

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

Opening up a wealth of opportunities
for people in Finland



CETA will benefit people across Finland

It'll do so by:



Scrapping **customs tariffs** for Finnish exporters and importers



Opening up the Canadian **services** market to Finnish firms



Enabling Finnish firms to bid for more **public contracts** in Canada



Protecting Finland's **research and creativity**



Making it easier for Finnish **professionals** to work in Canada



Encouraging more **investment** between Finland and Canada



Helping Finland's **small businesses** export more to Canada

Finland's economy is open to trade

Around 368,000 Finnish jobs
rely on exports outside Europe

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

10th

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

€561 m

The value of Finland's trade surplus in
goods and services with Canada (2014)

€932 m

The value of Finnish exports to Canada (2014)

€372 m

The value of Finnish imports from Canada (2014)



Scrapping customs tariffs on Finnish goods exports of goods

Finland's goods exports to Canada: €481 m (2015)

CETA provides for significant **savings on customs duties** by eliminating duties on 99% of all tariff lines, of which 98% will already be scrapped at entry into force.

Finland will **benefit from tariffs being removed on virtually all of its exports**, in particular:

- **Machinery and electrical equipment**

Finnish exports to Canada: almost €143 m (2015)

Low average tariffs but certain products face tariff peaks of 9%.

Apart from significant savings on customs duties, CETA allows Finnish 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 will also benefit from CETA's provisions on public procurement and movement of professionals (*see below*).

- **Motor vehicles and parts**

Finnish exports to Canada: €64 m (2015)

EU exports face tariffs of up to 9.5%.

- **Optical instruments and medical instruments**

Finnish exports to Canada: €52 m (2015)

Canadian tariffs are up to 8.5% for these goods.

- **Mineral fuels (including petroleum)**

Finnish exports to Canada: €38 m (2015)

These exports face tariffs up to 5%.

Finland's exports to Canada in this sector are principally crude oil and oil products.



Opening up the Canadian services market to Finnish firms

Finnish services exports to Canada: €218 m (2014)

Canada is Finland's **10th largest market outside the EU for services exports**. Finland has a significant trade surplus in services with Canada.

Finland's main services exports to Canada are **telecommunication services**.

Finnish services imports from Canada: € 94 m (2014)

CETA will **improve and secure Finnish 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 Finnish professionals to practice in Canada, who are:

- 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 Finnish firms to bid for more public contracts in Canada

With CETA, **Finnish companies will get access to Canada's large public procurement market.**

Finnish 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).

For example, **Finland has particular strengths in high-tech environmental protection and green energy.**

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 Finland's research and creativity

Finland spends 3.17% of its Gross Domestic Product on research and development (2014)

This is **the highest proportion** of all EU member states.

CETA gives Finnish innovations, copyrights and trademarks a **similar level of protection** in Canada as they enjoy in Europe.

In particular, Canada will **bring its copyright protection in line with international standards.**

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



Making it easier for Finnish professionals to work in Canada

CETA includes provisions to make it easier for Finnish 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.

This 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 Finland and Canada

**Finnish Foreign Direct Investment in
Canada: €1.5 bn (2012)**

Finnish investors in Canada include:

- Kone
- Metso
- Neste Oil
- Wihuri
- Stora Enso
- Kemira
- Nokia
- Outotec

CETA will make it easier for Finnish firms to invest in Canada, as Canada has agreed to **substantially increase the threshold for reviewing the acquisition** of Canadian companies by non-Canadians from CAN \$354 million (€247.26 million) to CAN \$1.5 billion (€1.4 billion).

**Canadian Foreign Direct Investment in
Finland: €88 m (2012)**

The vast majority of the Canadian investments in Finland are in **the mining sector**, with companies such as:

- Agnico-Eagle Mines
- Inmet
- First Quantum Minerals
- Cameco Corp

In 2011 Cameco Corp invested €45 m in Finland for the design and construction of a uranium extraction circuit for the Talvivaara Mining Company Plc.

Bombardier, a major Canadian company, also operates in Finland: it has built one of the world's biggest snowmobile production plants in Rovaniemi.

Finland 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 Finnish investors in Canada and Canadian investors in Finland.

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



Helping Finland's small businesses export more to Canada

Finnish small businesses are very export oriented and make up 91% in the total number of Finnish 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.