	4,700.89	0.00	0.20%	0.00%
Russia	1999	12,302.69	0.00	0.41%	0.00%
Russia	2000	17,534.55	0.00	0.74%	0.00%
Russia	2001	11,846.92	0.05	0.58%	0.00%
Russia	2002	3,611.81	0.00	0.24%	0.00%
Russia	2003	6,715.92	1.97	0.37%	0.00%
Russia	2004	2,592.91	0.11	0.11%	0.00%
Russia	2005	7,071.04	0.00	0.27%	0.00%
Russia	2006	11,868.19	25.50	0.43%	0.01%
Russia	2007	7,988.44	10.59	0.25%	0.00%
Russia	2008	16,187.68	1.25	0.45%	0.00%
Russia	2009	2,512.46	7.20	0.07%	0.00%
Russia	2010	10,262.54	23.57	0.26%	0.00%
Russia	2011	8,548.02	291.52	0.20%	0.04%
Russia	2012	3,963.46	576.22	0.08%	0.07%
Russia	2013	6,185.30	150.30	0.12%	0.02%
Australia	1996	2,216.72	0.00	0.11%	0.00%
Australia	1997	4,839.20	0.00	0.22%	0.00%
Australia	1998	7,276.75	0.00	0.31%	0.00%
Australia	1999	5,148.84	0.00	0.17%	0.00%
Australia	2000	15,063.36	0.00	0.63%	0.00%
Australia	2001	12,824.81	1.00	0.63%	0.00%
Australia	2002	9,506.96	0.00	0.63%	0.00%
Australia	2003	9,601.35	18.11	0.53%	0.01%
Australia	2004	8,754.18	0.00	0.37%	0.00%
Australia	2005	7,693.68	0.00	0.29%	0.00%
Australia	2006	14,642.84	6.60	0.53%	0.00%
Australia	2007	1,968.46	94.16	0.06%	0.02%
Australia	2008	4,034.44	110.05	0.11%	0.02%

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Australia	2009	2,171.15	62.29	0.06%	0.01%
Australia	2010	3,743.75	11.79	0.09%	0.00%
Australia	2011	3,299.44	35.61	0.08%	0.00%
Australia	2012	12,480.95	17.34	0.27%	0.00%
Australia	2013	4,834.92	20.98	0.09%	0.00%
Ukraine	1996	157.30	0.00	0.01%	0.00%
Ukraine	1997	301.51	2,002.97	0.01%	0.53%
Ukraine	1998	358.37	4.01	0.02%	0.00%
Ukraine	1999	4,213.21	0.00	0.14%	0.00%
Ukraine	2000	548.57	0.00	0.02%	0.00%
Ukraine	2001	515.06	1.42	0.03%	0.00%
Ukraine	2002	884.92	0.00	0.06%	0.00%
Ukraine	2003	6,106.57	0.00	0.34%	0.00%
Ukraine	2004	3,803.01	0.00	0.16%	0.00%
Ukraine	2005	553.78	0.00	0.02%	0.00%
Ukraine	2006	7,402.62	0.00	0.27%	0.00%
Ukraine	2007	4,828.88	0.00	0.15%	0.00%
Ukraine	2008	7,174.28	32.77	0.20%	0.01%
Ukraine	2009	6,303.45	14.44	0.18%	0.00%
Ukraine	2010	3,460.75	33.31	0.09%	0.01%
Ukraine	2011	3,022.29	25.66	0.07%	0.00%
Ukraine	2012	8,663.97	67.47	0.18%	0.01%
Ukraine	2013	22,177.82	11.92	0.43%	0.00%
Canada	1996	684.31	133.85	0.03%	0.04%
Canada	1997	582.49	15.29	0.03%	0.00%
Canada	1998	598.41	0.00	0.03%	0.00%
Canada	1999	3,285.66	0.00	0.11%	0.00%
Canada	2000	1,382.87	1.20	0.06%	0.00%
Canada	2001	768.57	4.46	0.04%	0.00%
Canada	2002	458.71	0.00	0.03%	0.00%
Canada	2003	568.54	134.35	0.03%	0.05%
Canada	2004	1,283.66	50.94	0.05%	0.02%
Canada	2005	1,405.40	82.16	0.05%	0.02%
Canada	2006	2,603.92	164.06	0.09%	0.04%
Canada	2007	5,151.99	242.57	0.16%	0.05%
Canada	2008	1,767.88	267.73	0.05%	0.05%
Canada	2009	2,649.62	2,664.82	0.07%	0.51%
Canada	2010	8,168.77	2,028.70	0.21%	0.35%
Canada	2011	2,394.00	1,788.69	0.06%	0.25%
Canada	2012	2,872.00	3,259.00	0.06%	0.42%
Canada	2013	2,686.51	908.04	0.05%	0.10%
Swaziland	2005	1.54	0.00	0.00%	0.00%
Swaziland	2008	3.17	0.00	0.00%	0.00%
Swaziland	2009	23,070.28	3,079.18	0.64%	0.59%
Swaziland	2010	102.40	0.00	0.00%	0.00%
Swaziland	2012	0.35	0.00	0.00%	0.00%
Swaziland	2013	1,407.07	0.00	0.03%	0.00%

Annex IV: Palestinian exports to Canada (by product and year)

Palestinian exports to Canada between 1996 and 2006 SITC Rev.3 5-digit, Source: PCBS				
Year	Product	Product	Exports Value ('000s USD)	Exports Share
1996	42141	Virgin olive oil	106.03	79.21%
	05473	Vegetables provisionally preserved (e.g., by sulphur dioxide gas, ...	15.94	11.91%
	09104	Margarine; edible mixtures or preparations of animal or vegetable ..	11.89	8.88%
	Total		133.85	100.00%
1997	05473	Vegetables provisionally preserved (e.g., by sulphur dioxide gas, ...	15.29	100.00%
	Total		15.29	100.00%
2000	72722	Machinery, n.e.s., for the industrial preparation ...	1.20	100.00%
	Total		1.20	100.00%
2001	42141	Virgin olive oil	3.84	86.05%
	55311	Perfumes and toilet waters	0.52	11.71%
	05471	Vegetables provisionally preserved (e.g., by sulphur dioxide gas, ...	0.10	2.24%
	Total		4.46	100.00%
2003	84261	Trousers, bib and brace overalls, breeches and shorts	78.15	58.17%
	42141	Virgin olive oil	37.81	28.14%
	66135	Monumental or building stone (except slate) and ar...	15.80	11.76%
	05471	Vegetables provisionally preserved (e.g., by sulphur dioxide gas, ...	1.42	1.06%
	07528	Thyme, saffron and bay-leaves	0.59	0.44%
	76491	Parts and accessories suitable for use solely or p...	0.30	0.22%
	04621	Groats, meal and pellets, of wheat	0.28	0.21%
	Total		134.35	100.00%
2004	42141	Virgin olive oil	27.24	53.47%
	84151	Shirts, men's or boys', of cotton, not knitted or ...	20.55	40.34%
	66613	Ceramic tableware, kitchenware, other household ar...	2.86	5.62%
	05473	Vegetables provisionally preserved (e.g., by sulphur dioxide gas, ...	0.15	0.29%
	05471	Vegetables provisionally preserved (e.g., by sulphur dioxide gas, ...	0.14	0.27%
	Total		50.94	100.00%
2005	42141	Virgin olive oil	62.12	75.62%
	66135	Monumental or building stone (except slate) and ar...	19.09	23.24%
	55415	Soap and organic surface-active products and prepa...	0.69	0.83%
	05473	Vegetables provisionally preserved (e.g., by sulphur dioxide gas, ...	0.19	0.23%
	05671	Vegetables, fruit, nuts and other edible parts of ...	0.06	0.08%
	Total		82.16	100.00%
2006	42141	Virgin olive oil	95.02	57.92%
	27312	Marble, travertine, ecaussine and other calcareous...	42.93	26.17%
	66135	Monumental or building stone (except slate) and ar...	11.90	7.25%
	55411	Soap and organic surface-active products and prepa...	7.33	4.47%
	11217	Wine of fresh grapes (other than sparkling wine); ...	6.00	3.66%
	65929	Carpets and other textile floor coverings, knotted...	0.88	0.54%
	Total		164.06	100.00%
Total exported value 1996-2006			586.31	

Palestinian exports to Canada between 2007 and 2013
HS 1996 6-digit, Source: PCBS

