

”CETA : a gateway to diversifying British Columbia trade with France and the European Union !”

Surrey Board of Trade – June 6th 2025

Agenda

- I. CETA: driving trade, public procurement, investment and labour mobility between France and British Columbia**
- II. Understanding and benefiting from CETA: key concepts and practical tools**

1. A “new generation”, “mixed” free-trade agreement widening trade opportunities (1/2)

CETA is a “**mixed**” and “**new generation**” free trade agreement which entered into “**provisional**” force **on September 21st, 2017.**

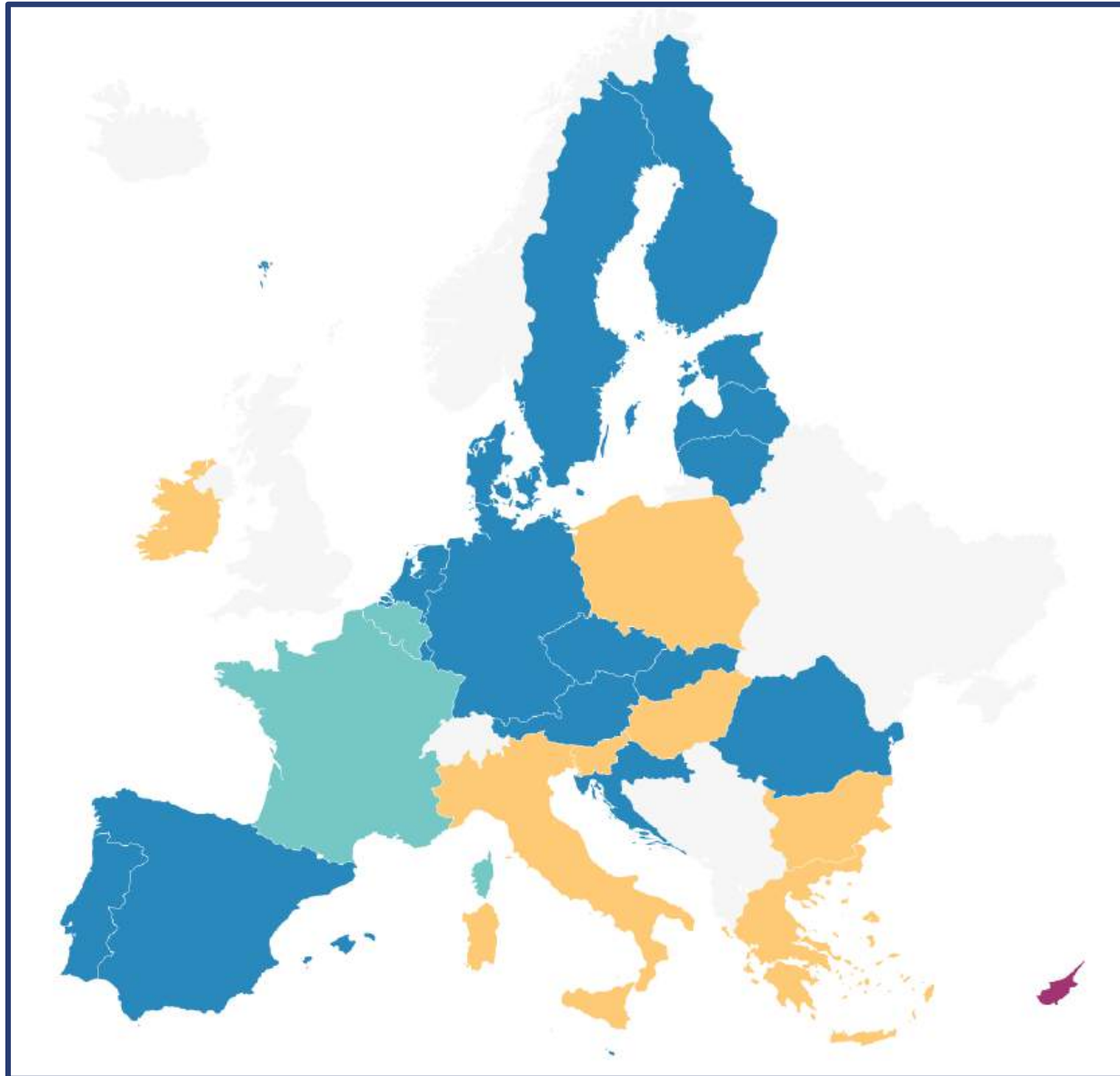
1. “Mixed”

- **Mix of exclusive competence (trade) of the European Union & shared competence (*investment control*)** between the European Union and its Member States.
- Hence, CETA must be ratified **by both** the European Union and the Member States to **fully** enter into force.
- CETA **applies since September 2017** to **all EU Member States** from the trade / public procurement / labour mobility perspectives regardless of whether the country has ratified CETA yet.

2. “New generation”

- **Innovative provisions** in addition to trade liberalization:
 1. **Dialogue committee** to deepen CETA (for some industry and by theme).
 2. A chapter on cooperation in **environmental protection**.
 3. Establishment of an **Investment Court System (ICS)** to settle disputes between States and investors (**only chapter not yet in force, requiring ratification by all EU countries**).

1. A “new generation”, “mixed” free-trade agreement widening trade opportunities (2/2)



Map legend -

Blue : ratified ;

Light blue : in process ;

Orange : not ratified yet ;

Purple : Cyprus, specific case.

- As of June 2025, **17/27 European Union Member States** have ratified **CETA**.
- **France** : the ratification process continues.
- ✓ **New:** **CETA ex-post study** **released in May 2025.**

2. What's in CETA? (1/6)

1. Reciprocal tariff elimination

✓ **Reciprocal removal of 99.5%** of tariff lines between the European Union and Canada.

Before CETA - European Union to Canada:

- Cosmetics and chemicals: 6.5%;
- Automotive spare parts and cars: 6,1%;
- Agri-food products: on average 6%;
- Equipment and machinery: on average 6.5%;
- Leather products: 10%.

Before CETA – Canada to the European Union :

- Agri-food products: 8% to 20%;
- Wood and products: between 0% and 5%;
- Automotive spare parts and cars: 3% to 10%;
- Equipment and machinery: between 1% and 6%;
- Aluminium and products of aluminium: 3.5% to 6%.

