



Benefits for Prince Edward Island (PEI)

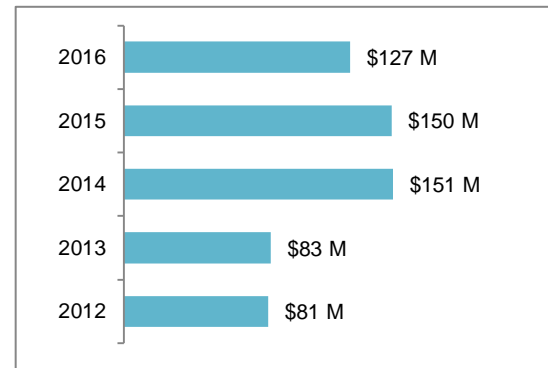
What is CETA?

- The Comprehensive Economic and Trade Agreement (CETA) is a free trade agreement between Canada and the European Union, covering virtually all sectors and aspects of Canada-EU trade.
 - Prior to CETA's provisional application, only 25 percent of EU tariff lines on Canadian goods were duty-free.
 - Following CETA's provisional application, the EU removed tariffs on 98 percent of its tariff lines.
 - After seven years, the EU will have eliminated tariffs on 99 percent of its tariff lines.
- For service providers, CETA grants the best market access that the EU has ever provided in a free trade agreement.
- CETA helps create middle-class jobs, strengthen economic relations with the EU, and boost Canada's trade with the world's second-largest market with over 500 million consumers and a \$22 trillion GDP.

Benefits for PEI Companies:

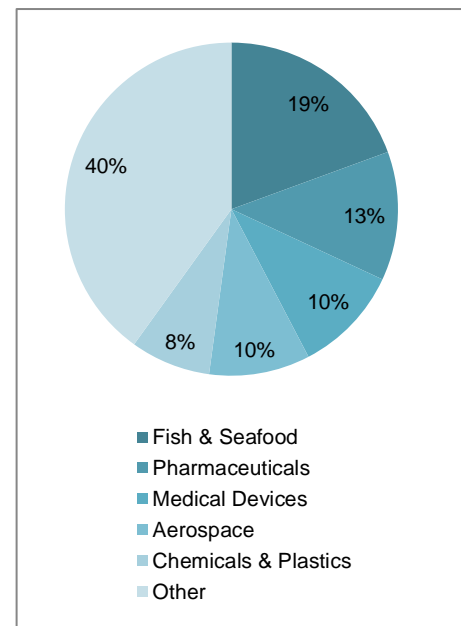
- Under CETA, 98 percent of EU tariff lines are immediately duty free for PEI goods, including for **medical devices, chemicals and plastics** and most **fish and seafood**.
- Preferential access to and greater transparency in the EU services market.
- Enhanced labour mobility for business-related travel
- Ability to bid on procurement contracts at all levels of EU government.
- Greater certainty, transparency, and protection for investments.

Merchandise Exports from PEI to the EU (2012 – 2016)



Source: Statistics Canada

Principal Merchandise Exports from PEI to the EU (2016)



Source: Statistics Canada

To learn more about CETA, visit our website: www.international.gc.ca/CETA

The Canadian Trade Commissioner Service provides expert advice and key contacts for exporters, partners and investors.
Contact a Trade Commissioner today: tradecommissioner.gc.ca

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Benefits for Prince Edward Island (PEI)

Fish and Seafood

- The EU is the world's largest importer of fish and seafood, accounting for 28% of global fish and seafood imports in 2016.
- CETA helps make PEI's fish and seafood exports more competitive in the EU market.
- Before CETA, EU tariffs on fish and seafood products averaged 11% and could be as high as 25%. Under CETA, the EU has eliminated tariffs on almost 96% of its fish and seafood tariff lines, with remaining tariffs to be phased out over 3, 5 or 7 years. For products of interest to PEI's fish and seafood industry:

	Pre-CETA tariffs	Under CETA
live lobster	8%	0%
frozen lobster	up to 16%	tariff phase-out over 3 years
processed lobster	20%	tariff phase-out over 5 years
oysters	9%	0%

Life Sciences

- The EU, as the world's second largest importer of pharmaceuticals and medical devices, holds significant potential for PEI's exporters.
- CETA immediately eliminated all EU tariffs on medical equipment, making PEI's exports more attractive in the EU market.
- CETA facilitates the ability of professionals in the life sciences sector to conduct business in the EU, for example, to attend meetings and consultations, participate in trade fairs and exhibitions, and deliver specialized services (including **technical testing and analysis services** and **research and development services**).
- PEI exporters of medical equipment gain access to EU procurement opportunities at all levels of EU government, including procurement at the sub-central level (regions and municipalities) by hospitals and universities.
- For procurement opportunities, suppliers can access tender notices for all CETA-covered procurements using the Tenders Electronic Daily portal (TED, at ted.europa.eu).
- Under CETA, new intellectual property protections for innovators make Canada a more attractive environment for EU companies investing in life sciences.

Advanced Manufacturing

- CETA makes goods manufactured by PEI companies more competitive in the EU market by eliminating EU tariffs on a wide range of industrial products, including:

	Pre-CETA tariffs	Under CETA
chemicals and plastics	up to 6.5%	0%
machinery and equipment	up to 8%	0%

- PEI exporters will be able to have certain goods (such as machinery and parts) tested to EU standards by a certification body in Canada, and the results of the tests will be recognized by the EU, thereby avoiding testing duplication and reducing costs.