



Opportunities and Benefits of CETA for Canada’s Oil and Gas Exporters

Why export to the EU?

- *Significant market:* The EU is the world’s largest importer of oil and gas products, with imports totalling \$336 billion in 2016.
- Supplier diversification is one of the EU’s top energy priorities.

How does CETA benefit Canadian oil and gas product exporters?

- Under CETA, Canadian oil and gas products enjoy duty-free, quota-free market access to the EU.
- Canadian service providers in the oil and gas sector benefit from various provisions in CETA, including those related to temporary entry and trade in services.
- Canada has a preferential trade advantage with the EU that many competitors don’t have.

At a glance: EU tariff elimination under CETA

	Pre-CETA tariff	Under CETA
Non-crude petroleum products	up to 4.7%	0%
Light oils and preparations	4.7%	0%
Liquefied propane	up to 8%	0%
Petroleum oils and preparations containing biodiesel	up to 3.7%	0%
Liquefied butane	0.7%	0%
Paraffin Wax	up to 2.2%	0%
Other mineral waxes, not elsewhere specified or indicated	up to 2.2%	0%
Petroleum jelly	up to 2.2%	0%



Temporary entry

- CETA provisions make it easier for short-term business visitors, intra-company transferees, investors, contract service suppliers, and independent professionals to conduct business in the EU.
- While variations exist across Member States, CETA includes temporary entry commitments related to activities such as: meetings or consultations; research and design; marketing research; training seminars; trade fairs and exhibitions; sales; purchasing; after-sales or after-lease service; and commercial transactions.
- There are also commitments in CETA specifically related to technical testing and analysis services; related scientific and technical consulting services; and mining advisory services potentially related to oil and gas.

Trade in services

- CETA establishes greater transparency in the EU Services market, resulting in better, more secure and predictable market access in areas of interest to Canada, such as engineering and integrated engineering; research and development services; and technical testing and analysis services.
- Canadian service suppliers and firms are on equal footing with their EU competitors, and CETA commitments on cross-border services guarantee access for Canadian service suppliers in the EU market in activities related to the oil and gas sector.

Rules of origin and customs procedures

- For processed oil and gas products, CETA allows for access to advance rulings on the origin or tariff classifications of products.
- CETA seeks to simplify border procedures to make trade easier, more predictable, and transparent. For example, automated border procedures will be implemented where possible.

Top 5 Suppliers of Oil and Gas Products to the EU

Country	% of Import Market Share
Russia	32.1%
Norway	13.1%
Algeria	6.8%
Saudi Arabia	6.4%
Kazakhstan	4.7%
Canada (20th)	0.5%

Source: Eurostat (2016)

Under CETA, Canadian exporters of oil and gas products and services can now enjoy the advantages created from the agreement over competitors based in countries that do not have a preferential trade agreement in force with the EU.

For more detail on how CETA benefits your company, contact a Trade Commissioner today.

