

EU-CANADA

COMPREHENSIVE ECONOMIC AND TRADE AGREEMENT (CETA)

CETA Factsheet 1 of 7

CETA overview

The 7 main parts of the agreement

CETA is a trade agreement between the EU and Canada. On 21 September 2017 it provisionally entered into force, so most of the agreement now applies.




CETA opens up Canada's goods, services and public procurement markets, helps protect labour

rights and the environment, and enables smaller EU firms in particular to export more to Canada.

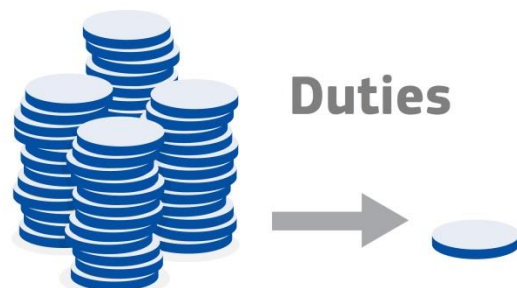
Now EU countries' national parliaments, and in some cases regional ones too, need to ratify the agreement. Then it can fully and definitively enter into force.

1. Trade in goods

The EU is already a major exporter to Canada. For example:

Industry	EU exports to Canada each year ¹
 Machinery	€8.3 bn
 Chemicals	€5.9 bn
 Food and drink	€3.4 bn

¹ Source: Eurostat, 2016. Food and drink based on exports of products from several sections of the Harmonised System (HS).



CETA will help new and existing EU exporters because it:

- abolishes over **98%** of Canadian customs duties from day 1 of entry into force.
- will save EU businesses **€590 m** each year in Canadian customs duties over time.
- helps make EU exporters more competitive.



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1.1. Food and drink products

1.1.1. Opening the Canadian market


Removes tariffs on EU food exports from day one

	Tariff before Up to 10%	Tariff now 0%
	Tariff before Up to 15%	Tariff now 0%

Removes or manages barriers to exporting drinks from day one

	Before Barriers to exporting EU products to Canada	Now Major barriers removed and clear framework to ease others
		

More than doubles Canadian quota for EU cheese exports over time

	Quota before 13 500 tons	Quota now 32 000 tons
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1.1.2 Protection for EU products

Sensitive EU products

CETA protects products such as:






- beef, pork, sweetcorn - with limited, tariff-free quotas
- poultry and eggs – by not opening its market.

Geographical Indications (GIs)

Promoting and protecting Europe's flagship food and drink products in countries outside the EU is a top priority for CETA, as for any EU trade deal.



CETA allows **143** European products with the status of Geographical Indications to be sold in Canada. That gives them a similar level of protection from imitations as EU law does. Protected GIs include:

	Szegedi szalámi	Processed meat
	Elia kalamatas	Olives
	České pivo	Beer
	Chianti	Wine
	Queijo S. Jorge	Cheese






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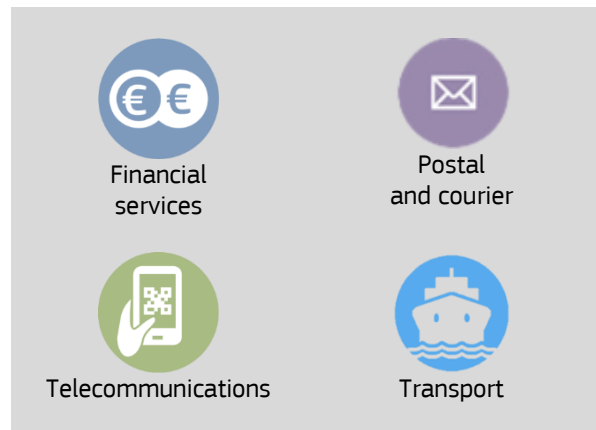
1.2. Manufacturing

Removes Canadian customs duties on key EU manufacturing exports from day one.

 Clothing, textiles	Before up to 16%	Now 0%
 Vehicles, parts	Before up to 9.5%	Now 0%
 Machinery, electrical equipment	Before up to 9.5%	Now 0%
 Medical devices, optical instruments	Before up to 8%	Now 0%
 Chemicals	Before up to 6.5%	Now 0%

2. Trade in services

Opens up the Canadian market in the following industries:



Professional services

Provides a framework for the EU and Canada to recognise each other's qualifications in certain regulated professions:



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3. Public procurement

- Guarantees access to Canada's large public procurement market
- Creates new opportunities for EU suppliers to bid for provincial and municipal contracts.



4. Investment

Encourages more investment between the EU and Canada, in both directions.



5. Intellectual property

Improves the protection in Canada of intellectual property owned by EU individuals or companies.



6. Sustainable development

Sets out strong, legally binding commitments on:

- environmental protection
- respect for labour rights.



7. Smaller companies

Helps EU small firms export more through:

- reduced trade barriers
- tariff elimination
- simplified customs procedures
- more compatible technical requirements



EU trade deals work in practice



In 2011, the EU and South Korea started to implement a trade agreement.

Since then:

- EU goods exports to South Korea have increased by 55%, and services by 40%
- European firms have saved almost €3 bn in scrapped or lower customs duties.