# EU-Canada Trade

## Benefits of CETA for Business

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## What is CETA?

The EU recently concluded and signed a new free trade deal with Canada - the Comprehensive Economic and Trade Agreement, or CETA for short. This agreement will remove over 99% of tariffs between the EU and Canada and will create sizeable new market access opportunities in services and investment and will help to generate growth and jobs by:

- boosting exports
- lowering the cost of the inputs businesses need to make their products
- offering greater choice for consumers, and
- upholding the EU's strict standards for products

## What's in it for business?

- It will help to generate growth and jobs at home
- It aims to level the playing field for companies in the EU and Canada, both big and small
- It cuts customs duties for trading companies
- It cuts duplication and other costs for exporters, without impacting on high standards
- It allows EU firms to bid for Canadian public contracts
- It protects intellectual property rights of creative industries
- It promotes investment

## Why is it good for Ireland?

With a long history of cultural, economic and political ties, Ireland's enterprises are particularly well placed to take up opportunities to trade more easily with Canada. There are a range of sectoral opportunities for Irish Companies in Canada, including-

- Financial Software,
- Telecoms sector,
- Digital Media, Content & Gaming,
- Government Software Applications,
- Agricultural Machinery, Engineering & Materials handling, and
- Life-sciences & Medical devices

The current total value of Irish exports to Canada is €2.3 million per year, with total imports valued at €729 million. Once the trade agreement takes effect, Ireland could expect to see exports to Canada rise by €500 million per annum. Ireland will gain unlimited tariff free access for most of our important food exports. Irish firms, particularly SMEs, will also benefit

from the recognition of product standards and certification, thus saving on 'double testing' on both sides of the Atlantic.

Almost half of benefits anticipated under the CETA are expected to be in the services sector. CETA also presents many investment opportunities for Ireland. The stock of Canadian direct investment into Ireland amounted to approximately €11 billion at the end of 2015. An increased focus on attracting trade and investment from Canada is likely to see this figure grow.

Additionally, for the first time, Canadian provinces, territories and municipalities will open their procurement markets to third countries. Information on tenders will be made available on a single procurement website which will facilitate the easy access for firms to procurement opportunities in Canada, making the trading landscape easier to navigate, particularly for SMEs.

CETA will provide opportunities for Irish based firms to further diversify their export markets. The issue of growing market share in other markets is now made even more important by the result of the recent UK referendum on its membership of the EU.

## What happens next?

CETA was signed by Canada and the EU on the 30th of October and the International Trade Committee of the Parliament (INTA) voted in favour of the agreement on the 24th January 2017.

It must now be voted on by the European Parliament before it can be provisionally applied. It is likely that this vote will take place in late February. Following the provisional application, it will then be subject to the approval of all Member States through the relevant national ratification procedures, in Ireland's case, Dáil Eireann will be required to vote on it.

## Useful Information

DG Trade: CETA

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