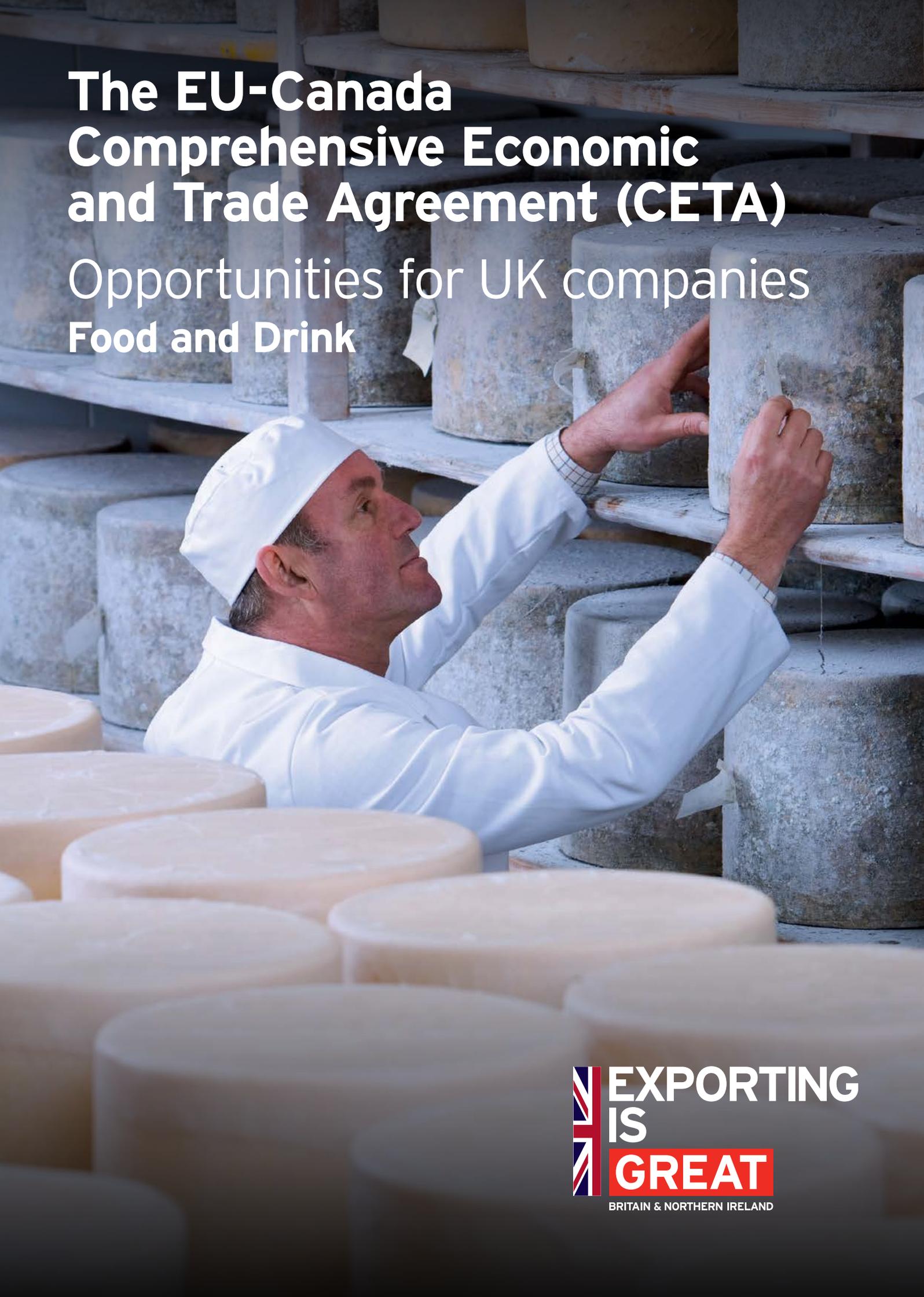


The EU-Canada Comprehensive Economic and Trade Agreement (CETA)

Opportunities for UK companies
Food and Drink



What is CETA?

The Comprehensive Economic and Trade Agreement, or CETA, is a trade agreement between the EU and Canada. By boosting trade, CETA will create jobs, growth and new opportunities for UK companies.

CETA is the most extensive free trade agreement to date. It will benefit UK companies by removing 98% of the duties (taxes) they currently have to pay at Canadian customs. The same will apply to Canadian businesses exporting to the EU.

