



Rialtas na hÉireann
Government of Ireland

The EU Canada Comprehensive Economic Trade Agreement

What it Means for Irish Exporters



Prepared by the Department of Business,
Enterprise and Innovation
www.dbei.gov.ie

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Comprehensive Economic Trade Agreement

The Comprehensive Economic and Trade Agreement (CETA) between the EU and Canada came into effect on a provisional basis in September 2017. CETA makes doing business between Ireland and Canada easier by:

- Scrapping the vast majority of customs tariffs for Irish exporters and importers
- Creating new opportunities for exporters
- Opening up the Canadian services markets to Irish firms
- Making it easier for Irish company representatives to serve their customers in Canada
- Encouraging more investment between Ireland and Canada

Existing Strong Trade Links with Canada

Canada is well disposed to trade with Ireland. Indeed, there is an overwhelmingly positive attitude towards Ireland. Relations between Ireland and Canada are close, based on a long-standing combination of family ties, cultural affinities and shared democratic political traditions. Almost 4.3 million Canadians claim some Irish ancestry. For exporters, this can be of immense assistance in terms of opening doors and establishing rapport.

Canada continues to be one of the largest export markets for Irish companies with over €1.35 billion worth of goods from Irish companies exported to Canada last year. 2018 was the first full year of CETA, which has been a tremendous support in helping Irish companies increase their exports to Canada.



Canada is Ireland's 7th biggest trade partner outside the EU

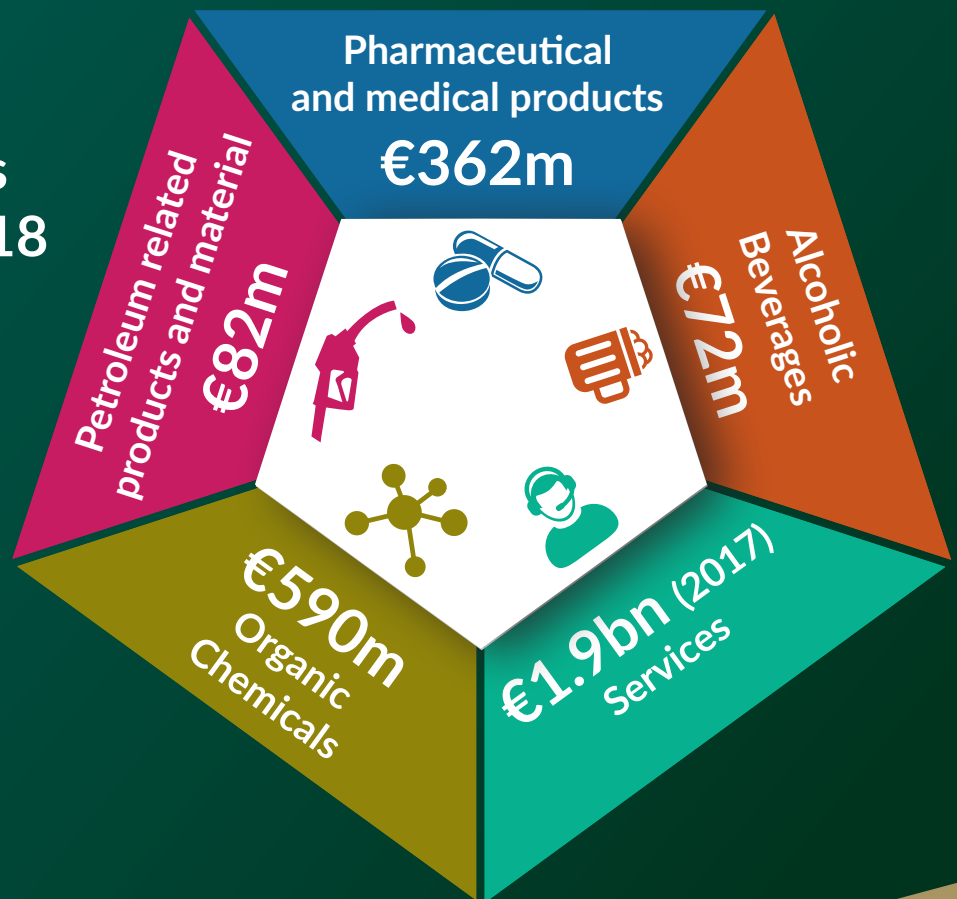
€820m - The value of Ireland's trade surplus in goods with Canada

