



How to Benefit from The Comprehensive Economic and Trade Agreement (CETA)

Economic, historical and cultural ties between Canada and the European Union (EU), especially with France, the United Kingdom, Italy, Germany, Spain and Portugal, make them ideal partners for trade and investment. Due to its location, industrial fabric and business culture, the province of Quebec is particularly well positioned to benefit from the recently ratified Comprehensive Economic and Trade Agreement (CETA) between the EU and Canada. Once CETA is finalized, Canada will be the only G8 country with preferential access to the two largest and richest economies in the world; the European Union and the United States, which altogether represent more than 800 million consumers.

Canadian companies must take advantage of the competitive advantage and preferential access to grow and develop new or additional EU trade and investment opportunities.

In fact, the EU is already Canada's second most important trade and investment partner behind the United States. With its 28 member states, a population of 505 million people and an annual economic activity of nearly US\$ 18.4 trillion (2014), the EU is the largest economy in the world and as such exceeds United States, our largest trading partner.

The new market access offered by this agreement will further strengthen the position of Canadian exporters to the European market. Once implemented, the agreement is predicted to increase bilateral trade in goods and services by 23%. It is also very important to note that through the CETA, Canadian suppliers will have access to EU public procurement (worth US\$ 2.7 trillion in 2012), an important source of new export opportunities which was previously closed to Canada.

CETA will remove tariffs on Canadian goods entering the EU market which will provide preferential access over competitors in other countries whose products will remain subject to tariffs. CETA will also guarantee a safe and preferential market access to Canadian service providers.

It is expected that this trade agreement will provide significant benefits to manufacturers and other Canadian processors as well as to primary good producers such as minerals, metals, agricultural products and fisheries.

Once CETA enters into effect, about 98% of Canadian products will be free of customs duties on more than 9,000 tariff lines used by the EU. In many cases up until now, EU Tariffs on certain goods were so high that they were a major burden to Canadian exporters, effectively limiting their competitiveness on the EU market. The elimination of tariffs will further benefit Canadian exporters who were already capable of competing in the EU.

The Comprehensive Economic and Trade Agreement (CETA) - Free trade Canada-European Union:

- CETA would increase bilateral trade by 20% with the EU.
- Canadian export revenues expected to increase by \$ 12 billion per year.
- More than 50% of Canadian exports to the EU come from SME's, representing sales of nearly \$ 17 billion.
- Nearly 14% of Canadian SME exports presently go to the EU.
- One out of five Canadian exporting SMEs do business with the EU; the value of exports has tripled since 2000.
- The sectors most likely to benefit from the CETA will include: manufactured goods, agricultural and food products, marine products, forest products, value-added wood products, metal and mineral products, life sciences, research, as well as service sectors.
- CETA will also allow Canadian companies to access highly lucrative public sector supply and service opportunities.

How to Benefit from The Comprehensive Economic and Trade Agreement (CETA) (cont'd)

How to enter the European market?

- Evaluate your capacity to export from a technical, human and financial resources point of view;
- Do some market and other research to determine the export potential for the sales of your products or services in European markets;
- Evaluate your products to understand and make the necessary changes to European standards and regulations;
- Translate promotional material;
- Search and identify potential buyers or partners;
- Participate in trade shows and organize targeted in face-to-face business meetings;
- Ensure adequate post-meeting follow-ups;
- Make a final selection of potential buyers or partners;
- Develop a level of trust with selected companies;
- Aim to create long-term business ties between the European companies and yourself;
- Ensure your sales department is well supported for export related tasks;
- Once established, nurture continuity so as to grow your business relationship.

Cafa Can Help You Succeed

Cafa is "on the ground" in Europe with its offices in Paris and Madrid. Our local partners are ready to assist you by sharing their local knowledge, contacts and commercial expertise to ensure your success in these new markets. First we can quickly assess your ability to export, evaluate compliance of your products and recommend necessary changes. We can also help you prioritize target markets, find the right partners, help you attend various trade shows, organize meetings, arrange logistics support and ensure continuity and growth of your business relationships.

Recent Transactions:

France - Canada



Groupe SVP
(France)

has acquired a participation in

Synesis Inc.
(Canada)

The undersigned acted as advisor to Groupe SVP in negotiating this transaction.



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France



Nuxe Groupe

has sold its worldwide rights and assets in

Dr Renaud®

to

Altercosmeto (Laboratoires d'Armor)

The undersigned acted as advisor to Groupe Nuxe in negotiating this sale



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