



## Canadian beef sector marks five years of CETA

## September 20, 2022

Ottawa, Ontario - On September 21, 2022, Canadian cattle producers will mark the fifth anniversary of the implementation of the Comprehensive Economic and Trade Agreement (CETA) between Canada and the European Union (EU) with disappointment and resolve.

The Canadian Cattle Association (CCA) remains a leading supporter of opening access for Canadian beef exports to the European Union. Although the CETA created quotas for nearly 65,000 tonnes of duty-free access for Canadian beef, unresolved technical barriers have prevented CETA from delivering its full potential.

Back in 2017, CCA had estimated that when the CETA quotas were fully implemented, there would be potential to export \$600 million of Canadian beef annually to the European Union. In 2021, exports to the EU were 1450 tonnes valued at \$23.7 million. CCA projects a similar total for 2022.

"Our exports to Europe are minimal, a far cry from what we expected and certainly much less than the amount of beef Europe is sending to Canada," commented Reg Schellenberg, CCA President.

The imbalance in the Canada-EU beef trade is striking. In 2021, Europe exported 16,295 tonnes of beef worth \$100 million to Canada and for every pound of Canadian beef exported to Europe, Canada has imported eleven. In 2022, that imbalance has increased to a 17 to 1 ratio.

"Despite the disappointing results thus far, CCA remains resolved in unlocking trade potential in the EU," said Schellenberg.

The main problem is that the EU does not recognize the Canadian food safety system as a whole. Instead, they impose their individual requirements on Canada, with the result that when our regulatory frameworks don't completely align, Canadian processors have to re-work their operations for special Europe runs and then switch back to comply with Canadian requirements. This results in increased costs that largely make exporting beef to Europe not profitable.

CCA representatives visited Brussels last week to discuss solutions to address the obstacles. CCA has submitted scientific evidence on why the EU should recognize the efficacy of our system. We are hopeful that their review of the science will result in an approval of the way we do things. Such approval will pave the way for both Canada and the EU to enjoy beneficial growth in bilateral beef trade in the future.

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