

The EU-Canada Comprehensive Economic and Trade Agreement (CETA)

Opening up a wealth of opportunities
for people in Lithuania



CETA will benefit people across the Lithuania

It'll do so by:

-
-  Scrapping **customs tariffs** for Lithuanian exporters and importers
 -  Opening up the Canadian **services** market to Lithuanian firms
 -  Enabling Lithuanian firms to bid for more **public contracts** in Canada
 -  Protecting the Lithuania's **research and creativity**
 -  Making it easier for Lithuanian **professionals** to work in Canada
 -  Encouraging more **investment** between Lithuania and Canada
 -  Helping Lithuania's **small businesses** export more to Canada
-

Lithuania's economy is open to trade

Over 230,000 Lithuanian jobs
rely on EU exports outside Europe

**And Lithuania and Canada already have a close
trading and investment relationship**

10th

When it comes to goods, Canada is
Lithuania's 10th biggest trade partner outside the EU

€146 m

The value of Lithuania's trade surplus
in goods and services with Canada

€173 m

The value of Lithuanian
exports to Canada

€27 m

The value of Lithuanian
imports from Canada



Scrapping customs tariffs on Lithuanian exports of goods

**Lithuanian goods exports to Canada:
€164m (2015)**

CETA will bring big savings on customs duties by eliminating duties on 99% of all tariff lines, of which 98% will already be scrapped at entry into force. Lithuania will benefit from tariffs being removed on virtually all of its exports, in particular:

- **Petroleum and bituminous minerals**
(mostly light oils and preparations)

**Lithuanian exports to Canada: €103m
(2015)**

Canadian tariffs up to 5%

- **Furniture**

**Lithuanian exports to Canada: €20m
(2015)**

Canadian tariffs up to 8%

- **Optical instruments and medical instruments**

**Lithuanian exports to Canada: €1.6m
(2015)**

Canadian tariffs up to 8.5%

- **Machinery & electrical equipment**

**Lithuanian exports to Canada: €4.4m
(2015)**

Canadian tariffs low on average; peaks on some products of 9%.

Apart from big savings on customs duties, CETA will enable Lithuanian companies to do away with costs of double testing thanks to the provisions on **recognition of conformity assessment certificates** in sectors such as:

- machinery
- electrical goods
- electronic equipment

These sectors can also benefit from CETA's provisions on public procurement and movement of professionals (*see below*).



Opening up the Canadian services market to Lithuanian firms

Lithuanian services exports to Canada: €9m (2015)

Lithuania's main services exports to Canada are **telecommunications services**.

Lithuanian services imports from Canada: €11m (2015)

CETA will improve and secure Lithuanian companies' access to the Canadian services market.

For example in the professional services sector, Canada has removed a number of limitations on citizenship and residency

conditions for Lithuanian professionals to practice in Canada.

This applies to:

- lawyers
- accountants
- architects
- engineers

CETA also brings legal certainty for EU services exporters: Canada has locked in its current level of openness towards EU companies, for example in:

- financial services
- telecoms
- postal and courier services



Enabling Lithuanian firms to bid for more public contracts in Canada

With CETA, **EU companies will get access to the large Canadian public procurement market**.

Lithuanian companies will have the opportunity to bid to supply goods and services for tenders at all levels of government in Canada (federal, provincial and municipal).

Canada has also agreed to make the tendering process more transparent by publishing its federal and provincial public tenders on a single procurement website.

Canada's government procurement commitments in CETA are **the most ambitious Canada has ever granted**.



Protecting Lithuanian research and creativity

CETA gives Lithuanian innovations, copyrights and trademarks a **similar level of protection** in Canada to that they enjoy in Europe. In particular, Canada will bring its copyright protection in line with international standards.

This is important because it will protect the intellectual property of the EU's creative industries (artworks, publications, music and software), including its dissemination online.



Making it easier for Lithuanian professionals to work in Canada

CETA includes provisions to make it easier for European professionals to work in Canada (and vice versa) and to have their qualifications recognised. This is a big plus for companies that:

- provide services such as after sales services for exported machines or information and communication technologies software
- make complex products that require after sales services such as installation or maintenance of machinery

Provisions to facilitate movement of people can be particularly beneficial for small and medium-sized firms, as they may not be able to provide permanent staff on the ground to directly supply the service.

CETA establishes legal certainty and significantly **improves mobility for services suppliers** because it:

- makes it easier to transfer key personnel across the Atlantic
- allows companies to send staff for after sales services for machinery, software and equipment
- creates a framework for the recognition of professional qualifications for regulated sectors like architects and accountants



Encouraging investment between Lithuania and Canada

Canadian Foreign Direct Investment in Lithuania: €101m (2015)

Canadian companies operating in
Lithuania include:

- Alimentation Couche Tard (retail)
- Homburg (real estate)
- International Display Works
(manufacturing)
- Valeant Pharmaceuticals (life sciences)

Lithuania does not have a bilateral
investment treaty with Canada.

This makes the investment protection and
the dispute settlement provisions in CETA
all the more relevant to Lithuanian
investors in Canada and Canadian
investors in Lithuania.

Once CETA enters into force definitively,
these provisions **will provide Lithuanian
and Canadian investors with greater
predictability, transparency, and
protection** for their investments in Canada
and in Lithuania respectively.



Helping Lithuania's small businesses export more to Canada

Lithuanian small businesses are very export oriented and **make up 98% of the total number of Lithuanian exporters**. They will be able to take full advantage of CETA.

Reduced trade barriers, tariff elimination, simplified customs procedures and more compatible technical requirements all make it easier and cheaper to export. This allows smaller firms to:

- compete more easily with large companies
- sell the same product (or with fewer modifications) into both markets
- participate more in supply chains and e-commerce.

Specific provisions reinforce the CETA benefits for small companies, such as:

- taking into account their needs in electronic commerce
- improved access to information on public procurement tenders
- the use of the Investment Court System.

The Investment Court System provisions in CETA allow for faster proceedings and reduced costs for smaller firms that bring a case.