N.B: Poultry/egg products **are excluded from the CETA.**



2. What's in CETA? (2/6)

Import and export quotas for some agrifood, textiles and vehicles products:

- “First come, first served” principle.
- **Important:** a compulsory reference to ‘[Annex 5-A](#)’ of the origin protocol of the CETA text in addition to the origin declaration.
- **Pros of these quotas** (ex: *textile/apparel, some agrifood products*): allows the exporter to **benefit from a more flexible rule of origin** than the ‘common rule’ defined in the CETA text.
- **Cons:** for the Canadian importer, an [import permit](#) per shipment is required.
- Full details of products under quota, annual quotas utilization can be found on [Global Affairs Canada](#).
- ✓ **Product can also be identified thanks to [Access2Markets](#).**



2. What's in CETA? (3/6)

2. Liberalization of trade in services

- All services are liberalized under CETA with the exception of the direct management of French/EU social security.

Meaning that...

- ✓ Application of the “**national treatment**” = **no more non-tariff barriers** and no obligation to establish a subsidiary in France/the EU to export your services from Canada.
- ✓ No obligation of **technology transfer** = enhanced protection of Canadian/European **intellectual property**.

N.B: Canadian companies still have to respect and follow **French national law and European law** on an equal footing to European companies (e.g. **GDPR**, if processing personal data).



2. What's in CETA? (4/6)

3. Facilitated cross-country investments

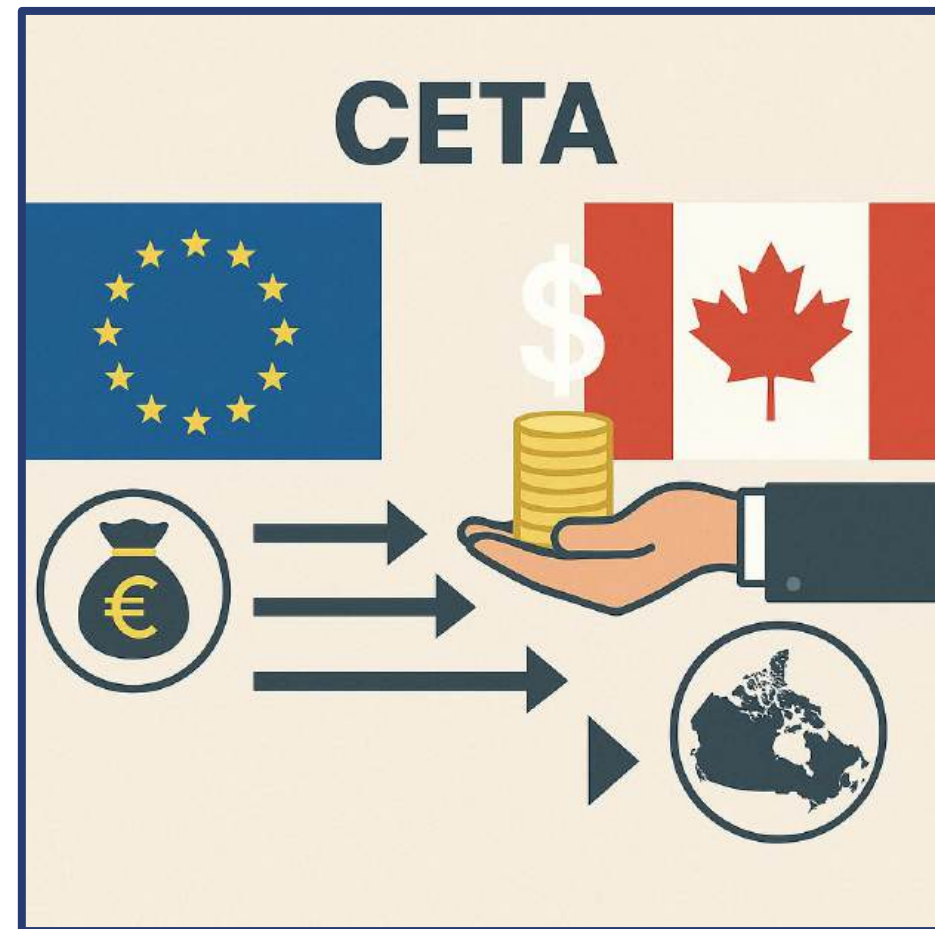
France to Canada:

- ✓ Threshold for company takeovers without investment control **raised to CAD 2.09 bn from CAD 600M.**

N.B: this threshold is revised every year to take into account inflation/exchange rate

Canada to France:

- !! Investment control is not a competence of the European Union. France follows its own rules.
- Investment control is likely if “likely to jeopardize public order and activities essential to safeguarding the country's interests”.
- **Threshold:** 25% assets of a “strategic EU company”
- ✓ Still, CETA provides **more transparency and protection** in case of investment control.



2. What's in CETA? (5/6)

4. Reciprocal opening of public procurement markets

- ✓ Opening up Canadian and European public procurement at the national and sub-national levels, with exceptions and restrictions:
 1. Goods and services: 130 000 SDR (164 000 €/229 000 CAD) at the national level; 200 000 SDR (€251 000/353 300 CAD) at the provincial/regional level and 355 000 SDR (€446 000/627 200 CAD) at the municipal level.
 2. Construction services: 5 000 000 SDR (around €6.3 M/8.8 M CAD to this day)
- ✓ A major source of earnings for French and Canadian companies: public procurement accounts for nearly 13% of the Canadian GDP and 16% of the French GDP.

