

## Canada

### **Comprehensive Economic and Trade Agreement (CETA) between Canada, of the one part, and the European Union and its Member States, of the other part ([OJ L 11, 14.01.2017](#))**

#### *Article 2.8 - Temporary suspension of preferential tariff treatment*

1. A Party may temporarily suspend, in accordance with paragraphs 2 through 5, the preferential tariff treatment under this Agreement with respect to a good exported or produced by a person of the other Party if the Party:

(a) as a result of an investigation based on objective, compelling and verifiable information, makes a finding that the person of the other Party has committed systematic breaches of customs legislation in order to obtain preferential tariff treatment under this Agreement; or

(b) makes a finding that the other Party systematically and unjustifiably refuses to cooperate with respect to the investigation of breaches of customs legislation under Article 6.13.4 (Cooperation), and the Party requesting cooperation, based on objective, compelling and verifiable information, has reasonable grounds to conclude that the person of the other Party has committed systematic breaches of customs legislation in order to obtain preferential tariff treatment under this Agreement.

2. A Party that has made a finding referred to in paragraph 1 shall:

(a) notify the customs authority of the other Party and provide the information and evidence upon which the finding was based;

(b) engage in consultations with the authorities of the other Party with a view to achieving a mutually acceptable resolution that addresses the concerns that resulted in the finding; and

(c) provide written notice to that person of the other Party that includes the information that is the basis of the finding.

3. If the authorities have not achieved a mutually acceptable resolution after 30 days, the Party that has made the finding shall refer the issue to the Joint Customs Cooperation Committee.

4. If the Joint Customs Cooperation Committee has not resolved the issue after 60 days, the Party that has made the finding may temporarily suspend the preferential tariff treatment under this Agreement with respect to that good of that person of the other Party. The temporary suspension does not apply to a good that is already in transit between the Parties on the day that the temporary suspension comes into effect.

5. The Party applying the temporary suspension under paragraph 1 shall only apply it for a period commensurate with the impact on the financial interests of that Party resulting from the situation responsible for the finding made pursuant to paragraph 1, to a maximum of 90 days. If the Party has reasonable grounds based on objective, compelling and verifiable information that the conditions that gave rise to the initial suspension have not changed after the expiry of the 90 day period, that Party may renew the suspension for a further period of no longer than 90 days. The original suspension and any renewed suspensions are subject to periodic consultations within the Joint Customs Cooperation Committee.