Year	Product	Product	Exports Value ('000s USD)	Exports Share
2007	150910	Olive oil, virgin	108.29	44.64%
	999999	Commodities not specified according to kind	65.69	27.08%
	680229	Cut or sawn slabs of stone nes	30.23	12.46%
	091099	Spices nes	18.56	7.65%
	392690	Plastic articles nes	15.68	6.46%
	511290	Woven fabric, combed wool or hair with natural fibres	1.91	0.79%
	200190	Veg, fruit, nuts nes prepared or preserved by vinegar	1.45	0.60%
	250100	Salt (sodium chloride) including solution, salt water	0.76	0.31%
	Total		242.57	100.00%
2008	150910	Olive oil, virgin	141.909	53.00%
	251511	Marble and travertine, crude or roughly trimmed	64.457	24.08%
	680229	Cut or sawn slabs of stone nes	20.075	7.50%
	200110	Cucumbers,gherkins, prepared or preserved by vinegar	16.799	6.27%
	110311	Wheat meal	9.447	3.53%
	091099	Spices nes	7.896	2.95%
	999999	Commodities not specified according to kind	6.317	2.36%
	521224	Woven cotton fabric, > 200g/m2, yarns mixed colours	0.831	0.31%
	Total		267.731	100.00%
2009	999999	Commodities not specified according to kind	2042.517	76.65%
	680221	Cut or sawn slabs of marble, travertine or alabaster	266.042	9.98%
	150910	Olive oil, virgin	212.544	7.98%
	680229	Cut or sawn slabs of stone nes	67.374	2.53%
	091099	Spices nes	26.812	1.01%
	340119	Soaps for purposes other than toilet soap, solid	22.292	0.84%
	200110	Cucumbers,gherkins, prepared or preserved by vinegar	7.974	0.30%
	220429	Grape wines, alcoholic grape must nes	6.6	0.25%
	110311	Wheat meal	5.12	0.19%
	160232	Fowls meat and meat offa	2.75	0.10%
	151550	Sesame oil or fractions not chemically modified	1.8	0.07%
	200190	Veg, fruit, nuts nes prepared or preserved by vinegar	1	0.04%
	120890	Flour or meal of oil seed, fruit, except mustard, soya	0.96	0.04%
	151620	Veg fats, oils or fractions hydrogenated, esterified	0.6	0.02%
	090412	Pepper of the genus Piper, crushed or ground	0.335	0.01%
	091091	Mixtures of spices	0.1	0.00%
	Total		2664.82	100.00%

2010	150910	Olive oil, virgin	1,884.44	92.89%
	251511	Marble and travertine, crude or roughly trimmed	44.7	2.20%
	040690	Cheese except fresh, grated, processed or blue-veined	39.23	1.93%
	091099	Spices nes	27.22	1.34%
	680221	Cut or sawn slabs of marble, travertine or alabaster	20.84	1.03%
	340119	Soaps for purposes other than toilet soap, solid	8.23	0.41%
	680229	Cut or sawn slabs of stone nes	4.04	0.20%
	Total		2,028.70	100.00%
2011	150910	Olive oil, virgin	1,491.95	83.41%
	680229	Cut or sawn slabs of stone nes	211.807	11.84%
	680221	Cut or sawn slabs of marble, travertine or alabaster	46.864	2.62%
	091099	Spices nes	28.887	1.61%
	120799	Oil seeds and oleaginous fruits, nes	4.8	0.27%
	071120	Olives, provisionally preserved	4.361	0.24%
	340119	Soaps for purposes other than toilet soap, solid	0.02	0.00%
	Total		1,788.69	100.00%
2012	150910	Olive oil, virgin	1,577.46	48.40%
	680229	Cut or sawn slabs of stone nes	1,486.82	45.62%
	160100	Sausages, similar products of meat, meat offal & blood	138.747	4.26%
	680221	Cut or sawn slabs of marble, travertine or alabaster	15.618	0.48%
	251511	Marble and travertine, crude or roughly trimmed	13.594	0.42%
	999999	Commodities not specified according to kind	11.832	0.36%
	091099	Spices nes	8.165	0.25%
	220290	Non-alcoholic beverages nes, except fruit, veg juices	7.2	0.22%
	Total		3,259.43	100.00%
2013	121190	Plants & parts, pharmacy, perfume, insecticide use nes	739.08	81.39%
	251611	Granite, crude or roughly trimmed	93.80	10.33%
	630240	Table linen, of textile knit or crochet materials	47.38	5.22%
	620630	Womens, girls blouses & shirts, of cotton, not knit	13.18	1.45%
	080410	Dates, fresh or dried	8.92	0.98%
	070529	Chicory, fresh or chilled, except witloof	3.00	0.33%
	610791	Mens, boys bathrobes, dressing gowns etc cotton, knit	1.46	0.16%
	110429	Cereals, hulled, pearled, sliced or kibbled nes	1.22	0.13%
	Total		908.04	100.00%
Total exported value 2007-2013			11,159.98	

Annex V: Palestinian imports from Canada (by product and year)

Palestinian imports from Canada between 1996 and 2006 SITC Rev.3 5-digit, Source: PCBS				
Year	Product	Product	Imports Value ('000s USD)	Imports Share
1996	68421	Aluminium bars, rods and profiles	397.18	59.06%
	69435	Nails, tacks, drawing-pins, staples	122.25	18.18%
	65319	Woven fabrics of synthetic filaments, n.e.s.	29.43	4.38%
	59229	Prepared glues and other prepared adhesives, n.e.s...	26.91	4.00%
	05423	Beans, other than broad beans and horse beans, dri...	26.02	3.87%
	87229	Other medical, surgical or veterinary instruments ...	25.90	3.85%
	05424	Lentils, dried, shelled, whether or not skinned or...	22.01	3.27%
	64127	Other paper and paperboard, weighing more than 150...	21.18	3.15%
	89215	Printed books, brochures, leaflets and similar pri...	0.76	0.11%
	55359	Depilatories and perfumery, cosmetic or toilet pre...	0.17	0.03%
	Others		0.67	0.10%
	Total		672.49	100.00%
1997	51699	Other organic compounds	79.72	13.69%
	69435	Nails, tacks, drawing-pins, staples	53.89	9.25%
	77571	Vacuum cleaners and floor-polishers, electromechan...	53.50	9.18%
	65319	Woven fabrics of synthetic filaments, n.e.s.	44.89	7.71%
	77879	Parts of the electrical machines and apparatus of ...	40.95	7.03%
	05424	Lentils, dried, shelled, whether or not skinned or...	40.85	7.01%
	87229	Other medical, surgical or veterinary instruments ...	38.43	6.60%
	93101	Special transactions and commodities not classified according...	36.54	6.27%
	74527	Other packing or wrapping machinery	33.27	5.71%
	75199	Office machines, n.e.s.	30.53	5.24%
	Others		129.91	22.30%
	Total		582.49	100.00%
1998	57311	Polyvinyl chloride, not mixed with any other subst...	128.59	21.49%
	42179	Rape, colza or mustard oil, refined, and fractions...	120.07	20.06%
	58299	Other plates, sheets, film, strip, of plastics, ot...	80.12	13.39%
	77411	Electrocardiographs	53.97	9.02%
	69435	Nails, tacks, drawing-pins, staples	43.12	7.21%
	72439	Sewing-machine needles; furniture, bases and cover...	31.68	5.29%
	89332	Tableware, kitchenware, other household articles a...	25.75	4.30%
	05424	Lentils, dried, shelled, whether or not skinned or...	23.79	3.98%
	04593	Canary seed, unmilled	16.22	2.71%
	66135	Monumental or building stone (except slate) and ar...	12.50	2.09%
	Others		62.60	10.46%
	Total		598.41	100.00%