Evaluate eligibility for public tenders:

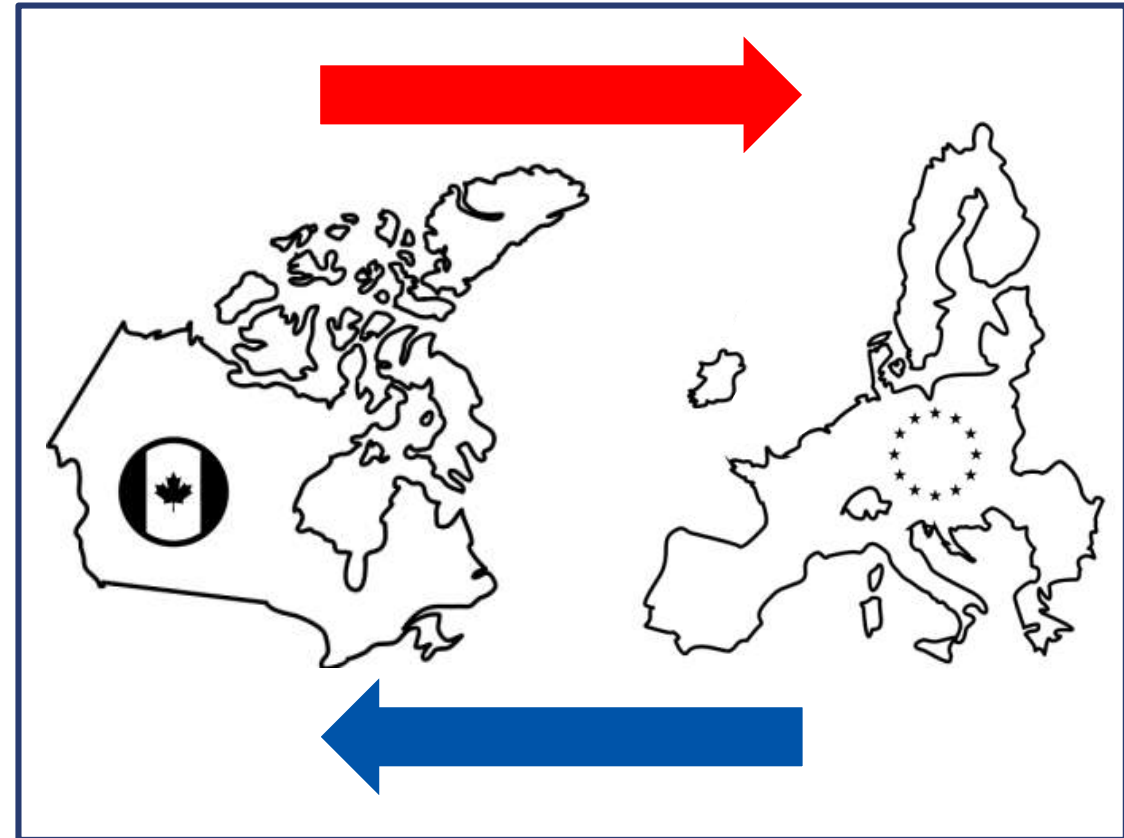
- At the **European Union level**, the Tenders Electronic Daily (TED) platform gathers all the public tenders. In addition, France, like any other EU State has also its own platform.
- Team up with a French/European company on a Canadian tender: use Canada Buys to identify where French/EU companies are eligible to CETA.
- ✓ **Maximise your chances of success over the long run**: 1) bid jointly with a French/European company for your first tenders; 2) Identify recurrent winners of the tender and become one of their suppliers; 3) set up a local subsidiary to gain notoriety.

2. What's in CETA? (6/6)

3. Greater labour mobility between the European Union and Canada

- ✓ **Three year visa for executives and specialists can be transferred to France/Canada.** Possibility of an 18-month extension, at the discretion of the French/Canadian authorities.
- ✓ **One-year visa for contracted service providers.**
- ✓ **One-year visa for investors**, renewable at the discretion of the French/Canadian authorities.
- ✓ **Three-month visa for business travel.**

New: Mutual Recognition of Professional Qualification for architects since 2024.



3. Why should I claim for CETA's tariff preferences?

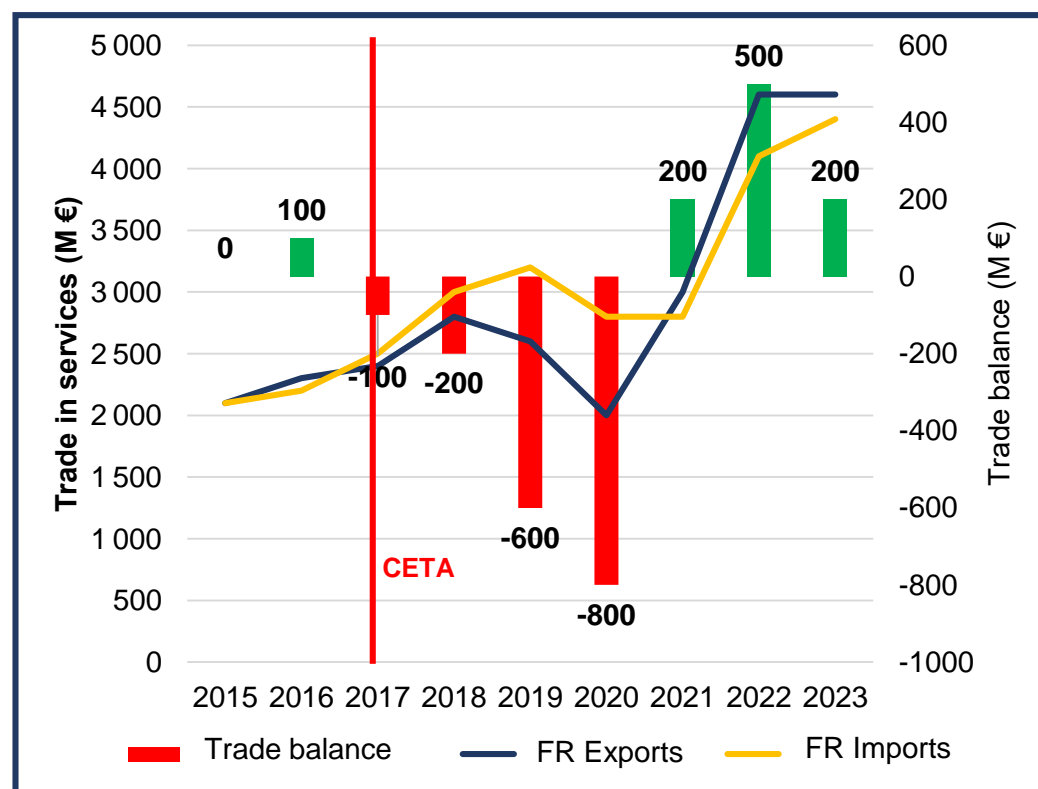
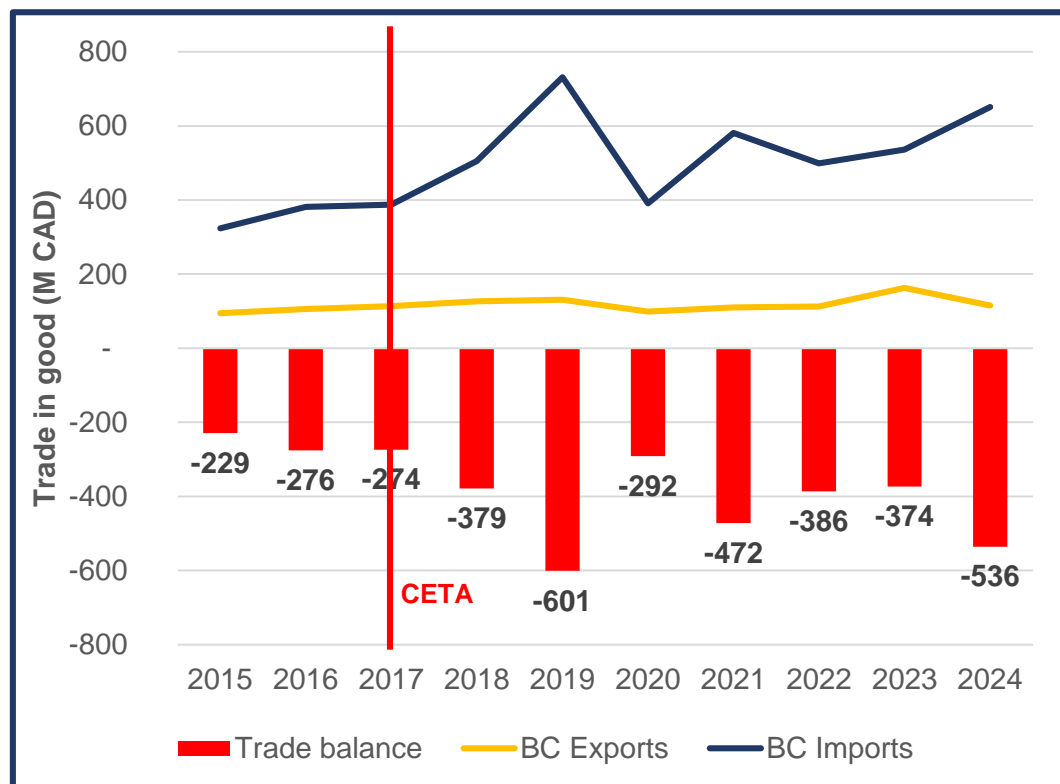
Three reasons to claim the tariff preferences offered by CETA:

1. **Competitiveness gains for the exporter** compared to other competitors from countries that do not benefit from a free trade agreement.
2. **Secure the trade relationship with the importer**, since the preferential CETA tariff (0%) applied by the exporters guarantees a net financial gain for the importer.
3. For companies with subsidiary between France and Canada: tariff elimination makes it possible to **offset part of the transportation cost and customs compliance and protect the company's margins.**



4. Seven years on, a positive outcome with more room for success (1/3)

France-BC trade in goods (left) and France-Canada trade in services (right) – 2017-2024







Source : Statistics Canada ; French Central Bank (2024 ; 2025)

- CETA has increased France-Canada trade in **goods and services**.
- **CETA improved trade ties between France and British Columbia**: France is 14th supplier (3rd among the EU), but only 20th client of BC (5rd among the EU) in 2024.
- CETA still needs to be promoted for BC companies in order to **diversify their export markets to the European Union, and France particularly**.
















4. Seven years on, a positive outcome with more room for success (2/3)

- **Significant room for export growth** for British Columbian companies interested by the French/EU market.

Main products from British Columbia exported to France in 2024			
Products (source: Statistics Canada ; 2025)	Exported value in 2024 (M CAD)	Average tariffs without claiming CETA	Changes 2017-2024
Equipment and machinery - Chapters 84, 85, 90 HS	51	Up to 6%	 35%
Chemicals products - Chapter 38 HS	36	Up to 6.5%	 158%
Wood and products of wood - Chapter 44 HS	9	Between 0% and 5%	 63%
Furniture, cutlery - Chapters 94 and 82 HS	5	Between 2% to 14%	Almost inexistant before CETA
Plastics for industrial use - Chapter 39 HS	2	Up to 6.5%	 100%
Total BC exports to France in 2024 (M CAD)	114	.	1%

4. Seven years on, a positive outcome with more room for success (3/3)

- With CETA, British Columbian companies and consumers can benefit from the **“French lifestyle” and expertise in some industrial products**

Main products from France exported to British Columbia in 2024			
Products (source: Statistics Canada ; 2025)	Exported value in 2024 (M CAD)	Average tariffs without claiming CETA	Changes 2017-2024
Aerospace products - Chapters 84, 85 and 88 HS	199,0	0%	 209%
Machines and equipment for industrial and medical use - Chapters 84, 85 and 90 HS	152,6	 6,5%	 46%
Wines and liquors - Chapter 22 HS	70,4	 12%	 -4%
Leather products - Chapter 42 HS	48,0	 10,0%	 240%
Automotive spare parts and equipment - Chapter 87 HS	38,7	 6,1%	 115%
Jewellery products - Chapter 71 HS	18,8	Between 5% and 8.5%	 453%
Iron and steel products - Chapters 72 and 73 HS	17,0	Between 0% and 7%	 18%
Cosmetics (perfumes ; make-up ; soap, haircare, etc.) - Chapters 32, 33 & 34 HS	12,3	 6,5%	 23%
Appareil and clothing accessories - Chapter 62 HS	8,9	 18,0%	 78%
Total French exports to British Columbia in 2024 (M CAD)	650	.	67%

5. Trade diversification : what opportunities for the French/Canadian trade relationship ?

Potential increase in French exports to Canada	Potential increase in Canadian exports to France/EU
1. Merchandises	
Agri-food products (alcohol, dairy products, food preparations)	Agri-food products (fishery, seeds, cranberries, leguminous plants, animal food)
Pharmaceutics	
Finished products and spare parts for the aerospace and automotive industries	
Jewellery and watchmaking products	Raw materials for the Jewellery and watchmaking industry
Equipment and machinery (agricultural, forestry, natural resources extraction, construction)	Equipment and machinery (medical and laboratory tools, power engines, turbines, products of steel)
Industrial chemicals	
Cosmetics (perfums, eau de toilette)	Aluminum products
Plastic and rubber products for industrial use	Plastic for industrial use
2. Services	
All types of services (finance, construction, environmental services, R&D, etc.)	
3. Public procurement (more opportunities for French/European and Canadian firms on both sides of the Atlantic)	

➤ **Larger increase in value and product diversification in the long run** will need investments in infrastructures to enhance supply chain capacities.