€1.35bn - The value of Irish goods exports to Canada

€530m - The value of Irish imports from Canada



Top Irish exports to Canada in 2018



Canadian Opportunities

If you are considering availing of the benefits that CETA offers, the following statistics highlight the potential of the Canadian market

- **The 10th largest economy in the world**
- **37 million wealthy consumers**
- **High levels of GDP per capita**
- **Second largest country in the world**
- **15% of Canadians identify as ethnically Irish**
- **Known for natural resources, lumber and manufacturing (aircraft and cars)**
- **Services account for 70% of the economy, notably financial services and content production**

CETA offers new opportunities for Irish businesses of all sizes to export to Canada. The agreement eliminates tariffs on 99% of products that the EU trades with Canada while fully protecting the EU's sensitive sectors. The agreement means that 143 high-quality EU food and drink products (the "geographical indications" e.g. Irish Whiskey) can now be sold under their own name in Canada and are protected from imitation.



99%
OF TARRIFS
ELIMINATED

The agreement eliminates tariffs on 99% of products that the EU trades with Canada while fully protecting the EU's sensitive sectors.

*98% of tariffs were scrapped upon entry into force



How Does CETA work in Practice?

The following are some examples of how CETA makes it easier for Irish companies operating in selected sectors to gain access to the Canadian market and for Irish people to work in Canada.

Pharmaceutical Industry

CETA gives Irish innovations, copyrights and trademarks a similar level of protection in Canada as they enjoy in Europe. CETA also covers intellectual property rights for pharmaceuticals.

The protocol on mutual recognition of Good Manufacturing Practices (GMP) will make it easier to trade in this sector, by allowing one Party's authorities to accept GMP compliance certificates issued by the other Party.

Food and Drink

Canada previously limited the importation of Irish cheese under a quota system. These quotas will now be more than doubled over time to allow more Irish cheese to be exported tariff free.

Terms like "Irish Whiskey" are now protected under the agreement and cannot be used unless the product is proven to be Irish.

For sensitive products such as beef and pork, CETA limits liberalisation to duty free quotas. Above these agreed quotas, tariffs continue to apply in both directions.

Public Procurement

Under CETA Canada has opened up its Government tenders to EU companies to a greater extent than any of its other trading partners. Irish companies will now be able to provide goods and services at Federal, Provincial and Municipal level.

Increased Mobility for Services Suppliers

CETA establishes legal certainty and significantly improves mobility for services suppliers because it:

- makes it easier to transfer key personnel across the Atlantic
- removes a residency requirement so that Irish lawyers, accountants, architects and engineers can service Canadian customers from Ireland.

Recognition of Qualifications

CETA enables professionals to find new job opportunities in the EU and Canadian markets. Ireland and Canada have organisations which represent regulated professions and CETA provides a framework for negotiating agreements which can lead to the recognition of each other's qualifications.

Certification

CETA will enable Irish companies to do away with costs of double testing thanks to the provisions on recognition of conformity assessment certificates in sectors such as Machinery, Electrical goods and Electronic equipment.

Hanna Hats

Hanna Hats designs and manufactures high-end quality headwear using the finest Irish tweed and linen. CEO of Hanna Hats, Eleanor Hanna says: "Under the new duty rates our Canadian customers can purchase Hanna Hats products without the sting of additional costs, promoting growth in sales for all."



Getting the Benefits of the Deal

Registered Exporter System Number

The first step in availing of the reduced tariffs is to register in the Registered Exporter System (REX) and get a REX Number. To do this you must fill out a REX application form and send it to the customs section of Revenue.

Once a company is registered in this system they may now make a statement of origin using their REX number.

Statement of Origin

To make sure that a product classifies as European, the Rules of Origin should be consulted. See following pages for a brief introduction. For more detail there is a CETA guide, as well as useful links at the end of this document.