1999	67621	Bars and rods (not of 676.1) iron,n/a steel	601.19	18.30%
	12221	Cigarettes containing tobacco	301.41	9.17%
	77252	Automatic circuit-breakers for a voltage not excee...	235.21	7.16%
	78122	Motor vehicles for the transport of persons, n.e.s.	143.92	4.38%
	69421	Screws, bolts, nuts, coach screws, screw hooks, ri...	125.96	3.83%
	66245	Glazed ceramic flags and paving, hearth or wall ti...	103.06	3.14%
	65315	Other woven fabrics, containing 85% or more by wei...	97.42	2.97%
	65833	Blankets and travelling rugs (other than electric)...	80.53	2.45%
	24841	Wood of non-coniferous species, sawn or chipped lengthwise...	77.88	2.37%
	72722	Machinery, n.e.s., for the industrial preparation ...	68.56	2.09%
	Others		1,450.51	44.15%
	Total		3,285.66	100.00%
2000	96101	Coin (other than gold coin), not being legal tender	283.09	20.47%
	74565	Other appliances for projecting, dispersing or spr...	281.10	20.33%
	84531	Jerseys, pullovers, cardigans, waistcoats and similar articles	162.49	11.75%
	54164	Human blood; animal blood prepared for therapeutic...	112.40	8.13%
	64111	Newsprint, in rolls or sheets	107.53	7.78%
	24831	Wood of coniferous species	28.71	2.08%
	65942	Carpets, tufted, whether or not made up, of nylon ...	27.48	1.99%
	27898	Vermiculite, perlite and chlorites, unexpanded	26.96	1.95%
	64248	Paper and paperboard, of a kind used for writing, ...	22.81	1.65%
	64172	Other paper and paperboard coated, impregnated or ...	22.53	1.63%
	Others		307.78	22.26%
	Total		1,382.87	100.00%
2001	05423	Beans, other than broad beans and horse beans, dri...	280.11	36.45%
	64111	Newsprint, in rolls or sheets	146.23	19.03%
	05421	Peas, dried, shelled, whether or not skinned or sp...	96.21	12.52%
	04599	Cereals, unmilled, n.e.s.	41.97	5.46%
	87452	Instruments, apparatus or models, designed for dem...	28.04	3.65%
	04593	Canary seed, unmilled	24.17	3.14%
	78121	Motor vehicles for the transport of persons, n.e.s.	23.99	3.12%
	54293	Medicaments, n.e.s., put up in measured doses or i...	22.63	2.94%
	74781	Taps, cocks, valves and similar appliances, n.e.s.	18.79	2.44%
	72529	Other machinery for making up paper pulp, paper or...	16.57	2.16%
	Others		69.85	9.09%
	Total		768.57	100.00%
2002	05421	Peas, dried, shelled, whether or not skinned or sp...	136.79	31.72%
	05423	Beans, other than broad beans and horse beans, dri...	76.00	17.62%
	54293	Medicaments, n.e.s., put up in measured doses or i...	72.24	16.75%
	04593	Canary seed, unmilled	44.47	10.31%
	54292	Medicaments containing vitamins or other products ...	24.59	5.70%
	89995	Wigs, false beards, eyebrows and eyelashes, switch...	12.67	2.94%
	07526	Seeds of anise, badian, fennel, coriander, cumin o...	9.66	2.24%
	22261	Rape or colza seeds	6.56	1.52%
	57592	Polymers of other vinyl esters; other vinyl polyme...	6.54	1.52%
	87452	Instruments, apparatus or models, designed for dem...	6.31	1.46%
	Others		35.40	8.21%
	Total		431.22	100.00%

2003	05423	Beans, other than broad beans and horse beans, dri...	94.24	16.58%
	54292	Medicaments containing vitamins or other products ...	93.13	16.38%
	05421	Peas, dried, shelled, whether or not skinned or sp...	66.92	11.77%
	04593	Canary seed, unmilled	55.88	9.83%
	77412	Other electrodiagnostic apparatus (including appar...	41.03	7.22%
	78122	Motor vehicles for the transport of persons, n.e.s.	35.82	6.30%
	05424	Lentils, dried, shelled, whether or not skinned or...	24.66	4.34%
	89829	Music boxes, fairground organs, mechanical street ...	19.71	3.47%
	04591	Millet, unmilled	18.45	3.25%
	57592	Polymers of other vinyl esters; other vinyl polyme...	14.71	2.59%
	Others		103.98	18.29%
	Total		568.54	100.00%
2004	05421	Peas, dried, shelled, whether or not skinned or sp...	161.52	12.91%
	64111	Newsprint, in rolls or sheets	138.00	11.03%
	76415	Telephonic or telegraphic switching apparatus	137.01	10.95%
	05423	Beans, other than broad beans and horse beans, dri...	129.60	10.36%
	54292	Medicaments containing vitamins or other products ...	116.47	9.31%
	87452	Instruments, apparatus or models, designed for dem...	87.28	6.98%
	54293	Medicaments, n.e.s., put up in measured doses or i...	65.29	5.22%
	00111	Pure-bred bovine breeding animals, live	61.63	4.93%
	04593	Canary seed, unmilled	48.17	3.85%
	05424	Lentils, dried, shelled, whether or not skinned or...	42.07	3.36%
	Others		264.22	21.12%
	Total		1,251.26	100.00%
2005	05423	Beans, other than broad beans and horse beans, dri...	256.59	18.26%
	64111	Newsprint, in rolls or sheets	197.27	14.04%
	05421	Peas, dried, shelled, whether or not skinned or sp...	159.06	11.32%
	54293	Medicaments, n.e.s., put up in measured doses or i...	142.47	10.14%
	54292	Medicaments containing vitamins or other products ...	139.31	9.91%
	64212	Folding cartons, boxes and cases, of non-corrugate...	98.88	7.04%
	05424	Lentils, dried, shelled, whether or not skinned or...	62.61	4.46%
	77412	Other electrodiagnostic apparatus (including appar...	51.35	3.65%
	87452	Instruments, apparatus or models, designed for dem...	38.39	2.73%
	24841	Wood of non-coniferous species, sawn or chipped lengthwise...	26.42	1.88%
	Others		233.05	16.58%
	Total		1,405.40	100.00%
2006	64212	Folding cartons, boxes and cases, of non-corrugate...	699.24	26.85%
	05424	Lentils, dried, shelled, whether or not skinned or...	363.71	13.97%
	05421	Peas, dried, shelled, whether or not skinned or sp...	339.81	13.05%
	64111	Newsprint, in rolls or sheets	328.43	12.61%
	54292	Medicaments containing vitamins or other products ...	124.28	4.77%
	54293	Medicaments, n.e.s., put up in measured doses or i...	120.81	4.64%
	74155	Other air-conditioning machines comprising a motor...	90.28	3.47%
	05425	Broad beans and horse beans, dried, shelled, wheth...	86.01	3.30%
	64177	Other paper and paperboard coated with kaolin (Chi...	75.87	2.91%
	75261	Input or output units for automatic data-processing machines	42.85	1.65%
	Others		332.63	12.77%
	Total		2,603.92	100.00%
Total imported value 1996-2006			13,550.83	

Palestinian imports from Canada between 2007 and 2013
HS 1996 6-digit, Source: PCBS

Year	Product	Product	Imports Value ('000s USD)	Imports Share
2007	020230	Bovine cuts boneless, frozen	1,398.34	27.14%
	481920	Cartons, boxes & cases, folding, non-corrugated paper	592.29	11.50%
	170199	Refined sugar, in solid form, nes, pure sucrose	526.54	10.22%
	090111	Coffee, not roasted, not decaffeinated	442.06	8.58%
	480100	Newsprint	255.13	4.95%
	071340	Lentils dried, shelled	173	3.36%
	300450	Vitamins, derivatives, in dosage	166.42	3.23%
	680293	Worked granite	132.79	2.58%
	071310	Peas dried, shelled	104.63	2.03%
	690890	Glazed ceramic flags, tiles wider than 7 cm	100.54	1.95%
	Others		1,260.25	24.46%
	Total		5,151.99	100.00%
2008	071340	Lentils dried, shelled	612.34	34.64%
	240110	Tobacco, unmanufactured, not stemmed or stripped	557.73	31.55%
	480100	Newsprint	206.21	11.66%
	760120	Aluminium unwrought, alloyed	74.75	4.23%
	071310	Peas dried, shelled	55.29	3.13%
	300490	Medicaments nes, in dosage	53.41	3.02%
	848350	Flywheels and pulleys including pulley blocks	24.94	1.41%
	100830	Canary seed	23.93	1.35%
	902300	Instruments, apparatus and models, for demonstration	23.54	1.33%
	850440	Static converters, nes	20.01	1.13%
	Others		115.73	6.55%
	Total		1,767.88	100.00%
2009	999999	Commodities not specified according to kind	875.573	33.05%
	300220	Vaccines, human use	510.563	19.27%
	480100	Newsprint	250.901	9.47%
	481920	Cartons, boxes & cases, folding, non-corrugated paper	127.659	4.82%
	481840	Sanitary articles of paper, sanitary towels, diapers	123.658	4.67%
	870331	Automobiles, diesel engine of <1500 cc	116.849	4.41%
	470321	Chem wood pulp, soda or sulphate, conifer, bleached	94.847	3.58%
	300490	Medicaments nes, in dosage	67.606	2.55%
	100830	Canary seed	47.519	1.79%
	240220	Cigarettes containing tobacco	44.589	1.68%
	Others		389.858	14.71%
	Total		2,649.62	100.00%