II. Understanding and benefiting from CETA: key concepts and practical tools

Prior notice

The preferential CETA tariff does not apply automatically. It must be demonstrated that the product is “sufficiently Canadian/European”.

To do this, the “customs trinity” must be respected:

1. Identification of the correct
HS code and verification of
the corresponding tariff

Allows you to calculate...

2. Establishing export
value

Avoid making mistakes

3. Identification of the rule of
origin and production of the
declaration of origin

1. The importance of product classification (1/2)

Good HS classification is the key to successful export/import process as it helps to:

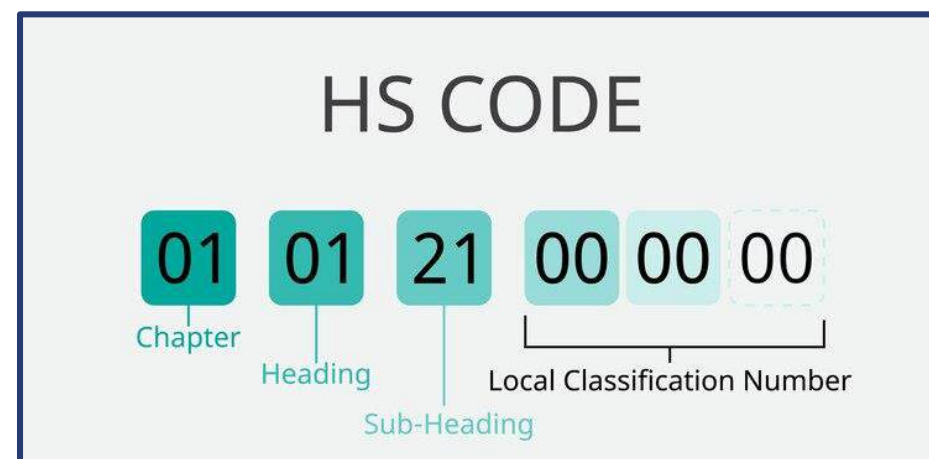
1. **Correctly identifies the financial gain from claiming CETA**;
2. **Identify the rule of origin to be respected.**

Important: an incorrect HS classification may result in **reclassification at customs and the loss of preferential CETA tariff.**

- Products in chapters 39 (**plastics**), 42 (**articles of leather**), 61, 62 & 63 (**apparel**), 71 (**Jewellery**) 84, 85 (**equipment and machinery**), 87 (**accessories of vehicles**) **are frequently misclassified.**

Tips:

1. When re-exporting, **don't mechanically re-use the HS code supplied by your suppliers**; check to be sure of classification.
2. **Check every year** that the HS classification **has not changed.**



- ✓ **Tools:** use [Access2Markets](#) (European) and/or [Tariff Finder](#) (Canadian) to identify your HS code and the tariff your customer may face if you do not claim CETA preferential tariff.

1. The importance of product classification (2/2)

Doubt about the product classification...?

1. European and Canadian public tools:

1. “**Biding Tariff Information**” (BTI) and “**Biding Origin Information**” (BOI):
document issued by French/EU Customs to help companies identify the HS code of their product

New: RTC now available through the European EBTI platform

2. Canadian ruling for tariff classification:
document issued by Canadian customs to importers to identify the HS code of their product

➤ European/Canadian BTI/BOI are helpful:

1. Valid for three years and enforceable against customs
2. Decision within 120 days
3. To be included in export declarations

2. Solutions from the private sector:

1. Customs brokers ; freight-forwarding company
2. Law firm specialised in customs and international trade law.

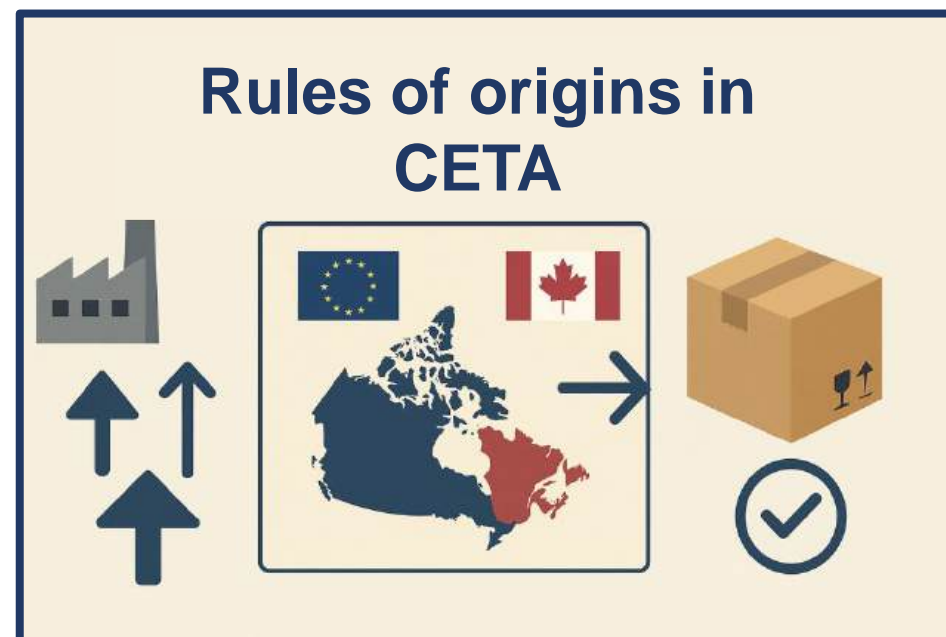
2. The rule of origin applied to CETA (1/7)

After the product classification, the next step is to identify the rule of origin:

- Each product has its own rule of origin.
It is the “citizenship” of the goods.

