



## Benefits for Northwest Territories

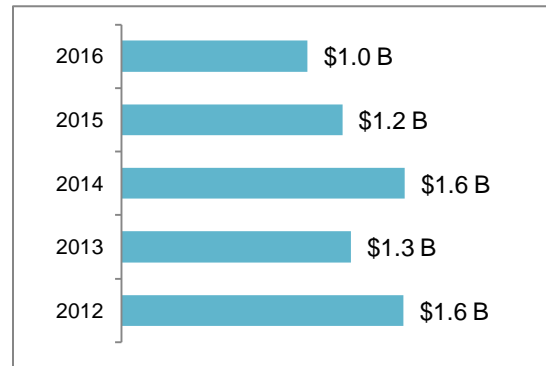
### What is CETA?

- 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 entry into force, 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.
  - Once CETA is fully implemented, 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 Northwest Territories Companies:

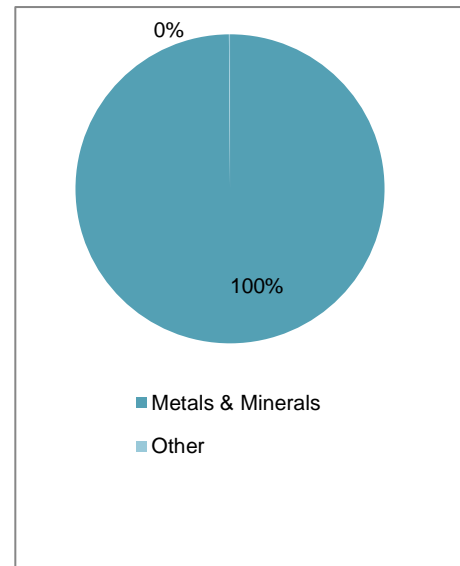
- Under CETA, 98 percent of EU tariff lines are immediately duty free for the Northwest Territories' goods, including for **metals and minerals** and most **fish and seafood**.
- Improved access to the EU for Northwest Territories' service suppliers in areas such as technical and professional services.
- 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 the Northwest Territories to the EU (2012 – 2016)**



Source: Statistics Canada

**Principal Merchandise Exports from the Northwest Territories to the EU (2016)**



Source: Statistics Canada

To learn more about CETA, visit our website: [www.international.gc.ca/CETA](http://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](http://tradecommissioner.gc.ca)



## Benefits for Northwest Territories

### Metals, Minerals and Mining

- The EU is the world's largest importer of metals and minerals and its consumption has grown rapidly over the past decade.
- The Northwest Territories is abundant in mineral resources, including diamonds, gold, lead, zinc, copper, and iron ore.
- On day one of provisional application, CETA eliminated all tariffs on the region's exports of metals and minerals, making these products more competitive in the EU market. For example:

|                                       | Pre-CETA tariffs | Under CETA |
|---------------------------------------|------------------|------------|
| <b>unwrought zinc and zinc alloys</b> | <b>2.5%</b>      | <b>0%</b>  |
| <b>yungsten</b>                       | <b>up to 6%</b>  | <b>0%</b>  |
| <b>cobalt</b>                         | <b>up to 3%</b>  | <b>0%</b>  |

- Under CETA, Northwest Territories' extractive industry benefits from preferential access to provide technical and advisory services in the EU. Service providers from the Northwest Territories can compete on equal footing with EU service providers and receive better treatment than most of their non-EU competitors.
- CETA's labour mobility provisions make it easier for highly-skilled professionals in the mining sector to conduct business in the EU, for example, to attend meetings, negotiate sales, and provide engineering and technical consulting services.
- CETA also spurs investment by providing Canadian and EU investors in the mining industry with greater certainty, transparency, and protection for their investments.

### 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 fish and seafood exports from the Northwest Territories more competitive in the EU market.
- Before CETA, EU tariffs on fish and seafood products averaged 11% and could be as high as 25%. Upon CETA's provisional application, the EU 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 the Northwest Territories' fish and seafood industry:

|   | Pre-CETA tariffs | Under CETA                           |
|---|------------------|--------------------------------------|
| <b>frozen halibut</b>                     | <b>up to 15%</b> | <b>0%</b>                            |
| <b>frozen shrimp</b>                      | <b>12%</b>       | <b>0%</b>                            |
| <b>clams</b>                              | <b>up to 11%</b> | <b>tariff phase-out over 5 years</b> |
| <b>frozen crab (other than snow crab)</b> | <b>7.5%</b>      | <b>tariff phase-out over 3 years</b> |

### Aboriginal Businesses

- In all of Canada's international trade agreements—including CETA—Canada has included exceptions and carve-outs to ensure its ability to adopt measures that preserve rights or preferences for Aboriginal peoples.
- Nothing in CETA prevents governments from regulating in the public interest, including providing preferences for Aboriginal peoples.
- Exceptions to government procurement rules also align with what Canada has done in previous trade agreements. These include exceptions for Aboriginal businesses.