

## CETA – Questions and Answers

**Q What is CETA?**

**A** [The Comprehensive Economic and Trade Agreement](#), or CETA, is a trade agreement between the EU and Canada.

CETA covers virtually all sectors and aspects of Canada-EU trade in order to eliminate or reduce barriers. CETA addresses everything from tariffs to product standards, investment, professional certification and many other areas of activity.

**Q When will CETA be implemented?**

Canada and the European Union (EU) have agreed that CETA will provisionally apply starting **September 21, 2017**. At which time, qualifying goods that are deemed to originate under CETA may be eligible for wide-ranging tariff reductions when imported into Canada or EU countries.

**Q Which tariffs will be eliminated or reduced?**

**A** Upon implementation, the agreement will eliminate virtually all tariffs on originating goods immediately: over ninety-nine percent (99%) of the non-agricultural tariff and over ninety-two percent (92%) of the agricultural tariffs will be zero on day one. The remaining products will be phased out over time; up to seven (7) years for the most sensitive goods.

Any originating goods that are not in the Tariff Schedule listed under [Chapter 2](#) will be duty free immediately upon implementation of CETA. However, certain goods not listed in the Tariff Schedule may be subject to quota.

**Q What determines the effective date for which CETA rates to be claimed?**

**A** The Canada Border Services Agency (CBSA) has advised that the release date will determine the effective date for which the CETA preferential tariff treatment may be claimed.

**Q What will be the Proof of Origin under CETA?**

**A** Products originating in the European Union, on importation into Canada, and products originating in Canada, on importation into the European Union, benefit from preferential tariff treatment of this Agreement on the basis of a declaration ("origin declaration").

The origin declaration may be provided on an invoice or any other commercial document that describes the originating product in sufficient detail to enable its identification. An origin declaration shall be valid for 12 months from the date it was completed by the exporter

The origin declaration is found in [Annex 2](#)

**Text of the origin Declaration**

The origin declaration, the text of which is given below, must be completed in accordance with the footnotes. However, the footnotes do not have to be reproduced.

(Period: from \_\_\_\_\_ to \_\_\_\_\_)(1)

The exporter of the products covered by this document (customs authorisation No ...(2)) declares that, except where otherwise clearly indicated, these products are of ...(3) preferential origin.

.....(4)  
(Place and date)

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

- (1) When the origin declaration is completed for multiple shipments of identical originating products within the meaning of Article 19.5, indicate the period of time for which the origin declaration will apply. The period of time must not exceed 12 months. All importations of the product must occur within the period indicated. Where a period of time is not applicable, the field can be left blank.
- (2) For EU exporters: When the origin declaration is completed by an approved or registered exporter the exporter's customs authorisation or registration number must be included. A customs authorisation number is required only if the exporter is an approved exporter. When the origin declaration is not completed by an approved or registered exporter, the words in brackets must be omitted or the space left blank. For Canadian exporters: 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) "Canada/EU" means products qualifying as originating under the rules of origin of the Canada-European Union Comprehensive Economic and Trade Agreement. When the origin declaration relates, in whole or in part, to products originating in Ceuta and Melilla, the exporter must clearly indicate the symbol "CM".
- (4) These indications may be omitted if the information is contained on the document itself.
- (5) Article 19.3 provides an exception to the requirement of the exporter's signature. Where the exporter is not required to sign, the exemption of signature also implies the exemption of the name of the signatory.

**Q What does originating mean?**

**A** The term “originating” means originating in either Party under the rules of origin set out in the Protocol on rules of origin and origin procedures.

The Product-specific rules of origin are found within [Annex 5](#)

**Q What are some of the Importer’s obligations under CETA?**

**A** In order for an importer to claim preferential tariff treatment, it must be in possession exporter’s origin declaration and be able to provide the origin declaration to their customs authority, upon request. An importer is also required to inform its customs authority of an incorrect origin declaration and pay any duties owing.

In cases where the importer did not have an origin declaration at the time of import, the chapter allows for refund of excess duties paid, within a specified time period.

Importers may be requested to provide documentation that demonstrates that the good, while en-route to Canada or the EU, remained under the customs control of any country not party to the Agreement.

**Q What are the time limits to claim a refund of duties under CETA?**

**A** If a product would have qualified as an originating product when it was imported but the importer did not have an origin declaration at the time of importation. A refund request may be submitted within a period of no less than three years after the date of importation, as a result of the product not having been accorded preferential tariff treatment.

**Q Does CETA contain a direct shipment clause?**

**A** [Article 14](#) of the Protocol on rules of origin and origin procedures addresses the transportation through a third party country and reads as follows:

1. A product that has undergone production that satisfies the requirements of Article 2 shall be considered originating only if, subsequent to that production, the product:
  - a) does not undergo further production or any other operation outside the territories of the Parties, other than unloading, reloading, or any other operation necessary to preserve it in good condition or to transport the product to the territory of a Party; and
  - b) remains under customs control while outside the territories of the Parties.
  
2. The storage of products and shipments or the splitting of shipments may take place where carried out under the responsibility of the exporter or of a subsequent holder of the products and the products remain under customs control in the country or countries of transit.

**Q What is the tariff treatment code for CETA?**

**A** The Customs Tariff will be amended by adding CEUT “Canada-European Union Tariff” and the tariff treatment code for CETA will be code “31”.

**Q What is the Registered Exporter System (REX System)?**

**A** [The Registered Exporter system](#) (the REX system) is the system of self-certification of origin by registered exporters in the European Union.

EU exporters apply to become registered exporters by filling in an application form and by returning it to their competent authorities. The competent authorities register exporters who submit complete and correct application forms.

Once an EU exporter is registered, they will receive a registration number, which must be indicated on the Origin Declaration.

**Q What will happen when Britain leaves the European Union?**

**A** Currently, Britain is still part of CETA and will be as long as they remain a member of the EU. At this point, we do not know how their status will change when they leave the EU. It is our understanding; the British government will need to strike new free-trade agreements when they formally exit the EU. We do know that Britain cannot negotiate new trade deals while still in the EU, as trade pacts are signed by the EU on behalf of all member states.

**Q What specific countries make up the European Union?**

**A** The European Union currently consists of 28 Member States: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and United Kingdom.