CETA will make it easier and cheaper to export goods and services between the UK and Canada. The agreement will:

- Eliminate nearly all Canadian import duties
- Create more opportunities to bid for public contracts in Canada
- Make it easier to access Canadian services and investment markets
- Improve the framework for temporary movement of key company personnel and service-providers between the EU and Canada
- Allow UK engineers, accountants, architects and other service professionals to provide their services in Canada more easily
- Strengthen the Canadian intellectual property environment
- Increase cooperation between European and Canadian standard setting bodies



This industry factsheet provides an outline of the opportunities for the Food and Drink sector.

Doing business in Canada

With a shared history, political system and language, Canada is a welcoming environment for British business.

Canada is the world's 11th largest economy, with a population of over 35 million people. The UK is Canada's sixth largest source of goods imports, and second largest source of services imports. In 2015 the UK exported £7.3bn of products to Canada (£4bn goods/£3.3bn services). Top UK exports to Canada include metals, petroleum products, aerospace products, automotives, pharmaceuticals and spirits. The UK is Canada's third largest goods export market and second largest services export market.

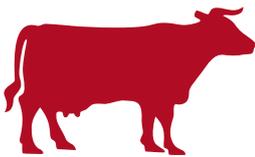
The UK is the fourth largest source of investment into Canada and second most popular destination for Canadian investment abroad. UK investment stocks in Canada are £41bn and Canadian investment in the UK is £47.7bn.

In addition to being a large developed market, Canada also provides an excellent starting point for entering other regional markets. Canada has a free trade agreement with the United States and Mexico, as well as many Latin American countries.



Food and drink opportunities from CETA

The Canadian market has a high demand for high quality imported food and drink products. CETA means many customs duties on farm produce, processed foods and drinks will disappear. There will also be a substantial reduction in non-tariff barriers.



Beef

Canada has lifted the import ban on UK beef and CETA eliminates all tariffs. British companies will now be able to compete on a level playing field with competitors from the US.



Prepared foods

CETA will eliminate tariffs on a number of products of interest to British exporters. This includes items such as jams, marmalades, sauces, condiments, mayonnaise and salad dressings.



Cheese

Under CETA, Canada has agreed to increase cheese import quotas (duty free imports). The quota quantities will increase gradually over several years to eventually reach 16,000 tonnes of high quality cheese, with an additional 1,700 tonnes for industrial cheese.



Beverages

Annual alcohol sales total CAD \$36.8bn in Canada (more than 3 billion litres consumed). CETA will mean the elimination of Canadian customs duties payable on the import of certain ciders, wines, spirits and soft drinks originating from the UK into Canada. Alongside tariff reduction, blending requirements for spirits will be removed. Currently, UK companies can only import bulk spirits into Canada if they are to be blended with domestic spirits before bottling.

CETA now prohibits cost of service fees charged by liquor boards on an ad valorem basis. This means that exporters sending over higher value products will no longer be disadvantaged compared to domestic products.

Export support

To benefit from preferential tariff treatment under CETA:

- If you export goods over €6000, you need to be a Registered Exporter (REX). HMRC has already pre-registered some exporters.
- A Registered Exporter must include their REX number in their origin declaration.
- If the value of your exports never exceeds €6000 you do not need to be registered, you only need to make an origin declaration.
- HMRC provides advice on this, including how to check if you have been pre-registered. There is an information note on the [HMRC website](#).
- To benefit from the reduction in custom duty under CETA goods must have undergone sufficient production in the EU. For details on rules of origin requirements, please see the [Protocol on Rules of Origin and Origin Procedures](#).

Right now, the world wants UK products, services, skills and expertise.

The Department for International Trade (DIT) helps businesses sell overseas and grow internationally.

Support in Canada



DIT provides professional and personalised assistance in Canada through the High Commission in Ottawa, and offices located across the country in Vancouver, Calgary, Toronto and Montreal.

Support in the UK



Businesses can access advice from our network of partners including financial services providers, logistics companies and eCommerce platforms.

Find an export opportunity



Search and apply for hundreds of export opportunities.

Find a buyer

Search



Set up your Find a Buyer profile to showcase your business across the world and generate international sales leads.

Guides to exporting



Our Canada country guide has information for new, occasional and existing exporters.

Find the right online marketplace

Search...



We help businesses find the best online marketplace to sell their products and take advantage of preferential deals.

Take your first or next step to sell overseas. Visit great.gov.uk
The demand is out there, you should be too.



Department for International Trade

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Department for International Trade

The UK's Department for International Trade (DIT) has overall responsibility for promoting UK trade across the world and attracting foreign investment to our economy. We are a specialised government body with responsibility for negotiating international trade policy, supporting business, as well as delivering an outward-looking trade diplomacy strategy.

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