2010	300220	Vaccines, human use	4,686.11	57.37%
	071340	Lentils dried, shelled	810.29	9.92%
	481920	Cartons, boxes & cases, folding, non-corrugated paper	757.98	9.28%
	300490	Medicaments nes, in dosage	334.65	4.10%
	240210	Cigars, cheroots and cigarillos, containing tobacco	236.82	2.90%
	440799	Lumber, non-coniferous nes	116.11	1.42%
	760720	Foil, aluminium, backed, < 0.2mm thick except backing	102.91	1.26%
	071310	Peas dried, shelled	99.91	1.22%
	847150	Digital process units wh	85.43	1.05%
	481940	Sacks and bags, of paper, nes, including cones	82.04	1.00%
	Others		856.54	10.49%
	Total		8,168.77	100.00%
2011	071340	Lentils dried, shelled	848.26	35.43%
	491199	Printed matter, nes	323.33	13.51%
	210690	Food preparations nes	308.61	12.89%
	300490	Medicaments nes, in dosage	162.76	6.80%
	902300	Instruments, apparatus and models, for demonstration	121.82	5.09%
	391910	Self-adhesive plastic, rolls <20cm wide	86.12	3.60%
	390190	Polymers of ethylene nes, in primary forms	62.90	2.63%
	391990	Self-adhesive plates, sheets, film, plastic, w >20 cm	59.67	2.49%
	190530	Sweet biscuits, waffles and wafers	42.20	1.76%
	120740	Sesamum seeds	36.11	1.51%
	Others		342.199	14.29%
	Total		2,393.99	100.00%
2012	870323	Automobiles, spark ignition engine of 1500-3000 cc	829.869	28.90%
	071340	Lentils dried, shelled	598.571	20.85%
	210690	Food preparations nes	217.388	7.57%
	902300	Instruments, apparatus and models, for demonstration	175.034	6.10%
	300490	Medicaments nes, in dosage	99.609	3.47%
	310590	Fertilizers, mixes, nes	75.704	2.64%
	854389	Electrical machines and	73.759	2.57%
	391610	Monofilament(>1mm), rods, etc, ethylene polymers	69.851	2.43%
	760719	Foil, aluminium, not backed and < 0.2mm thick, worked	51.242	1.78%
	491199	Printed matter, nes	39.28	1.37%
	Others		641.027	22.33%
	Total		2,871.33	100.00%
2013	071340	Lentils dried, shelled	966.07	35.96%
	300490	Medicaments nes, in dosage	401.88	14.96%
	721391	Bars&rods,circular cross	183.88	6.84%
	902300	Instruments, apparatus and models, for demonstration	144.31	5.37%
	901819	Electro-diagnostic apparatus, nes	104.68	3.90%
	480255	Paper and paperboard	94.43	3.51%
	071333	Kidney beans and white pea beans dried shelled	69.19	2.58%
	150420	Fish oils except liver, not chemically modified	46.44	1.73%
	391910	Self-adhesive plastic, rolls <20cm wide	46.02	1.71%
	190532	Sweet biscuits, waffles, wafers	45.84	1.71%
	Others		583.77	21.73%
	Total		2,686.51	100.00%
Total imported value 2007-2013			25,690.10	

Annex VI: Annex 2.1.2A and Annex 2.1.2B to CIFTA

ANNEX 2.1.2 A CANADA			
HS NO.	DESCRIPTION OF GOODS	DUTY	SPECIFIC PROVISIONS
06.01 to 06.04	Live plants, bulbs, cut flowers, foliage	Free	Except for roses set out in 0603.10.20
0603.10.20	Roses, fresh	Free	Tariff Quota of not less than 90,000 dozen; any roses over quota are to be subject to the MFN rate of duty
0701.10	Seed potatoes	Free	
0709.90	Other fresh vegetables	Free	Except for goods set out in 0709.90.51 and 0709.90.52 (sweet corn-on-cob), which are to be subject to the GPT or MFN rate of duty, whichever applies
07.12	Dried vegetables	Free	Except for garlic ex 0712.90.90, which is to be subject to the MFN rate of duty
0713.10	Peas, dried	Free	
0713.33	Kidney beans, dried, including white pea beans	Free	
0806.10	Grapes, fresh	Free	
0810.20	Raspberries, blackberries, mulberries and loganberries, fresh	Free	
0810.30	Black, white or red currants and gooseberries, fresh	Free	
0810.40	Cranberries, bilberries and other fruits of the genus Vaccinium, fresh	Free	
09.04	Pepper of the genus Piper, dried or crushed or ground fruits of the genus Capsicum or the genus Pimenta	Free	
09.10	Ginger and other spices	Free	

1001.10.10	Durum wheat, within access commitment	Free	
1001.90.10	Other wheat, within access commitment	Free	
1003.00.11	Barley, for malting, within access commitment	Free	
1003.00.91	Other barley, within access commitment	Free	
1005.90.10	Yellow dent corn (maize)	Free	
1101.00.10	Wheat or meslin flour, within access commitment	Free	
11.06	Flour, meal and powder of leguminous vegetables	Free	
1107.10.11	Malt, not roasted, whole, within access commitment	Free	
1107.10.91	Malt, not roasted, other, within access commitment	Free	
1107.20.11	Malt, roasted, whole, within access commitment	Free	
1107.20.91	Malt, roasted, other, within access commitment	Free	
1212.30	Apricot, peach or plum stones and kernels	Free	
1214.10	Lucerne (alfalfa) meal and pellets	Free	
13.02	Vegetable saps and extracts; pectic substances, mucilages and thickeners	Free	
1601.00.31	Sausages and similar products of turkey, within access commitment	Free	
1601.00.99	Beef sausages and similar products	Free	
1602.31.92	Specially defined mixture	10%	

	of turkey		
1602.50.99	Other prepared meat of bovine animals	Free	
1604.11	Prepared salmon	Free	
ex 1604.20.90	Gefilte fish	Free	
17.01 to 17.04	Sugars and sugar confectionery	Free	Except for glucose and glucose syrup set out in 1702.30, which are to be subject to the MFN rate of duty
18.01 to 18.06	Cocoa and cocoa preparations	Free	Except for 1806.20.32 and 1806.90.12 (chocolate ice cream mix or ice milk mix), over access commitment in each case, which are to be subject to the MFN rate of duty
1901.10	Baby food (retail)	Free	
1902.11.11	Uncooked pasta, containing eggs, within access commitment	4%	
1902.11.90	Uncooked pasta, containing eggs, with less than 25% wheat content	4%	
1902.19.91	Uncooked pasta, other, within access commitment	4%	
1902.19.99	Uncooked pasta, other, with less than 25% wheat content	4%	
1902.40.10	Couscous, in packages not exceeding 11.34 kg.	5%	
1902.40.20	Couscous, bulk or packages greater than 11.34 kg.	3%	
20.01	Vegetables, fruits, nuts, preserved by vinegar	Free	
2005.70.90	Olives prepared or	6%	Duty to be reduced to 5% on

	preserved, other than ripe olives in brine		January 1, 1998
2005.90.99	Other vegetables, prepared or preserved	Free	Except for carrots which are to be subject to the MFN rate of duty
20.06	Fruit, vegetables, nuts preserved by sugar	Free	
20.07	Jams, fruit jellies and marmalades	Free	
2008.11.10	Peanut butter	Free	
2008.11.20	Peanuts, blanched	Free	
2008.11.90	Peanuts, other	Free	
2008.19	Other nuts, including mixtures	Free	
ex 2008.40	Pear chips	Free	
ex 2008.99	Apple chips	Free	
2009.11	Orange juice, frozen	Free	
2009.19	Orange juice, not frozen	Free	
2009.20	Grapefruit juice	Free	
2009.80.11	Passion fruit juice	Free	
2009.80.12	Prune juice	Free	
2009.80.19	Juice of other single fruit	Free	
2009.90.20	Orange and grapefruit juice mixture, not dehydrated	Free	
21.01	Extracts, essences and concentrates of coffee, tea or maté, chicory and coffee substitutes	Free	
2103.10	Soya sauce	Free	
2103.30	Mustard flour and meal and prepared mustard	Free	
2103.90	Other sauces and	Free	

	preparations		
21.04	Soups and broths and preparations therefor; homogenized composite food preparations and substances	Free	
2106.10	Protein concentrates	Free	
22.03	Beer	Free	
ex 22.04	Kosher wine	Free	
ex 22.05	Kosher vermouth	Free	
22.08	Spirits	Free	Except for 2208.30.00 (whiskies) which is to be subject to the GPT or MFN rate of duty, whichever applies