Three principles apply to all products :

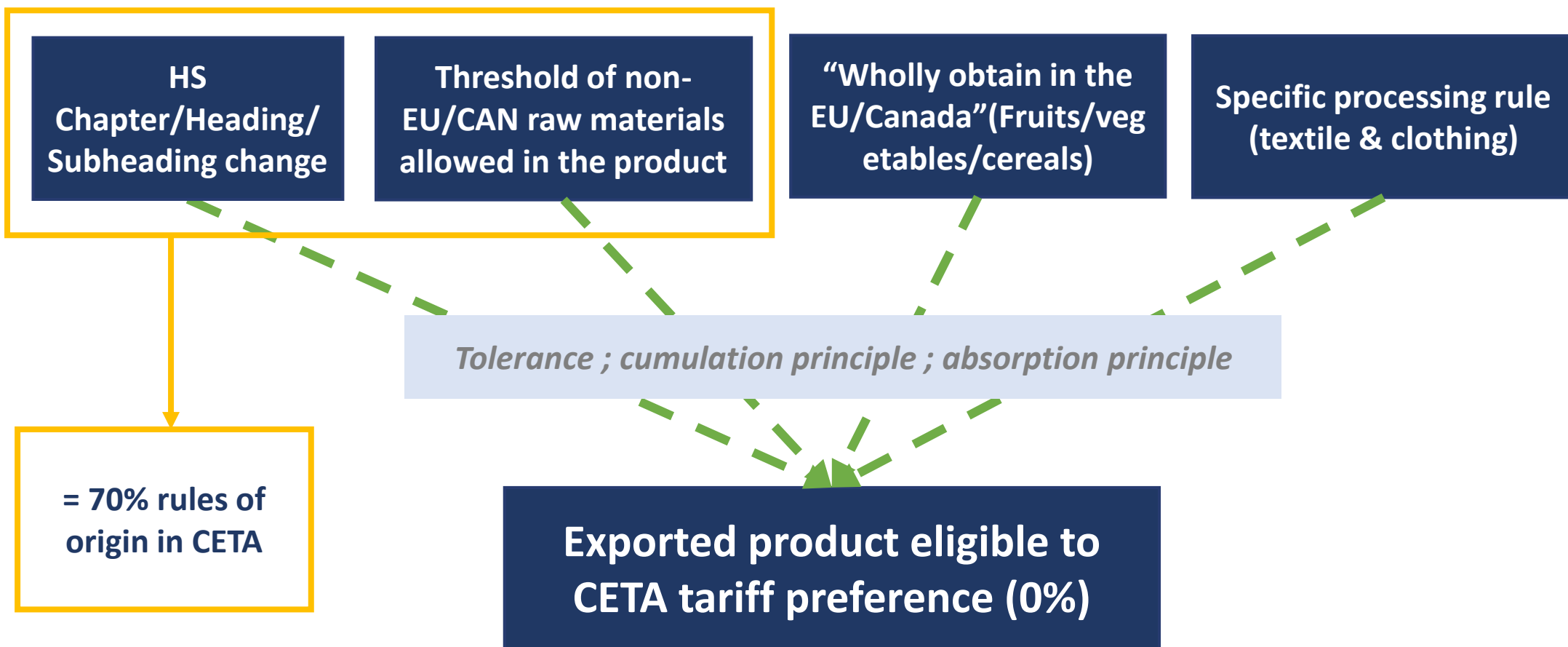
1. The production must occur in Canada/the European Union : “**territoriality principle**”.
2. “**Insufficient transformation**” operations do not qualify for the rule of origin: ironing, packaging, simple painting and polishing, simple cutting, simple blending, simple slaughtering, etc.
3. The “**direct transport rule**” must be complied : no changes to the product are permitted while it is in transit through a third country (ex: Switzerland, UK, Iceland, US).



2. The rule of origin applied to CETA (2/7)

- Specific product rules also apply to each product :

Four specific product rules principles in CETA:



2. The rule of origin applied to CETA (3/7)

There are flexibilities to facilitate greater use of CETA for SMEs:

1. **Absorption principle**: an intermediate consumption made out of non-Canadian/European raw materials can become Canadian/European once included in the production of another finished product.
2. **Bilateral cumulation**: the use of raw materials originating from the European Union is also considered as originating in Canada when calculating the rule of origin (*as long as it goes beyond « insufficient transformation »*).
3. **General tolerance of non-originating materials**: 10% non-EU/Canadian content is tolerated, except for agricultural products and dairy, which must be wholly obtained in the EU/Canada.
4. **Specific tolerance of non-originating materials for sets** : up to 15% instead of the general tolerance rule of 10%

2. The rule of origin applied to CETA (4/7)

CETA – rule of origin (RoO)

General tolerance: 10% of the **ex-work price** for most of the goods and 15% for apparel and textiles.

Bilateral cumulation: between Canada and the 27 EU Member States

Origin declaration: **self-certification by the exporter**; high level of trust between the EU and Canada regarding exporters' compliance with the rule of origin; control only in cases of legitimate doubt.

Examples:

1. RoO for automotive products: regional value content between 50% and 55%
2. RoO for leather products: change from any HS subheading.

CUSMA – rule of origin (RoO)

General tolerance: 10% of the **net transaction cost** for most of the goods and 7% for apparel and textiles.

Bilateral cumulation: only between the US, Canada, and Mexico.

Origin declaration: **specific information on the importer**, obligation to explain why the exported product qualifies for the rule of origin.

Examples:

1. RoO for automotive products: regional value content of 70% + labour value content + steel and aluminum requirements.
2. RoO for leather products: change of HS chapter.

- ✓ **CETA favors simplicity and trust. CETA is meant to be utilized by SMEs.**
- ✓ **Compare RoO restrictiveness between CETA and CUSMA: WTO RoO facilitator.**

2. The rule of origin applied to CETA (5/7)

Find quickly the rule of origin corresponding to your product thanks to [ROSA](#), the European Union's rule of origin identification tool!

The screenshot shows the ROSA self-assessment tool interface. At the top, it says "Home > ROSA self-assessment". Below this, the title "ROSA Rules of origin self-assessment tool" is displayed, followed by "for product code 4202210010 exported from Canada to the EU". A progress bar with five steps is shown: "Origin of my product" (Start), "Origin criteria", "Additional requirements", "Proof of origin", and "Transport", followed by "Assessment". The "Start" step is highlighted. Below the progress bar, a compass icon is next to the heading "Welcome to the Rules of Origin Self Assessment". The main text explains that to qualify for the lower or zero preferential tariff under the EU-Canada Comprehensive Economic and Trade Agreement (CETA), the product classified in HS 4202210010 must originate in Canada. It then asks the user to fill in the self-assessment to determine if the product fulfills the rules of origin. A link is provided to share the tool with suppliers or colleagues. A warning icon and text state that rules of non-preferential origin and other legislations apply for MFN duties, anti-dumping, anti-subsidies or safeguard measures and origin marking. At the bottom, a yellow button labeled "Start the Self Assessment" is visible.

