



Benefits for Alberta

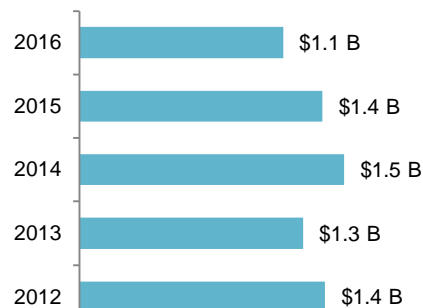
What is CETA?

- The Comprehensive Economic and Trade Agreement (CETA) is a free trade agreement between Canada and the European Union, covering virtually all sectors and aspects of Canada-EU trade.
 - Prior to CETA's provisional application, only 25 percent of EU tariff lines on Canadian goods were duty-free.
 - Following CETA's provisional application, the EU removed tariffs on 98 percent of its tariff lines.
 - After seven years, the EU will have eliminated tariffs on 99 percent of its tariff lines.
- For service providers, CETA grants the best market access that the EU has ever provided in a free trade agreement.
- CETA helps create middle-class jobs, strengthen economic relations with the EU, and boost Canada's trade with the world's second-largest market with over 500 million consumers and a \$22 trillion GDP.

Benefits for Alberta Companies:

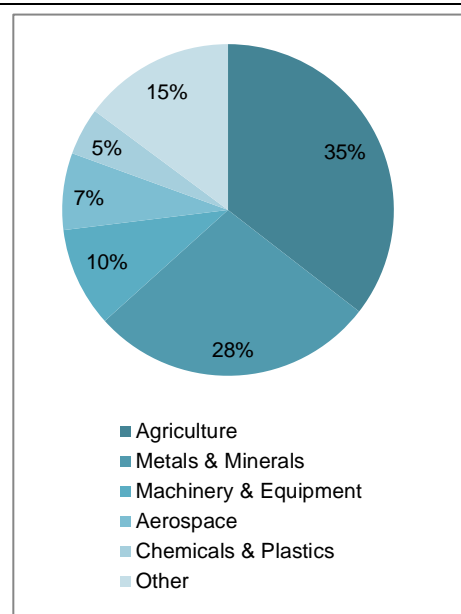
- Under CETA, 98 percent of EU tariff lines are immediately duty free for Alberta goods, including for **advanced manufacturing, forestry, and most agriculture and agri-food**.
- Improved access to the EU for Alberta service suppliers in areas such as **services incidental to energy distribution, engineering services, ICT services and environmental services**.
- Enhanced labour mobility for business-related travel.
- Ability to bid on procurement contracts at all levels of EU government.
- Greater certainty, transparency, and protection for investments.

Merchandise Exports from
Alberta to the EU (2012 – 2016)



Source: Statistics Canada

Principal Merchandise Exports from
Alberta to the EU (2016)



Source: Statistics Canada

To learn more about CETA, visit our website: www.international.gc.ca/CETA

The Canadian Trade Commissioner Service provides expert advice and key contacts for exporters, partners and investors.

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Benefits for Alberta

Agriculture and Agri-Food

- Under CETA, 94% of EU agriculture tariff lines have become duty-free, providing Alberta exporters with an advantage over many competitors in the EU market. Many remaining EU tariff lines will be phased out over a period of 7 years.
- CETA's comprehensive tariff elimination plays to many of the region's strengths, such as:

	Pre-CETA tariffs	Under CETA
dog and cat food	up to €948/tonne	0%
frozen potato goods	up to 17.6%	0%
natural honey	17.3%	0%
durum wheat	up to €148/tonne	tariff phase-out over 7 years
common wheat (low-medium quality)	up to €95/tonne	tariff phase-out over 7 years*
oats	up to €89/tonne	tariff phase-out over 7 years
barley	up to €93/tonne	tariff phase-out over 7 years

* During the 7-year phase out, a transitional duty-free TRQ of 100,000 tonnes will be established for low-medium quality wheat. After which, it will be duty-free and quota free. For high quality wheat, current EU tariffs are applied at 0% but may increase as they are subject to the EU's Intervention Price System (I-55). Tariffs on high quality wheat will be phased out over 7 years under CETA.

- In addition, CETA establishes tariff rate quotas (TRQs) for specific products, providing Alberta producers duty-free access for specific volumes of products, including:

	TRQ	Phase-In Period
beef and veal*	50,000 tonnes	5 year phase-in
pork	80,549 tonnes	5 year phase-in
bison	3,000	immediate
sweet corn (processed)	8,000 tonnes	5 year phase-in

* A duty-free TRQ of 35,000 tonnes for fresh/chilled beef and veal and 15,000 tonnes for frozen beef and veal are established under CETA. In addition, the EU immediately eliminated the 20% tariff on Canadian exports of high-quality beef under the EU's existing WTO quota (11,500 tonnes (product weight) shared with the United States, commonly referred to as the Hilton Quota).