ANNEX 2.1.2B ISRAEL

HS NO.	DESCRIPTION OF GOODS	DUTY	SPECIFIC PROVISIONS
0105.12.90	Live turkey chicks, parent and grandparent stock	0%	No increase in duty without prior consultation
02.02	Bovine meat, frozen	0%	A Tariff Quota of not less than 2,000 tonnes
0206.20	Edible offal of bovine animals, frozen		
0303.10	Pacific salmon, frozen	0%	
0303.22	Atlantic salmon, frozen	0%	
0304.20	Fish fillets frozen	0%	Except for trout set out in ex 0304.20
0305.41	Pacific salmon, smoked	0%	
0305.42	Herrings, smoked	0%	
0511.10	Bovine semen	0%	No increase in duty without prior consultation
06.01 to 06.04	Live plants, bulbs, cut flowers, foliage	0%	Except for roses set out in 0603.10

0603.10	Roses, fresh	0%	A Tariff Quota of not less than 10 tonnes
0701.10	Seed potatoes	0%	A Tariff Quota of not less than 1,000 tonnes
07.12	Dried vegetables	0%	Except for garlic set out in 0712.90.10
0713.10	Peas, dried	0%	A Tariff Quota of not less than 10,000 tonnes
0713.33	Kidney beans, dried, including white pea beans		
0713.40	Lentils, dried		
0810.20	Raspberries, blackberries, mulberries and loganberries, fresh	0%	A Tariff Quota of not less than 150 tonnes
0810.30	Black, white or red currants and gooseberries, fresh		
0810.40	Cranberries, bilberries and other fruits of the genus Vaccinium, fresh		
0811.20	Raspberries, blackberries, mulberries, loganberries, black, white or red currants and gooseberries, frozen	14%	
ex 0811.90	Blueberries, frozen	14%	
1001.10	Durum wheat	0%	A Tariff Quota of not less than 150,000 tonnes. Non-feed wheat of 1001.90 is subject to local purchase requirements
1001.90	Other wheat and meslin		
10.02	Rye	0%	A Tariff Quota of not less than 200,000 tonnes
10.03	Barley		
10.04	Oats		
1005.10.90 1005.90.00	Maize (corn, except popping corn)		
1008.30	Canary seed	0%	A Tariff Quota of not less

			than 100 tonnes
11.01	Wheat or meslin flour	0%	A Tariff Quota of not less than 10,000 tonnes
1105.10	Potato flour, meal and powder	8%	
1105.20	Potato flakes, granules and pellets	8%	
1106.10 1106.20	Flour, meal and powder of leguminous vegetables	0%	
11.07	Malt, whether or not roasted	0%	A Tariff Quota of not less than 9,000 tonnes
12.05	Rape (canola) or colza seeds	0%	
1207.50	Mustard seeds	0%	
1212.30	Apricot, peach or plum stones and kernels	0%	
1214.10	Lucerne (alfalfa) meal and pellets	0%	
1301.10	Lac	0%	
13.02	Vegetable saps and extracts; pectic substances, mucilages and thickeners	0%	
15.14	Rape (canola), colza or mustard oil	13%	
1601.00.90	Beef sausages and similar products	0%	
ex 1602.50.90	Other prepared meat of bovine animals, excluding containing over 20 percent poultry meat	0%	
1604.11	Prepared salmon	0%	
17.01 to 17.04	Sugars and sugar confectionery	0%	Except for glucose and glucose syrup set out in 1702.30 which are to be

			subject to the MFN rate of duty
18.01 to 18.06	Cocoa and cocoa preparations	0%	
1901.10	Baby food (retail)	0%	
1902.11	Uncooked pasta, containing eggs	8¢US/kg	
1902.19	Uncooked pasta, other	8¢US/kg	
20.01	Vegetables, fruits, nuts preserved by vinegar	0%	
2005.90	Other vegetables, prepared or preserved	0%	Except for carrots set out in 2005.90.30, which are to be subject to the MFN rate of duty
20.06	Fruit, vegetables, nuts preserved by sugar	0%	
20.07	Jams, fruit jellies and marmalades	0%	
2008.11.10	Ground nuts - food preparation (including peanut butter)	0%	
2008.99	Fruits, other, prepared	12%	
2009.80	Juice of other single fruit	0%	
21.01	Extracts, essences and concentrates of coffee, tea or maté, chicory and coffee substitutes	0%	
2103.10	Soya sauce	0%	
2103.30	Mustard flour and meal and prepared mustard	0%	
2103.90	Other sauces and preparations	0%	
21.04	Soups and broths and preparations therefor; homogenized composite	0%	

	food preparations and substances		
2106.10	Protein concentrates	0%	
22.03	Beer	0%	
22.08	Spirits	0%	Except for 2208.20.00 (Brandy) which is to be subject to the MFN rate of duty
2309.10.10	Animal feeds	12%	
2309.10.20		8%	
2309.10.90		2%	
2309.90.10		12%	
2309.90.20		8%	
2309.90.30		12%	
2309.90.90		2%	

General Notes to Annexes 2.1.2A and 2.1.2B

1. The "HS No." column sets out those tariff items, subheadings, headings or chapters, as appropriate, with respect to which duty is being reduced or removed.
2. The goods described in the column entitled "Description of Goods" are representative only, except where the respective HS No. is prefaced by "ex", wherein the description sets out all those goods subject to the level of duty in the Duty column.
3. The "Duty" column sets out the rate of duty that shall be effective by January 1, 1997, applicable to the goods classified within the appropriate HS No., subject to the specific provisions.
4. The "Specific Provisions" column sets out any qualifications to the "Description of Goods" and the rate of duty for that HS No.

Annex 2.2.3

Requirements Concerning Verification of Repairs and Alterations

Upon reimportation into the territory of a Party of a good that has been exported to the territory of the other Party for repair or alteration, an importer shall submit:

Annex VII: Palestinian-Canadian Framework Agreement

Joint Canadian-Palestinian Framework for Economic Cooperation and Trade Between Canada and the Palestine Liberation Organization on Behalf of the Palestinian Authority

- The Government of Canada and the Palestine Liberation Organization, on behalf of the Palestinian Authority, (hereafter referred to as the Parties);
- Recalling United Nations Security Council resolutions 242 and 338;
- Taking note of the Protocol on Economic Relations between Israel and the Palestine Liberation Organization signed on April 29, 1994, the Protocol on Further Transfer of Powers and Responsibilities between Israel and the Palestine Liberation Organization signed on August 27, 1995 and the Israeli-Palestinian Interim Agreement on the West Bank and Gaza Strip signed on September 28, 1995, (“the Protocols and the Interim Agreement”);
- Desiring to strengthen the ties of friendship and understanding between them by further developing their commercial and economic relations;
- Recognizing that economic development is essential to peace and stability;
- Recalling the General Memorandum of Understanding on Development Cooperation signed by the Parties on June 9, 1998;
- Considering the commitment of both Parties to free trade;
- Resolving to undertake new and sustained efforts to develop a distinctive and dynamic economic and commercial relationship to their common benefit;
- Attaching particular importance to expanding relations and promoting cooperation between their respective private sectors;

Have come to the following understandings:

1. In order to encourage and expand trade relations, the Palestine Liberation Organization, on behalf of the Palestinian Authority, in accordance with its responsibilities and obligations under the Protocols and the Interim Agreement, and Canada will:
 - a. commit themselves to facilitate enhanced market access on a reciprocal basis, in a manner which is consistent with the Canadian regulations, as amended, which are listed in the attached Annex 1;
 - b. continue discussions at an early date based on written proposals to improve bilateral trade relations, including possible market access concessions additional to those set out in the above mentioned regulations, the identification and reduction of non-tariff barriers and cooperation on product standards; and
 - c. cooperate in obtaining information related to customs requirements, including any verification visits deemed necessary to maintain the preferential tariff treatment accorded to any particular importation.
2. In order to facilitate economic development and cooperation, the Parties will:
 - a. promote a programme of economic development in the West Bank and Gaza Strip, focusing on economic and technical cooperation which would support and encourage the growth and sustainability of emerging industries;
 - b. identify opportunities for technical assistance and cooperation in the area of trade, including customs procedures and practices;
 - c. consult on means to encourage and protect investment;
 - d. encourage the development of cooperation in science and technology in areas of common interest, especially those relevant to economic development;
 - e. consult on means to increase and improve cooperation in areas of mutual interest;
 - f. coordinate efforts to increase awareness of the opportunities for expanded trade between Canada and the West Bank and Gaza Strip and promote the activities of their respective private sectors; and
 - g. encourage greater cooperation between Canadian and Palestinian business communities, associations and institutions.
3. The Parties will consult on any matter arising under this Framework.
4. In the event of a major change, recognized by Canada, in the status of the West Bank and Gaza Strip, the Parties will enter into discussions on a new arrangement on economic cooperation and free trade, and the present Framework will remain in effect pending the outcome of such discussions.

