



CETA – implementation experience

Expert Group CROPS MARKET OBSERVATORY

5th October 2020



Contents



- 1. Tariff elimination – *all agricultural tariffs eliminated apart from sensitive products***
- 2. Tariff rate quota – *for common wheat***
- 3. *Canada Wheat Gluten anti-dumping investigation***
- 4. *Wheat imports from Canada***
- 5. *Canola exports sustainability certification***

Year	Applied Duty
1	87.5 % of the duty calculated as per EC Reg. 642/2010
2	75 % of the duty calculated as per EC Reg. 642/2010
3	62.5 % of the duty calculated as per EC Reg. 642/2010
4	50 % of the duty calculated as per EC Reg. 642/2010
5	37.5 % of the duty calculated as per EC Reg. 642/2010
6	25 % of the duty calculated as per EC Reg. 642/2010
7	12.5 % of the duty calculated as per EC Reg. 642/2010
8 and each subsequent year	0 % of the duty calculated as per EC Reg. 642/2010 (duty-free)

TARIFF RATE QUOTA

- Low and Medium Quality Common Wheat (CN code 1001 99 00)

Year	Aggregate Annual Quantity (Metric Tonnes)
1 through to 7	100,000

- Duty-free and transitional (ends at year 8)

This includes the 38,853 tonne previous quota allocation to Canada



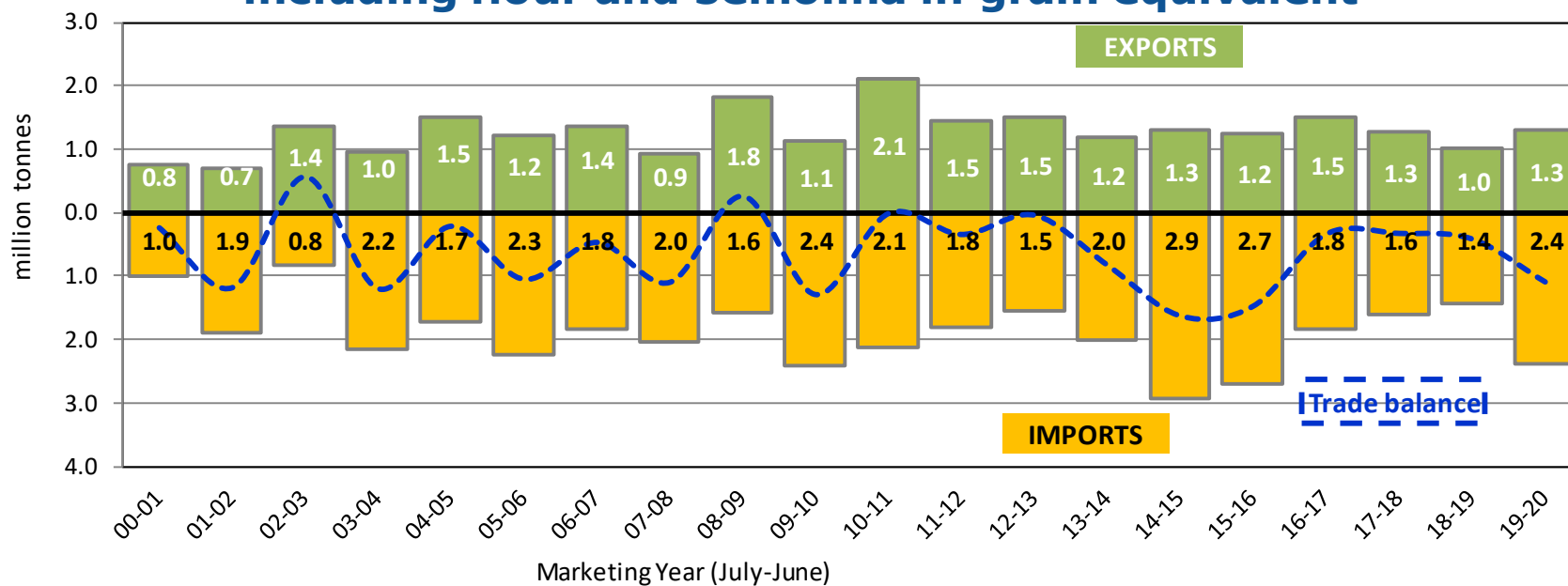
Wheat Gluten anti dumping investigation

- *Processed agricultural products were one of the EU's offensive interests in CETA.*
- *Duties on wheat gluten were set at zero at entry into force.*
- *Canada launched an anti-dumping investigation against 5 EU MS in August 2020 (Germany, Austria, France, Belgium and Lithuania).*
- *EU has submitted its response to Canada on 1 October.*

