



Opportunities and Benefits of CETA for Canada's Clean-Tech Exporters

Why export to the EU?

- **Significant market:** The EU is the world's third-largest importer clean-tech products, with imports totaling \$148 billion in 2016.
- **Realizable opportunities:** The EU is Canada's second-largest clean-tech export market, with opportunities for further growth.
- **Globally-oriented industry:** 87% of Canadian clean-tech companies are exporters. Due to its global nature, the Canadian clean-tech sector in particular stands to gain under CETA.

How does CETA benefit Canadian clean-tech exporters?

- CETA eliminates EU tariffs on Canadian clean-tech products.
- Canadian clean-tech service providers are on equal footing with their EU competitors and will receive better treatment than most of their non-EU competitors.
- Canadian clean-tech companies also benefit from improved labour mobility provisions, expanded access to EU government procurement opportunities, and the eligibility to test products for European conformity in Canadian facilities.

At a glance: EU tariff elimination under CETA

	Pre-CETA Tariff	Under CETA
Electronic control equipment used in photovoltaic systems and wind turbines	2.1%	0%
Gas turbines and parts of gas turbines	Up to 4.1%	0%
Wind turbine gearboxes	3.7%	0%
Clay-based soil stabilizers	Up to 6.5%	0%
UV disinfection and ozone generating equipment for water disinfection	Up to 3.7%	0%
Solar heliostats and parts of solar heliostats	Up to 4.7%	0%
Inverters	3.3%	0%
Enzymes for enzymatic CO2 capture	Up to 6.3%	0%
Industrial mufflers	2.7%	0%
Surveying and measuring instruments	Up to 3.7%	0%
Machines and appliances for environmental management (e.g. soil reclamation systems, cryogenic liquid CO2 injection systems)	1.7%	0%



Labour mobility

- CETA provisions make it easier for short-term business visitors, intra-company transferees, investors, contract service suppliers, and independent professionals to conduct business in many EU Member States.
- This may include entry without the requirement of a work permit for 90 days in any six-month period for any of the following activities: meetings or consultations, research and design, marketing research, training seminars, trade fairs and exhibitions, sales, purchasing, after-sales or after-lease service, commercial transactions, translation and interpretation (some conditions apply in some Members States).

Government procurement

- Under CETA, Canada gains new access at the sub-central level (regions and municipalities) to procurement by local contracting authorities, bodies governed by public law (e.g. hospitals, schools, academic institutions), as well as utilities.
- CETA's government procurement provisions cover a broad range of clean-tech services, including engineering and integrated engineering services, technical testing and analysis services (including quality control and inspection), and sewage and refuse disposal, sanitation, and similar services.

Regulatory cooperation and conformity assessment

- The Protocol on the Mutual Acceptance of the Results of Conformity Assessment provides a mechanism to facilitate the acceptance by Canada and the EU of test results and products certification from the other party. These provisions could reduce costs and marketing delays for Canadian producers.
- Electrical and electronic equipment (including electrical installations and appliances, and related components), measuring instruments, and certain machinery that may be relevant to the clean-tech sector are covered by the Protocol.

Top 5 Suppliers of Clean-Tech Products to the EU	% of Import Market Share
China	26.3%
United States	22.5%
Japan	8.5%
Switzerland	8.5%
South Korea	4.1%
Canada (12th)	1.4%

Source: Eurostat (2016)

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

Non-CETA related factors to keep in mind when exporting clean-tech products to the EU

- The relevance of trade shows for clean-tech companies is higher in the EU than in Canada. Trade shows are often a good source of leads for Canadian clean-tech companies interested in expanding abroad.
- Prior to exporting to the EU, Canadian clean-tech companies should be familiar with the relevant EU and national certification standards, as well as local requirements, for their products.

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

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