5. This Framework will take effect on the date of signature and will remain in effect for an indefinite period. At the request of either Party, this Framework may be revised by the written concurrence of both Parties. Either Party may terminate this Framework at any time on six months notice to the other Party.

Done in duplicate at Ramallah, on the 27th day of February, 1999 in English and French, each language version being equally valid:

For and on behalf of the Palestine Liberation Organization for the benefit of the Palestinian Authority Maher Masri, Minister of Economy and Trade

For and on behalf of the Government of Canada Hon. Sergio Marchi, Minister for International Trade

Annex 1: Statutory Instruments 1997

Statutes, Orders and Regulations (SOR/97)

SOR/97-60 - Order specifying limits(tariff rate quota) on the annual aggregate quantity of goods of tariff item No.0603.10.11 (roses)

SOR/97-61 - Regulations prescribing a territory for the purposes of the definition of the Customs Tariff (goods originating in the West Bank or Gaza Strip are considered originating and entitled to preferential tariff treatment)

SOR/97-62 - Regulations defining certain expressions for the purposes of the Customs Tariff

SOR/97-63 - Rules of origin regulations

SOR/97-64 - Tariff preference regulations

SOR/97-65 - Rules of origin for casual goods regulations

SOR/97-68 - Proof of origin of imported goods regulations, amendment

SOR/97-69 - Refund of duties regulations, amendment

SOR/97-70 - Imported goods records regulations, amendment

SOR/97-72 - Advance rulings regulations

SOR/97-73 - Certification of origin regulations

SOR/97-74 - as amended by SOR/98-47 - Tariff item Nos.9971.00.00 and 9992.00.00 (accounting regulations)

SOR/97-75 - Verification of origin regulations

SOR/97-76 - as amended by SOR/97-351 and SOR/98-84 - Importation of goods exported for repair under warranty regulations (tariff item No. 9992.00.00)

SOR/97-77 - General import permit #193 - Roses

التوصية

- إعفاء كافة المنتجات الفلسطينية من الرسوم الجمركية بما فيها السلع الزراعية والأغذية والأدوية
- تطوير برنامج متخصص لاختراق السوق الكندي
- دعم النشاطات الترويجية للمنتجات الفلسطينية وتنظيم حملات ومعارض ترويجية بشكل دوري
- إعداد دراسات حول فرص المنتجات الفلسطينية في السوق الكندي وتوفير المعلومات التي تساعد الشركات على دخول السوق

خامساً: عدم تنظيم العلاقة التجارية الخاصة بقطاع التجارة بالخدمات بين البلدين إلى الآن، بالرغم من ان هذا القطاع يعتبر من أهم ركائز عملية التنمية الاقتصادية، وعليه يجب القيام بتنظيمه وتحرير التجارة بالخدمات وفق المصالح الاقتصادية واحتياجات كل قطاع ووضع الضوابط اللازمة لضمان المنافسة العادلة. وتجدر الإشارة إلى أن هذا القطاع يساهم بما يزيد عن 60% من الناتج المحلي الإجمالي الفلسطيني، ويساهم في تشغيل ما يزيد عن 60% من القوى العاملة في فلسطين. ومن أهم القضايا المرتبطة بذلك:

- تحرير التجارة بالخدمات وفق مصالح كل قطاع، وضع جداول الالتزامات والميزات التفضيلية لكلا البلدين،
- المعاملة بالمثل والاعتراف المتبادل بين الطرفين بالمعايير الضابطة للمنتجات الخدمية،
- تحفيز إنشاء مشاريع مشتركة بين البلدين بناءً على تعريف القطاعات والمنتجات الخدمية ذات الميزة النسبية،
- وضع خطة عملية وتحديد اطار زمني للتوصل إلى اتفاقية التجارة بالخدمات،
- ضمان مشاركة القطاع الخاص في عمليات الإعداد والتحضير والتفاوض حول هذه الاتفاقية

التوصية

- البدء بالتحضير لاتفاقية حول التجارة بالخدمات بين البلدين
- دعم وتنظيم رحلات سياحية إلى فلسطين (سياحة دينية وتضامناً وأعمال)
- دعم برامج تدريبية (فنية وإدارية) تستهدف تطوير قدرات مزودي الخدمات الفلسطينيين (شركات وأفراد) بما يؤدي إلى زيادة تنافسيتهم ومعرفة متطلبات السوق الكندي بشكل خاص

مقترحات وتوصيات

1. تشكيل لجنة اقتصادية مشتركة يكون القطاع الخاص جزء منها، وتطوير العلاقة التجارية بين البلدين من خلال بلورة اتفاقية تجارية ثنائية تشمل كافة الجوانب التي من شأنها تنظيم العلاقة التجارية بين البلدين وتدعم وتساند المنتج الفلسطيني في السوق الكندي، وخاصة المنتجات الزراعية والغذائية والأدوية. ويجب أن يكون هناك تمثيل للمرأة يعكس المصالح الخاصة بالأعمال التي تقودها وتعمل بها.
2. إعفاء البضائع التالية من الرسوم الجمركية:
 - المواد الغذائية وخاصة اللحوم واللحوم المجمدة، منتجات الالبان، الخضروات، السمن النباتي والحيواني
 - المشروبات غير الكحولية
 - التبغ والسجائر
3. تنظيم العلاقة بين مؤسسة المواصفات والمقاييس الفلسطينية ونظيرتها الكندية، والوصول إلى الاعتراف المتبادل بشهادات المطابقة والجودة
4. تشجيع ودعم الشراكات التجارية بين البلدين وجذب شركات كندية عالمية للاستثمار في فلسطين
5. تسهيل إجراءات الحصول على تأشيرة لأغراض تجارية، اعتماد أيام محددة في الأسبوع لإجراء المقابلات في فلسطين بدلاً من الذهاب إلى الأردن أو إسرائيل
6. تحقيق التعاون الاقتصادي في المجالات المشار إليها في الاتفاقية خاصة في مجال تسويق المنتج الفلسطيني وتطوير برامج تمكنه من اختراق السوق الكندي، والتركيز على تنمية المشاريع المتوسطة والصغيرة وخاصة التي يملكها أو يديرها سيدات أعمال
7. بلورة اتفاقية حول التجارة بالخدمات بين البلدين
8. توسيع نطاق التعاون الاقتصادي بين البلدين بما يشمل قطاعات الطاقة والاتصالات وتكنولوجيا المعلومات والتعليم والنقل والسياحة
9. مساندة الجهود الفلسطينية للانضمام إلى منظمة التجارة العالمية
10. بناء جسور تواصل بين مؤسسات القطاع الخاص التي تَعْنَى بالتجارة والتصدير، وأن يكون الهدف الرئيس من هذه العلاقات:
 - تبادل المعلومات حول الاسواق والقطاعات الاقتصادية لكلا البلدين وآليات الدخول إليها والمنافسة فيها
 - العمل على تنظيم فعاليات ونشاطات ترويجية تساهم في التعريف بالمنتجات الوطنية
 - مساعدة الشركات في معرفة إجراءات ومتطلبات الاستيراد والتصدير
 - دراسة مشاريع استثمارية مشتركة تساهم في عملية التنمية الاقتصادية

أهمية زيادة الصادرات إلى كندا

إن العمل على زيادة الصادرات الفلسطينية وخاصة إلى السوق كندا يأتي بالتوافق مع أهداف الاستراتيجية الوطنية للتصدير، والتي تعتبر كندا سوقاً مستهدفاً من قبل الشركات الفلسطينية. وعليه فإن عدم القيام بتنمية الصادرات بشكل ممنهج وتسهيل التجارة بين البلدين سيؤدي إلى تفويت فرص عديدة لاستهداف سوق هام بحجم وامكانات السوق الكندي، وبالتالي يحد من زيادة وتنمية الصادرات الفلسطينية بشكل عام.