Important: ROSA works for both Canadian and European exporters/importers.

2. The rule of origin applied to CETA (6/7)

Tariffs

Rules of origin ▼

**The rules of origin self-
assessment tool (ROSA)**

Origin documentation and
verification

Taxes

Import requirements ▼

Trade flow statistics

How to read the results

- ✓ On the left-hand side of the **Access2market website** after once you have selected your product and taken note of the potential savings in claiming preferential CETA tariff.

2. The rule of origin applied to CETA (7/7)

Origin declaration, to be added to the invoice in order to claim CETA:

(Period from _____ to _____ (1))

The exporter of the products covered by this document (Add your Business Number (2)) declares that, except where otherwise clearly indicated, these products are of “Canada” (or) “Canada-EU” preferential origin (3).

(Place and date) – (4)

(Signature and printed name of the exporter) – (5)

- (1) Multiple shipments over 12 months for the same products exported; **IMPORTANT**: *this provision **cannot be used by Canadian exporters**, as the EU Customs Code does not allow this use for European companies importing from abroad.*
- (2) The exporter's Business Number assigned by the Government of Canada must be included. Where the exporter has not been assigned a business number, the field may be left blank.
- (3) Origin : **“Canada-EU”** means products qualifying as originating under the rules of origin defined in CETA). *If some products originate from Ceuta and Melilla, the exporter must clearly indicate the symbol “CM”.*
- (5) Article 19.3 **provides an exception to the requirement of the exporter’s signature**. When the exporter is not required to sign, the exemption of signature also implies the exemption of the name of the signatory.

N.B: Ask your suppliers to provide declarations of origin to facilitate the calculation of the rule of origin for your final exported product ([CETA agreement text - Annex 3](#))

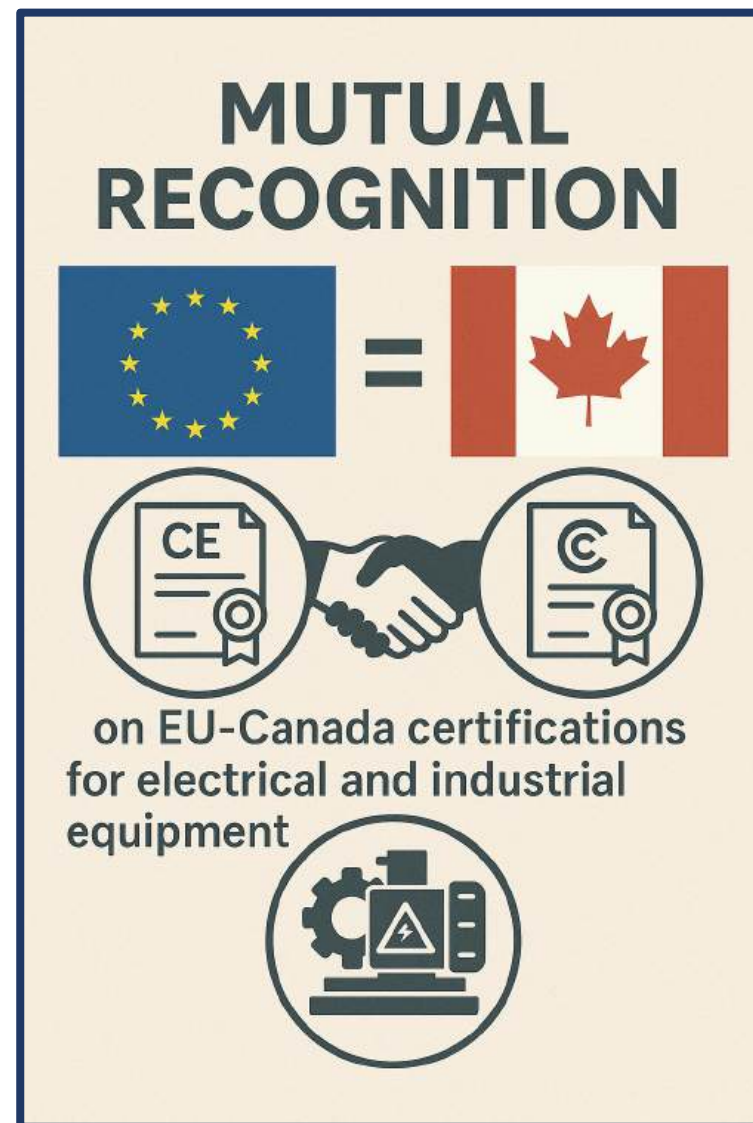
3. Simplified access to market (1/2)

1. Saving time on certification requirements:

CETA includes a “[protocol on mutual acceptance of conformity assessment results](#)”

The products covered by this protocol:

- Electrical and electronic equipment,
 - Telecommunication equipment, toys,
 - Construction products,
 - Machinery (parts and components),
 - Measuring instruments,
 - Boilers and related appliances,
 - Safety devices,
 - Equipment for use outdoors,
 - Recreational craft.
- Assessment done in the exporting country is recognized in the importing country **without further procedure**.
- **Get in touch with your Canadian/European certification body** to see if you are eligible.



3. Simplified access to market (2/2)

2. Simplified trade for pharmaceutical products:

CETA also includes a “[Mutual Recognition Protocol on GMP for pharmaceutical products](#)”:

- ✓ Avoids redundant inspections by Canadian and French/European authorities, hence **enabling faster market entry**.
- ✓ **Annex 1** of the protocol lists the medicines to which it applies: all human medicines, most veterinary medicines, and biological products.
- ✓ **Possibility of extending drug patents for two years** through the [Supplementary Protection Certification \(SPC\)](#) program.
- **Applications for SPC in EU Member States** by contacting the national drug authority: [ANSM](#) for France.



4. Ensuring a smooth trade relationship (1/5)

1. Export/import licence and certification

- **Some products require an export permit and/or certification to be exported to Canada/the European Union**

How to identify the certifications or licenses required for export?

European tools:

- **TARIC**: identifies the export and import certificates to be held for each HS code.
- **Access2conformity**: to verify if exported products could be tested and certified in Europe, instead of (re)doing these procedures in the export destination.

