



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 Canada's top sugar-containing product exports such as bubble/chewing gum, sugar candy and coffee syrups.

Canadian exports of sugar-containing products to the EU: **CDN \$100.1 million (2016)***

*Source: CatsNet/**Global Trade Tracker

Opportunities and Benefits of CETA for **CANADIAN CONFECTIONERY 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 confectionery products were subject to tariffs as high as 50.7 euros/100 kg. Previously, approximately 18% of EU 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:
Maple Sugar and Syrup	8%
Toffees/Caramel Candy/Cough Drops	9% + EA MAX 18.7% + AD S/Z*
Chewing Gum	6.3% + 30.9 euros/100 kg + EA MAX 18.7%*
Molasses	0.35 euros/100 kg
Sugar Syrups	20 euros/100 kg
Chocolate	8.3% + EA MAX 18.7% + AD S/Z

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 products prior to export. This provides exporters with assurance regarding the tariff classification that their products 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 confectionery products 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.

Confectionery products that are produced from non-originating (i.e. imported) inputs must satisfy the applicable product-specific rules 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.

Origin Quota

For Canadian producers of certain sugar and chocolate confectionery products that contain non-originating/imported materials or ingredients in amounts that exceed the prescribed thresholds, CETA sets out a volume-limited Origin Quota which provides for more liberal alternative rules of origin.

The 10,000-tonne (net weight) origin quota for Sugar Confectionery and Chocolate Preparations allows certain products to be exported from Canada to the EU duty-free, provided that the rule of origin applicable to the origin quota is met ([Annex 5A: Table A.2 of the Rules of Origin Procedures Protocol](#)).

For more information, please visit: [Global Affairs Canada Notice to Exporters webpage](#) for the Sugar Confectionery and Chocolate Preparations Origin Quota and [Global Affairs Canada Notice to Exporters webpage](#) for the High-Sugar Containing Products Origin Quota.

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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