وقد تم التأكيد على أهمية هذا السوق من خلال الاستراتيجية الوطنية للتصدير، والتي اشتملت على وضع خطة لاربعة عشر قطاعاً إقتصادياً منها قطاعين من تجارة الخدمات. وتهدف الخطة بشكل رئيس إلى تنمية الاقتصاد الفلسطيني من خلال زيادة قيمة الصادرات للسنوات الخمس القادمة بمعدل 16%. وعليه فإن المطلوب هو القيام بتسهيل حركة التجارة إلى السوق الكندي وزيادة مستوى التعاون الاقتصادي بشكل أكبر. وتأتي أهمية هذا الموضوع، في هذا الوقت بالتحديد، لما له من دور أساسي في تحقيق السياسة التجارية الخاصة بتنمية الصادرات والبدء بتطبيق بنود الخطة الوطنية للتصدير للخمس سنوات القادمة، وتوفير البيئة التجارية الملائمة للقطاع الخاص، وتمكينه من منافسة المنتجات العالمية، وزيادة حصته السوقية في الأسواق المستهدفة.

القضايا والتحديات القائمة

تواجه عملية استهداف السوق الكندي والتصدير اليه عدداً من القضايا التي تقف عائقاً أمام دخول المنتج الفلسطيني إلى السوق الكندي، ومن أهم هذه القضايا ما يلي:

أولاً: عدم تطور العلاقة التجارية بين البلدين بما يتوافق والمتغيرات الاقتصادية منذ توقيع اتفاقية الاطار عام 1999. فقد اقتصر الاطار على معاملة المنتج الفلسطيني كما تتم معاملة المنتجات الاسرائيلية، وتقديم الدعم والتعاون في المجالات الاقتصادية دون التطرق إلى مساعدة الشركات الفلسطينية في دخول السوق الكندي وخلق شراكات بين قطاع الأعمال الفلسطيني والكندي.

التوصية

- تشكيل لجنة اقتصادية مشتركة يكون القطاع الخاص جزء منها
- تنظيم العلاقة بين مؤسسة المواصفات والمقاييس الفلسطينية ونظيرتها الكندية، والوصول إلى الاعتراف المتبادل بشهادات المطابقة والجودة

ثانياً: يواجه رجال وسيدات الأعمال صعوبات في الحصول على تأشيرة دخول إلى كندا، خاصة فيما يتعلق بالوقت اللازم للحصول على التأشيرة (الموافقة على منح التأشيرة)، وضرورة الذهاب إلى مقر السفارة في إسرائيل أو الأردن لأجراء مقابلة شخصية.

التوصية

- تسهيل إجراءات الحصول على تأشيرة دخول لكندا لأغراض تجارية خاصة التأشيرة متعددة السفرات
- اعتماد أيام محددة في الأسبوع لإجراء المقابلات الشخصية في فلسطين بدلاً من الذهاب إلى الأردن أو إسرائيل

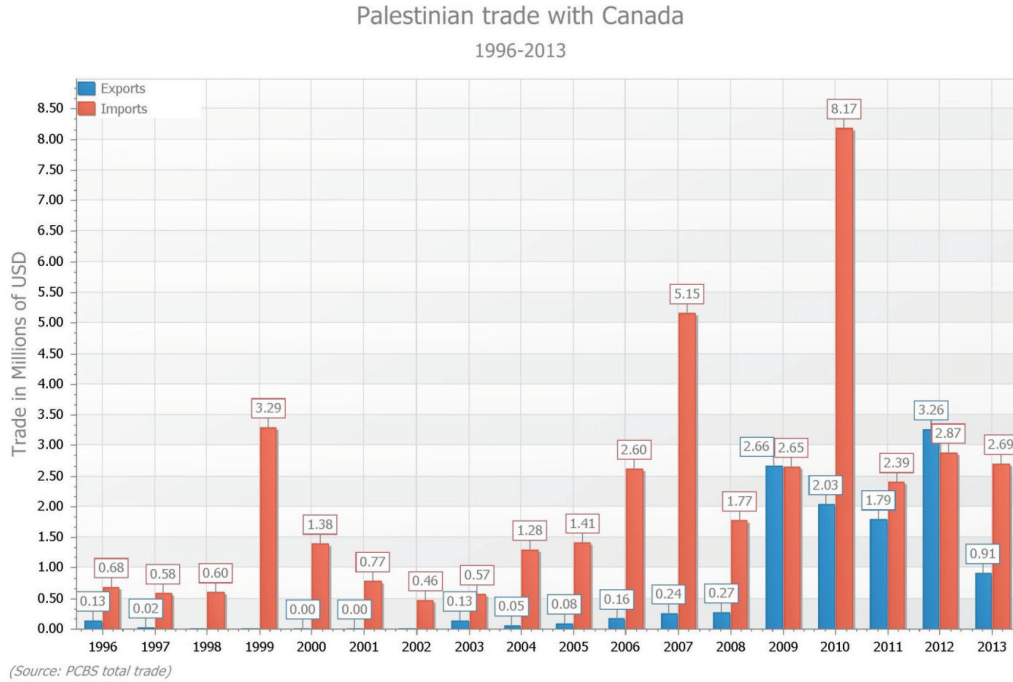
ثالثاً: غياب الاستثمارات الكندية في السوق الفلسطيني والتي من شأنها تنمية الاقتصاد الفلسطيني وفتح الاسواق أمام منتجات تلك المشاريع في الأسواق العالمية وفي السوق الكندي على وجه التحديد. كما أن من شأن هذه المشاريع بناء علاقات تجارية تساهم في تعزيز العلاقات بين مجتمع الاعمال الفلسطيني والكندي.

التوصية

- تشجيع ودعم الشراكات التجارية بين البلدين وجذب شركات كندية عالمية للاستثمار في فلسطين
- بناء شراكات بين مؤسسات القطاع الخاص الفلسطيني والكندي، وخاصة مع مؤسسات الأعمال العربية والاسلامية في كندا

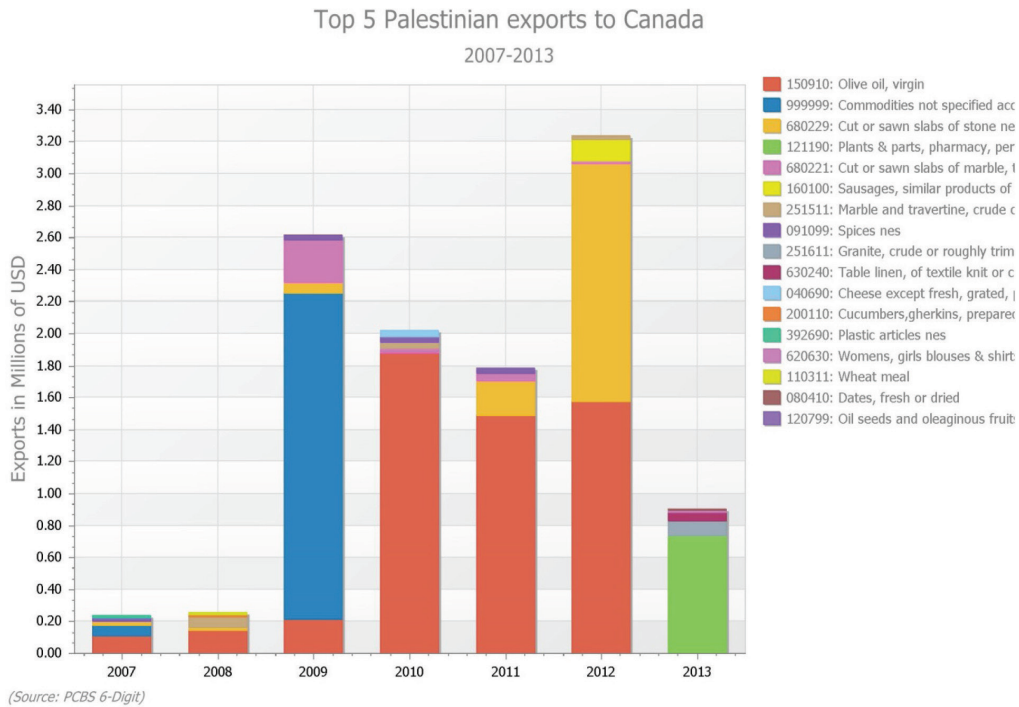
رابعاً: ضعف ترويج المنتجات الفلسطينية في السوق الكندي نتيجة محدودية النشاطات الترويجية التي تهدف إلى التعريف بالمنتجات الفلسطينية وميزاتها التنافسية، وغياب خطة تسويقية تساعد على استهداف السوق الكندي وتعريف الأليات التي يمكن من خلالها تحقيق ذلك، بالإضافة إلى ارتفاع تكلفة شحن البضائع إلى كندا نظراً لبعدها المسافة بين البلدين مما يؤثر على تنافسية المنتج الفلسطيني، بالإضافة إلى الوقت الذي تستغرقه عملية الشحن إلى كندا.

