



CANADA-EUROPEAN UNION

COMPREHENSIVE ECONOMIC AND TRADE AGREEMENT



QUICK FACTS

With CETA's provisional application, almost 94% of the EU agricultural tariff lines are now duty-free, including tariff lines for specialty products such as vitamin-infused water, maple water and energy drinks.

Canadian exports of non-alcoholic beverages to the EU: CDN \$14.7 million (2016)*

In 2016, Canada was the second largest exporter of cranberry juice to the EU**

*Source: CatsNet/**Global Trade Tracker

Opportunities and Benefits of CETA for CANADIAN NON-ALCOHOLIC BEVERAGE EXPORTERS

As of September 21, 2017 – the Comprehensive Economic and Trade Agreement (CETA) date of provisional application – the elimination of European Union (EU) tariffs will help Canadian producers, processors and exporters to be more competitive in the EU. Some Canadian non-alcoholic beverages were subject to tariffs as high as 33.6%. Previously, approximately 18% of EU agriculture tariff lines were duty-free.

Examples of products that will be duty-free following provisional application:

DUTY-FREE AS OF SEPTEMBER 21, 2017

Product (illustrative list only)	EU tariffs have been as high as:
Concentrated Grape Juice	22.4% + 131 euros/hl + 20.6 euros/100 kg
Non-alcoholic Beverages Containing Milk	5.4% + 21.2 euros/100 kg
Certain Fruit Juices (e.g. Blueberry and Cranberry)	17.6%
Apple Juice	30% + 18.4 euros/100 kg
Carbonated/Mineral Water	9.6%

Classifying a Product

To determine whether your product qualifies for preferential duty-free access now that CETA is provisionally applied, you can seek an advanced ruling through the EU's [Binding Tariff Information \(BTI\) system](#), which provides Canadian exporters with the opportunity to obtain a binding, written ruling concerning the tariff classification of their product prior to export.

This provides exporters with assurance regarding the tariff classification that their product will receive, as well as further guidance and information regarding the rule of origin that the products must satisfy in order to benefit from preferential tariff treatment under CETA.





Rules of Origin

Under CETA, only those products that undergo sufficient production in Canada or the EU are considered originating products and are therefore eligible for preferential tariff treatment. Canadian non-alcoholic beverages produced from inputs that are wholly obtained (i.e. grown and harvested) in Canada or the EU are considered originating and will benefit from preferential tariff treatment.

Canadian non-alcoholic beverages that are produced from non-originating (i.e. imported) inputs must satisfy the applicable product-specific rule of origin ([CETA, Annex 5 of the Rules of Origin Procedures Protocol](#)) in order to be considered originating. Canadian exporters can seek an [EU Binding Origin Information \(BOI\)](#) advance ruling on whether a product qualifies as originating under CETA. These rulings are binding on customs authorities in all EU Member States.

For example, for products classified under Harmonized System (HS) code 2202.10, the net weight of non-originating:

- a) Sugar used in production cannot exceed 20% of the net weight of the product, and
- b) Chapter 4 materials (dairy, honey, eggs) used in production cannot exceed 20% of the net weight of the product.

Origin Quota

Canadian producers of certain juices (blueberry and cranberry) may also benefit from preferential tariff treatment under CETA through the alternative rules of origin associated with the Origin Quotas established under CETA.

For Canadian producers of certain processed products that contain non-originating materials/ingredients in amounts that exceed the prescribed thresholds, CETA sets out volume-limited Origin Quotas ([Annex 5A: Table A.3 of the Rules of Origin Procedures Protocol](#)). For more information, please visit: [Global Affairs Canada Notice to Exporters webpage](#).

Exporting to the EU

Other requirements may apply (e.g., labelling, packaging, additives allowed) so make sure you are aware of them.

Learn more about CETA, doing business in Europe and other requirements that may apply, at: www.international.gc.ca/ceta and www.agr.gc.ca/business-europe

GET HELP NAVIGATING THE MARKET.

Contact a Trade Commissioner in your export market:
www.tradecommissioner.gc.ca/eng/find-trade-contacts.jsp
or the Market Access Secretariat: MAS-SAM@agr.gc.ca

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