Harmonised Commodity Description and Coding System

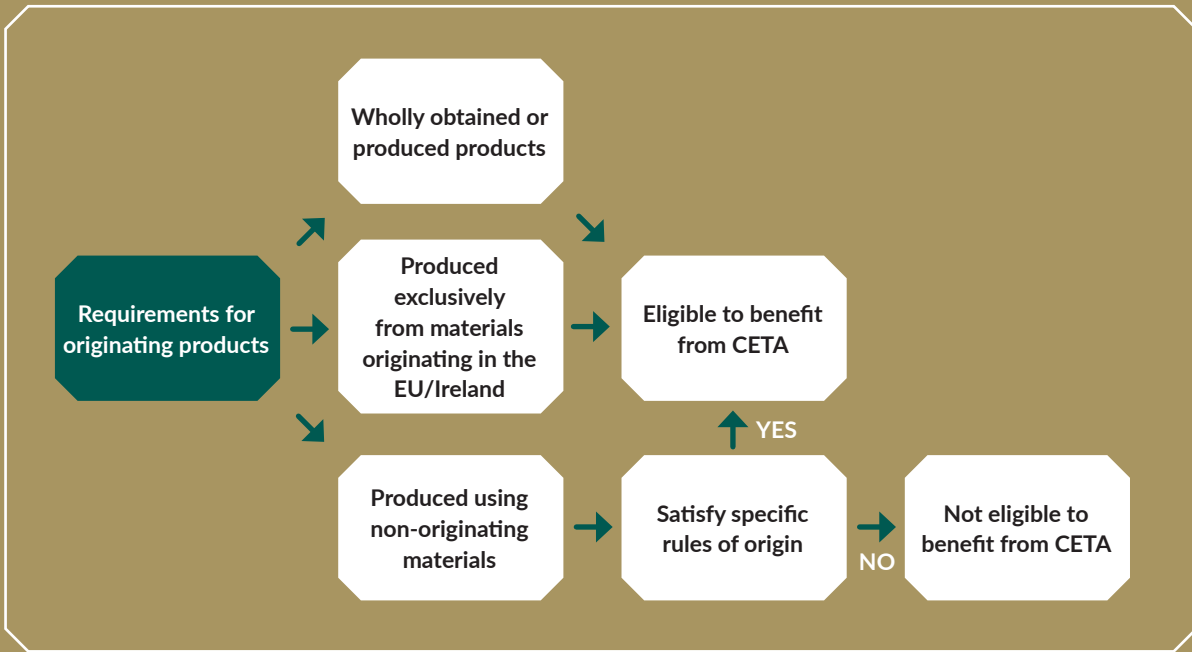
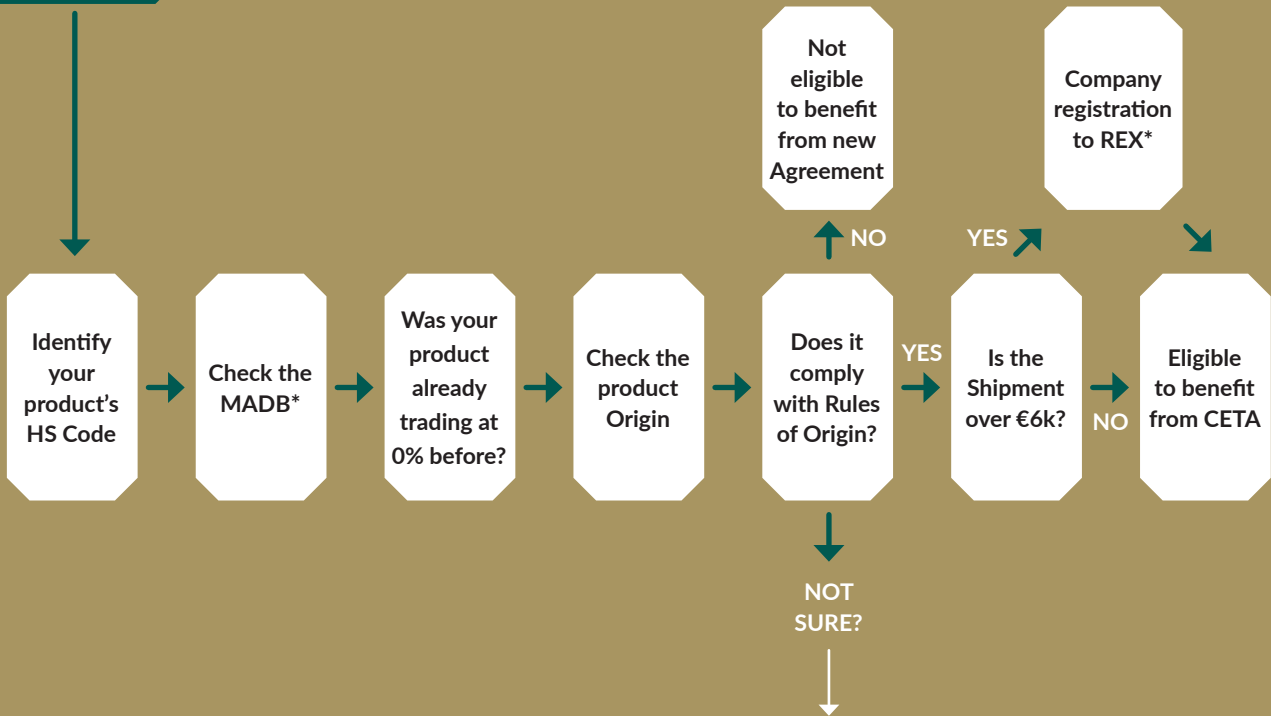
The World Customs Organisation develops and maintains a coding system for products that is the standard used in international trade. Harmonised System (HS) codes are used worldwide to classify goods. Information on tariff codes is available from the EU's TARIC Consultation page. Exporters will need to state their product's HS code in order to avail of the new tariffs.