- CETA also guarantees that Alberta exporters of canola, beans, and peas will continue to receive duty-free access in the future.

Oil and Gas

- CETA opens up new opportunities in the EU for Alberta's oil and gas sector.
- Under CETA, Alberta exporters enjoy duty-free, quota-free access to the EU for products including:

	Pre-CETA tariffs	Under CETA
non-crude petroleum products	up to 4.7%	0%
oil and gas machinery and equipment	up to 2.7%	0%

- Under CETA, Alberta companies in the oil and gas industry benefit from preferential access to provide technical and advisory services in the EU. Service suppliers from Alberta will be on equal footing with EU service providers and will receive better treatment than most of their non-EU competitors.



- CETA's temporary entry provisions make it easier for professionals in the energy sector to conduct business in the EU, for example, to attend meetings and consultations, negotiate sales, and provide engineering and technical consulting services.
- CETA spurs investment by providing Canadian and EU investors in the oil and gas industry with greater certainty, transparency, and protection for their investments.

Forestry

- CETA helps make Alberta's forestry exports more competitive in the EU market by eliminating tariffs on all Canadian forestry products, including:

	Pre-CETA tariffs	Under CETA
plywood	up to 10%	0%
oriented strand board	7%	0%
wood pallets	up to 4%	0%
maple wood	up to 2.5%	0%
veneer sheets (coniferous wood)	up to 4%	0%

- Under CETA, Alberta service suppliers benefit from open markets to provide technical expertise in a wide range of areas, including: **wood lot management, mapping, surveying, re-forestation, timber evaluation, forest damage assessment, and logging-related services.**
- CETA's labour mobility provisions facilitate Alberta companies' ability to conduct business and provide forestry-related services in the EU.
- CETA provides new access to the EU procurement market, valued at \$3.3 trillion annually, in a broad range of forestry services of interest to Alberta, including: **supply chain analysis and optimization, forest resources inventory and remote sensing, mapping and data processing, forest management and operation logistics, turn-key plant set-up and modernization, and manufacturing management and control.**
- For procurement opportunities, suppliers can access tender notices for all CETA-covered procurements using the Tenders Electronic Daily portal (TED, at ted.europa.eu).

Scientific and Technical Services

- Alberta service suppliers in a broad range of areas, such as **engineering services, technical testing and analysis services, environmental services, and services incidental to mining and energy distribution**, benefit from competing on an equal footing with EU service providers under CETA.
- CETA's labour mobility provisions make it easier for Alberta professionals in scientific and technical consulting fields to conduct business and work temporarily in the EU.
- Of interest to Alberta's growing clean-tech sector, CETA opens up access to procurement by European public utilities in the areas of drinking water, electricity, gas, and heat and offers new opportunities for companies providing environmental services.
- For procurement opportunities, suppliers can access tender notices for all CETA-covered procurements using the Tenders Electronic Daily portal (TED, at ted.europa.eu).



Advanced Manufacturing

- CETA makes Alberta manufactured goods more competitive in the EU market.
- Under CETA, Alberta manufacturers enjoy immediate duty-free, quota free market access to the EU for a broad range of industrial goods, including:

	Pre-CETA tariffs	Under CETA
agriculture machinery and equipment	up to 4%	0%
mining machinery and equipment	up to 2.7%	0%
oil and gas machinery and equipment	up to 2.7%	0%

- Manufacturers will be able to have certain goods (such as machinery and parts) tested to EU standards by a certification body in Canada, and the results of the tests will be recognized by the EU, thereby avoiding testing duplication and reducing costs.

Information and Communications Technology (ICT) Services

- The EU holds significant potential for Alberta ICT companies.
- Under CETA, Alberta ICT companies that provide services related to **technical testing and analysis**, **data processing**, **communication**, and **software implementation** can now compete on an equal footing as EU services suppliers and will receive better treatment than most of their non-EU competitors.
- CETA's temporary entry commitments improve labour mobility for business-related travel in the EU for Alberta ICT companies, for example, to attend meetings, negotiate sales, and deliver specialized ICT solutions.
- In the area of e-commerce, CETA includes a permanent moratorium on customs duties, fees, or charges for digital products transmitted between Canada and the EU.
- Enhanced access to EU government procurement also provides opportunities for Alberta suppliers in a broad range of ICT services, including: **technical testing and analysis**, **data processing**, **maintenance and repair**, and **software consulting, design and implementation**.
- For procurement opportunities, suppliers can access tender notices for all CETA-covered procurements using the Tenders Electronic Daily portal (TED, at ted.europa.eu).