EU Exports of Wheat Gluten

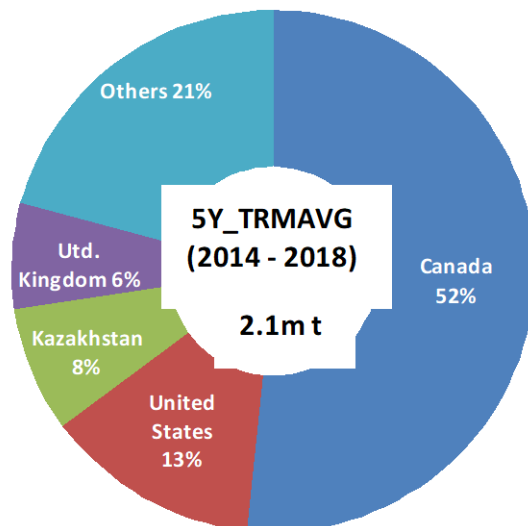
EU	QUANTITY IN 100KG				share of export
	Jan.-Dec. 2016	Jan.-Dec. 2017	Jan.-Dec. 2018	Jan.-Dec. 2019	2019
NORWAY	950.193	1.339.727	1.130.690	1.444.748	38,0%
UNITED STATES	835.566	991.980	1.031.539	939.829	24,7%
MEXICO	137.656	146.647	126.692	140.719	3,7%
BRAZIL	123.278	128.755	166.617	125.328	3,3%
CHILE	41.407	166.721	225.165	133.264	3,5%
KOREA, REPUBLIC OF	81.044	103.051	110.136	117.119	3,1%
CANADA	30.083	28.270	50.762	71.480	1,9%
ISRAEL (GAZA and West Bank)	60.208	66.576	59.895	66.326	1,7%
AUSTRALIA	7.515	161.853	125.441	64.286	1,7%
FAROE ISLANDS		28.410	45.829	58.510	1,5%
TURKEY	39.416	70.236	79.548	58.562	1,5%
JAPAN	48.145	54.150	53.233	52.209	1,4%
SAUDI ARABIA	46.629	52.790	51.236	54.804	1,4%
SOUTH AFRICA (incl. Lesotho)	31.038	36.757	38.273	37.065	1,0%
MALAYSIA	34.682	36.662	38.613	35.461	0,9%
Other 3rd countries	1.056.772	677.135	397.731	404.990	10,6%
Total 3rd countries	3.523.632	4.089.720	3.731.400	3.804.700	100%

EU Durum wheat exports and imports (July - June) including flour and semolina in grain equivalent

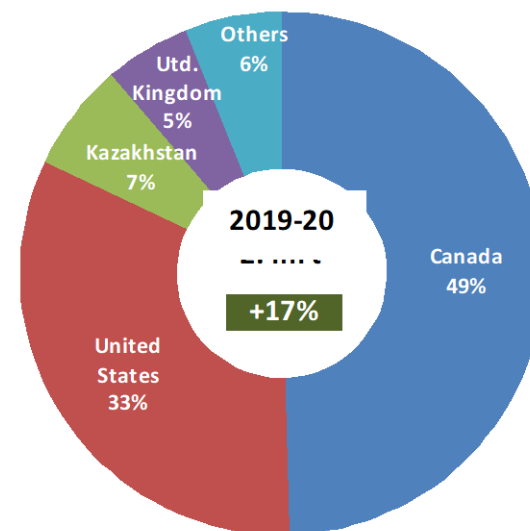


Source: EUROSTAT, Comext extraction at 27/08/2020

EU durum wheat import origins (July - June)



(Thousand t)	5Y_TRMAVG (2014 - 2018)	2019-20	
Canada	1 059	1 184	↑ 12%
United States	272	778	↑ 186%
Kazakhstan	160	160	→ 0%
Utd. Kingdom	134	127	↓ -5%
Others	427	143	↓ -67%



Source: Eurostat-Comext @ 27 Aug 2020



Canola exports sustainability certification

- *Canada is working with the Commission (DG ENERGY) to achieve certification for its canola exports to the EU for biofuel production.*
- *This work is ongoing since 2017.*
- *The Canadian methodology for calculation of GHG savings has a number of shortcomings.*
- *CA to submit a new proposal.*



CETA

- *Thank you!*
- *More info available*
<http://ec.europa.eu/trade/policy/in-focus/ceta/>