Product Certification

If your company's products fall into the categories* covered by the agreement a recognised European testing center can certify them for use in Canada. This is particularly helpful to smaller companies as they don't pay twice for the same test, and time to market is shortened as products do not have to be tested and certified in Canada.

*Electrical and electronic equipment, radio and telecommunications terminal equipment, toys, construction products, machinery (including parts), components (including safety components), interchangeable equipment, assemblies of machines, measuring instruments, hot-water boilers (including related appliances), electromagnetic compatibility (EMC).

Tariff Check



*MADB - Market Access Database
 *REX - Registered Exporter System

Rules Of Origin



Government Supports

The Department of Business, Enterprise and Innovation (DBEI) plays a key role in implementing the Government's policies of stimulating the productive capacity of the economy and creating an environment which supports job creation and maintenance.

The Department is assisted in implementing these tasks by a number of its Offices and Agencies. Working with one of the Agencies, Enterprise Ireland, DBEI's remit includes growing and deepening export opportunities.

Enterprise Ireland (EI) supports the development and growth of Irish exports in world markets, working in partnership with Irish entrepreneurs and enterprises to help them start, grow, innovate and win export sales in global markets. The Agency has a structured process for working with individual companies as they identify goods and services opportunities and begin to enter new markets.

Through its network of 34 overseas offices (including Toronto and Montreal), EI provides client companies with key supports in target markets. EI's client companies can access market knowledge on a regional and industry-specific sectoral basis, gain introductions to buyers/suppliers/partners, secure in-market and market intelligence, and access Incubation and Hot-Desking Facilities.



Further Information and Useful Links

Department of Business, Enterprise and Innovation:

<https://dbei.gov.ie/en/What-We-Do/Trade-Investment/Free-Trade-Agreements/>

Enterprise Ireland – Canada:

<https://www.enterprise-ireland.com/en/Export-Assistance/International-Office-Network-Services-and-Contacts/Canada.html>

European Commission – CETA Information:

<https://ec.europa.eu/trade/policy/in-focus/ceta/>

REX application form:

<https://www.revenue.ie/en/customs-traders-and-agents/documents/application-for-rex.pdf>

Customs section of Revenue:

<https://www.revenue.ie/en/contact-us/customs-ports-and-airports/customs-division.aspx>

TARIC Consultation Page:

https://ec.europa.eu/taxation_customs/dds2/taric/taric_consultation.jsp?Lang=en&Expand=true&SimDate=20190816

CETA Rules of Origin Guide:

https://ec.europa.eu/taxation_customs/sites/taxation/files/ceta_guidance_en.pdf

Market Access Database:

<https://madb.europa.eu/madb/>

The Ireland Canada Business Association:

<https://irelandcanada.com/>

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