Canadian and WTO tools:

- **Automated Import Reference System (AIRS)**: identifies the need for import certificates for the importer.
- **Market Access Conditions**: to obtain additional information on product and regulation compliance.

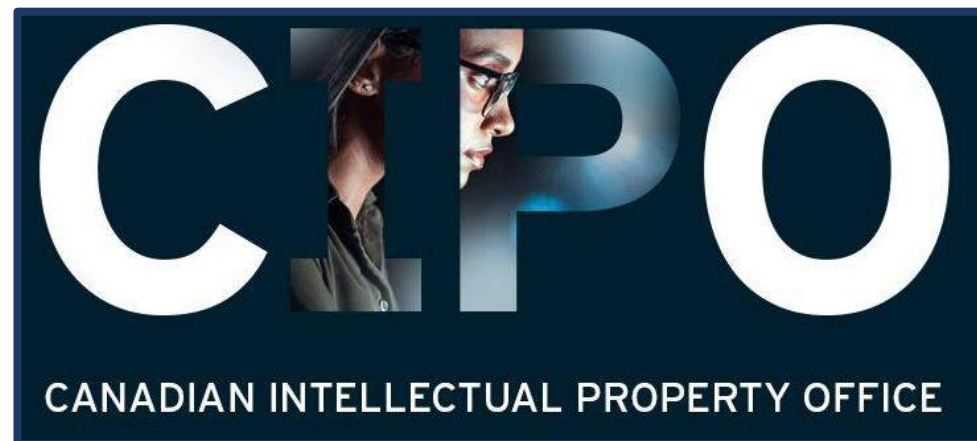
4. Ensuring a smooth trade relationship (2/5)

Protect your Intellectual property on the two sides of the Atlantic

- French INPI and Canadian CIPO agreement since February 2022 to accelerate patent granting procedures between France and Canada: [Patent Prosecution Highway](#).

- ✓ **Agreement extended in February 2025 for a further five years**, until January 31, 2030.

- Further information and webinar available [here](#).



4. Ensuring a smooth trade relationship (3/5)

Remark for Canadian importers/exporters: claim CETA preferential tariff:

1. Make sure to inform your customs broker that **you want to claim CETA preferential tariff** in your import or export declaration.
2. Provide your customs brokers with all the relevant information :
 - a. CETA **origin declaration**;
 - b. Proof of **importing/exporting license** (if needed);
 - c. Proof of your **qualification for the rule of origin** (not mandatory, but useful in case of an inspection).



4. Ensuring a smooth trade relationship (4/5)

- **Incoterms® 2020** : defines the rights and obligations of exporters and importers in international trade.
- Optional, but **highly recommended** as **Incoterms** are internationally recognized.

Incoterms® 2020...

1. Identifies the critical point at **which risk is transferred** from seller to buyer
2. Indicates whether the buyer or the seller must sign a **contract of carriage**
3. Assign to the seller and the buyer **logistics and administrative costs** to be handled at the various stages of the export process
4. Specifies who is responsible for **packing, marking, handling, unloading, unpacking and inspection operations**
5. Sets out **the respective obligations for the completion of customs formalities** and the payment of import duties.



Remark: if you are not an experienced exporter/importer, avoid the “EXW” and “DDP” Incoterm. This could imply complications with the customs authorities.

5. Post-shipment compliance



What documents are required in case of an inspection?



- **For both importer and exporter:** keep a copy of the origin declaration, and all importing/exporting supporting documents for six years after the shipment: quantity received, price paid, country of origin, marking, seller information, product and any other related information (cf. [Memorandum D-17 121](#)).
- **There are two possible scenarios in case of an inspection:**
 1. **Distributor**: refer to your supplier's declarations (see “Supplier's declaration”).
 2. **Producer**: check compliance with the “sufficient processing” rule and the tariff heading of the finished product and intermediate inputs.
- For questions or information about document retention and compliance in the event of an inspection: cm-go@cbsa-asfc.gc.ca

Failure to comply with control obligations = revocation of tariff preference and risk of financial penalties for the importer

In brief (1/3):

1. Know the HS code of your product and identify the customs duty corresponding to your good

[InfoTariff](#) (Canadian) ;
[Access2Markets](#) (EU)

2. Identify the rule of origin and check eligibility for your product

[ROSA](#) (add-on with
Access2Markets)

3. Verification of export/import license/certification requirements

[TARIC](#) (EU) ; [SARI](#)
(Canadian)

4. Overview of legislation and packaging/labelling requirements

[Market Access Conditions](#)
(WTO)

5. Produce a declaration of origin

[Origin Declaration](#)
available in French/English
and all EU languages

In brief (2/3):

Checklist for the exporter:

Pre-export

- ☐ Make sure you have been registered as an exporter
- ☐ Find a freight forwarding company
- ☐ Negotiate your Incoterm with your customer

CETA

- ☐ Find the correct HS code for your exported good
- ☐ Determine the export value of your good
- ☐ Estimate the export competitiveness gain in claiming preferential CETA tariff rate
- ☐ Identification of the rule of origin and origin declaration
- ☐ Determine the need for export licenses, certifications
- ☐ Compliance with labelling and packaging regulations
- ☐ Sharing the export documents with your freight forwarding company/customs broker (certification and licenses, origin declaration, other relevant information on the exported product, etc.).

Post-shipment compliance

- ☐ Export declaration
- ☐ Keep all records pertaining to the export for six years

In brief (3/3):

Checklist for the importer:

Pre-import

- ☐ Find a licensed customs brokers
- ☐ Negotiate your Incoterm with your supplier
- ☐ Mention to your supplier that you want to import your goods under CETA
- ☐ Determine the value for duty of the imported goods (GST + potential customs duties)

CETA

- ☐ Be sure to be on the same page regarding the good classification (HS code) with your supplier
- ☐ Mention to your supplier to prove the origin of the exported good (attach an origin declaration to their export)
- ☐ Determine if your good requires are subject to permits, quotas or regulations
- ☐ Compliance with labelling and packaging regulations
- ☐ Import declaration (usually through your customs broker)

Post-shipment compliance

- ☐ Keep all records pertaining to the import for six years
- ☐ Report any errors in your declaration after the release of the good

Thank you!

Question about CETA, its provisions or any other queries about trade between France and Canada: jean-toussaint.olivieri-battestini@expertisefrance.fr