حجم التبادل التجاري مع كندا (1996-2013)



كما يبين الشكل التالي أهم خمس منتجات فلسطينية تم تصديرها إلى كندا خلال الفترة ما بين 2007 إلى 2013، ويتضح من ذلك أن المنتجات التي يتم تصديرها غير متنوعة، وتتركز بشكل رئيس على زيت الزيتون والحجر والرخام والأعشاب الطبية.

أهم المنتجات الفلسطينية التي تم تصديرها إلى كندا خلال الفترة 2007 إلى 2013



على الرغم من مرور أكثر من 15 عاماً على توقيع إطار التعاون التجاري بين كندا وفلسطين. وضمن تطبيق مبادئ التجارة الحرة بالإضافة إلى التزام كندا بدعم الاقتصاد الفلسطيني من خلال دعم وتشجيع برامج التنمية الاقتصادية في فلسطين. ما زال حجم التبادل التجاري للسلع مع كندا متواضع جداً، حيث بلغت قيمة الصادرات الفلسطينية عام 2013 حوالي 900 ألف دولار، بينما بلغت قيمة الواردات من كندا للعام نفسه حوالي 2.7 مليون دولار. إن هذا الأمر الذي يستدعي العمل وبسرعة على تشكيل لجنة اقتصادية مشتركة تعمل على وضع الآليات والاسس التي من شأنها تطوير التجارة ما بين البلدين وعلى رأسها، إعفاء السلع الزراعية والأغذية المصنعة من الرسوم الجمركية، والبدء بوضع إطار لاتفاقية شاملة تشمل السلع والخدمات، وتوفير برنامج متخصص لاختراق السوق الكندي، وبما يشمل تسهيل حركة التجارة ورجال وسيدات الأعمال، وتعزيز التعاون بين مجتمع الأعمال الكندي والفلسطيني والمؤسسات التي تمثلهم، والتأكيد على ضرورة مراعاة مصالح الأعمال التي يملكها ويديرها سيدات أعمال بما يمكنهم من تطوير أعمالهم واستهداف السوق الكندي على وجه الخصوص.

مقدمة

تم تنظيم العلاقة التجارية مع كندا بشكل رسمي من خلال إطار التعاون الاقتصادي الفلسطيني الكندي الذي دخل حيز التنفيذ عام 1999. وبالرغم من توقيع هذا الإطار إلا أن العلاقة التجارية لم تتطور بصورة تساهم في تعزيز وزيادة حجم التبادل التجاري بين البلدين وبما يؤدي إلى تنمية الصادرات الفلسطينية. وتعتبر كندا من الدول المتقدمة التي تربطنا بها علاقات متميزة، والتي تقوم بدعم الاقتصاد الفلسطيني بشكل مستمر من خلال تنفيذ برامج تهدف إلى توفير مناخ أعمال يساهم في تحقيق التنمية المنشودة للاقتصاد الفلسطيني. وتسعى فلسطين إلى تعزيز التبادل التجاري مع كندا والاستفادة من حرص البلدين على تنمية الصادرات الفلسطينية واستهداف السوق الكندي وزيادة تنافسية المنتج الفلسطيني فيه.

وتشير هذه الورقة إلى عدد من التوصيات التي من شأنها المساهمة في تحقيق زيادة فعلية في قيمة وحجم الصادرات الفلسطينية إلى كندا. ومن أهم هذه التوصيات أولاً: إعفاء السلع الزراعية والأغذية المصنعة من الرسوم الجمركية، ثانياً: توسيع نطاق التعاون الاقتصادي والتركيز على جانب التسويق والترويج للمنتج الفلسطيني في السوق الكندي ثالثاً: تشكيل لجنة اقتصادية مشتركة وإشراك القطاع الخاص فيها لرسم السياسات التجارية بين البلدين والإشراف على ما يتم الاتفاق عليه، رابعاً: ضرورة أن تشمل الاتفاقية قسم خاص بالتجارة في الخدمات بين البلدين ووضع الضوابط اللازمة لذلك واليات التنفيذ المناسبة وتوفير ميزات تفضيلية تهدف إلى تحرير التجارة في الخدمات وتنميتها.

وقد تم تطوير هذه الورقة بناءً على المعلومات الواردة في دراسة تقييم للإطار الذي يحكم العلاقة التجارية مع كندا، والتي استعرضت أهم القضايا والمعوقات التي تواجه عملية التصدير إلى كندا، بالإضافة إلى عقد حلقات نقاش للأطراف ذات العلاقة من القطاعين العام والخاص لبحث أهم القضايا والمعوقات التجارية والاستفادة من التجارب السابقة في تعزيز العلاقات التجارية مع الشركاء الدوليين. وتعرض هذه الورقة مجموعة من المطالب والمقترحات التي تحقق المصالح الاقتصادية الوطنية، وتساهم في زيادة قيمة وحجم الصادرات إلى السوق الكندي.

القضية الرئيسية

تعزيز العلاقة التجارية بين البلدين وزيادة الصادرات الفلسطينية إلى كندا من خلال بلورة اتفاقيات وتفاهات تجارية ثنائية تقوم على أساس دعم الاقتصاد الفلسطيني وقطاعاته الحيوية وتحقيق المصالح الاقتصادية والتنموية. وتسعى فلسطين إلى زيادة التبادل التجاري مع كندا من خلال تحرير التجارة بين البلدين، وتذليل العقبات أمام الحركة التجارية، ومعاملة المنتج الفلسطيني معاملة تفضيلية تمكنه من استهداف السوق الكندي بشكل مباشر ومستدام.

العلاقة التجارية بين البلدين

أخذت العلاقة التجارية بين فلسطين وكندا صفة رسمية بعد توقيع مذكرة التفاهم العامة للتنمية والتعاون عام 1998 وإطار التعاون التجاري بين البلدين عام 1999. وقد أشار الإطار إلى تطبيق مبادئ التجارة الحرة كما هي العلاقة بين كندا والجانب الإسرائيلي، والسماح بالنفاذ إلى الأسواق وفق مبدأ المعاملة بالمثل، وقد بلغ متوسط التعرفة الجمركية في كندا 2.7% عام 2012.

بالإضافة إلى التزام كندا بدعم الاقتصاد الفلسطيني من خلال دعم وتشجيع برامج التنمية الاقتصادية في فلسطين وتقديم المساعدة والتعاون الفني في مجال التجارة والاستثمار، وتشجيع التعاون العلمي والفني في المجالات ذات الاهتمام المشترك وبما يخدم التنمية الاقتصادية، والعمل بشكل أكبر على تعزيز التعاون بين مجتمع الأعمال الكندي والفلسطيني والمؤسسات التي تمثلهم. ولكن هذه العلاقة بصورتها الحالية لم تحقق النتائج المرجوة والهادفة إلى زيادة التبادل التجاري بين البلدين والمساهمة في زيادة الصادرات الفلسطينية. وتتطلع فلسطين في هذه المرحلة إلى التأكيد على أهمية تعزيز التجارة مع كندا وزيادة قيمة الصادرات الفلسطينية إليها وتسجيل الوكالات التجارية بشكل مباشر والوصول إلى شركات تجارية حقيقية ومشاريع استراتيجية تساهم في عملية التنمية الاقتصادية.

الشكل التالي يبين حجم التبادل التجاري للسلع مع كندا للفترة ما بين عام 1996 وحتى عام 2013، والذي يظهر الحجم المنخفض للتبادل التجاري بين البلدين، حيث بلغت قيمة الصادرات الفلسطينية عام 2013 حوالي 900 ألف دولار، بينما بلغت قيمة الواردات من كندا للعام نفسه حوالي 2.7 مليون دولار.

ورقة موقف

تعزيز التبادل التجاري بين كندا وفلسطين

زيادة الصادرات الفلسطينية الى كندا

تم إعداد هذه الورقة من قبل

مركز التجارة الفلسطيني - بال توريد

ضمن مشروع «تنمية الصادرات» الممول من الحكومة الكندية

وبالتعاون مع مركز التجارة الدولي (ITC) وبرنامج الأمم المتحدة للتنمية (UNDP)،

والذي يتم تنفيذه من قبل مركز التجارة الفلسطيني - بال توريد

بالشراكة مع وزارة الاقتصاد الوطني الفلسطيني.

حقوق الطبع محفوظة، بال-توريد: فلسطين، 2014

ورقة موقف

تعزيز التبادل التجاري بين كندا وفلسطين

زيادة الصادرات الفلسطينية الى كندا

2014