



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 Canadian cereal preparations, such as pastas, breads, waffles and crispbreads. Canada is an important global exporter of high-quality cereal grains and cereal preparations.

Canadian exports of processed cereals to the EU: CDN \$38.1 million (2016)*

*Source: CatsNet

Opportunities and Benefits of CETA for CANADIAN PREPARED CEREAL 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 processed cereals were subject to tariffs as high as 54.30 euros/100 kg. 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:
Cereals in grain or flake form	8.3% + 25.70 euros/100 kg
Roasted or puffed cereal products	5.1% + 33.60 euros/100 kg
Rusks, toasted breads	9.7% + EA*
Muesli-type preparations based on unroasted cereal flakes	9% + EA*
Dried, prepared pasta (excluding stuffed)	6.4% + 24.60 euros/100 kg
Certain gingerbread	10.1% + 31.40 euros/100 kg

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 cereal preparations produced from inputs that are wholly obtained (e.g., grown and harvested) in Canada or the EU are considered originating and will benefit from preferential tariff treatment.

Cereal preparations that are produced from non-originating (e.g., 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.

Origin Quota

Canadian producers of certain preparations of cereals may also benefit from preferential tariff treatment through the alternative rules of origin associated with the Origin Quotas established under CETA.

The 30,000-tonne (net weight) Origin Quota for Processed Foods allows certain processed cereals and baked products to be exported from Canada to the EU duty-free, if the applicable rules of origin of the Origin Quota are met ([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

If cereal preparations are from a genetically modified (GM) crop, the GM trait must be authorized in the EU and the product labelled accordingly. Check the EU's [GMO database](#) for EU authorizations and information on [GM labelling](#). The EU has a zero-tolerance approach to trace amounts of unapproved GM material in imported food. Other requirements may also apply (e.g., 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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