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TRADE AND INVESTMENT

CANADA–EUROPEAN UNION



Notable Trade and Investment Agreements Between Canada and the European Union (EU) Countries

- Canada–European Union *Comprehensive Economic and Trade Agreement* (signed in 2016, with parts of the agreement provisionally applied)
- *Canada–Czech Republic Foreign Investment Promotion and Protection Agreement* (2012)
- *Canada–Slovak Republic Foreign Investment Promotion and Protection Agreement* (2012)
- *Canada–Latvia Foreign Investment Promotion and Protection Agreement* (2011)
- *Canada–Romania Foreign Investment Promotion and Protection Agreement* (2011)
- *Canada–Croatia Foreign Investment Promotion and Protection Agreement* (2001)
- *Canada–Hungary Foreign Investment Promotion and Protection Agreement* (1993)
- *Canada–Poland Foreign Investment Promotion and Protection Agreement* (1990)

Fundamentals for this Profile

Data on the United Kingdom, which withdrew from the EU on 31 January 2020, are not included in this profile.

The merchandise trade data are customs-based; the services trade data and foreign direct investment data are balance of payments–based.

The five most highly valued merchandise export and import categories have been identified using values for 2025.

Data on services trade are preliminary for 2024. Data on Canada's services trade relationship with Belgium are amalgamated with those of Luxembourg.

All figures were prepared using Statistics Canada data available in May 2026.

For the data tables used to generate the figures, see the HTML version: Trade and Investment Series.

All dollar amounts are in Canadian dollars unless otherwise noted.

Numbers and percentages have been rounded.

Economic and population data for each EU country are provided in a table at the end of this profile, as are definitions of relevant terms.

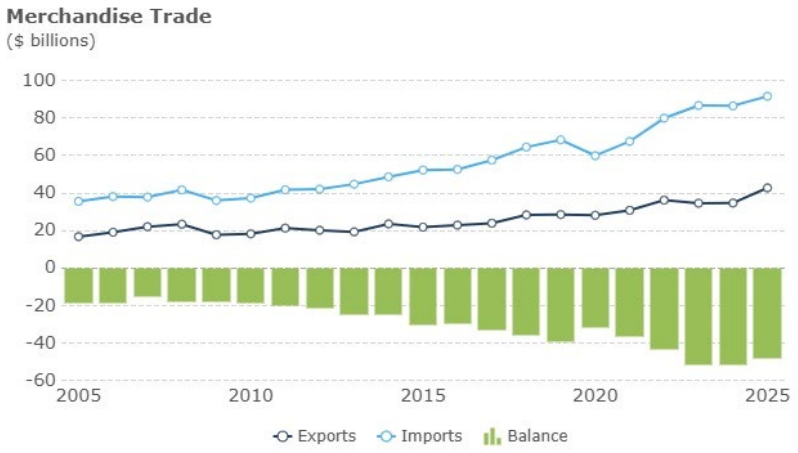
Andrés León
Library and Research Services
27 May 2026

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CANADA'S MERCHANDISE TRADE WITH THE EUROPEAN UNION

Merchandise Trade

- Merchandise trade between Canada and the EU in 2025: $134.3 billion
  - Exports: $42.8 billion, a 23.4% increase from 2024
  - Imports: $91.6 billion, a 5.9% increase from 2024
- Trade deficit in 2025: $48.8 billion, a decrease from $51.8 billion in 2024



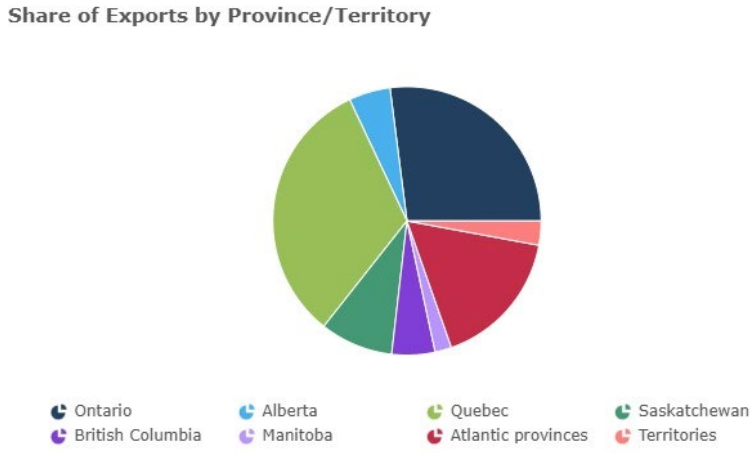
Share of the Total Value of Canadian Trade

- Exports in 2025: 5.5% of the total value of Canadian exports, an increase from 4.4% in 2024
- Imports in 2025: 11.6% of the total value of Canadian imports, an increase from 11.3% in 2024



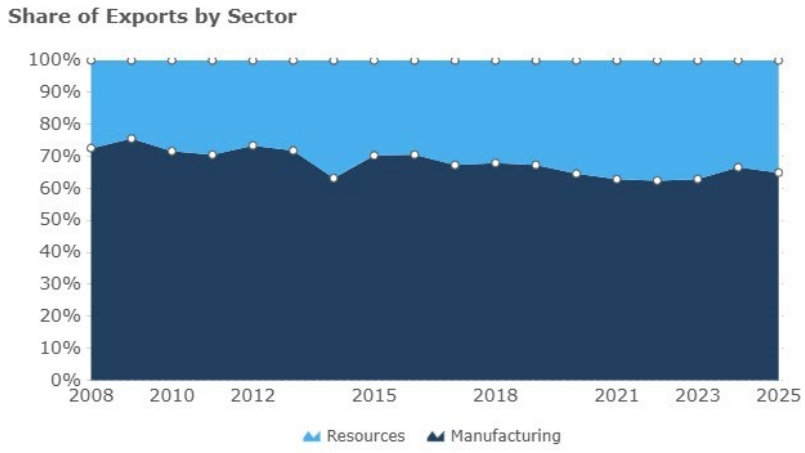
Share of Exports by Province/Territory

- Highest-valued exporters in 2025:
  - Quebec: $13.8 million, an increase from $10.9 million in 2024
  - Ontario: $11.6 million, an increase from $9.9 million in 2024



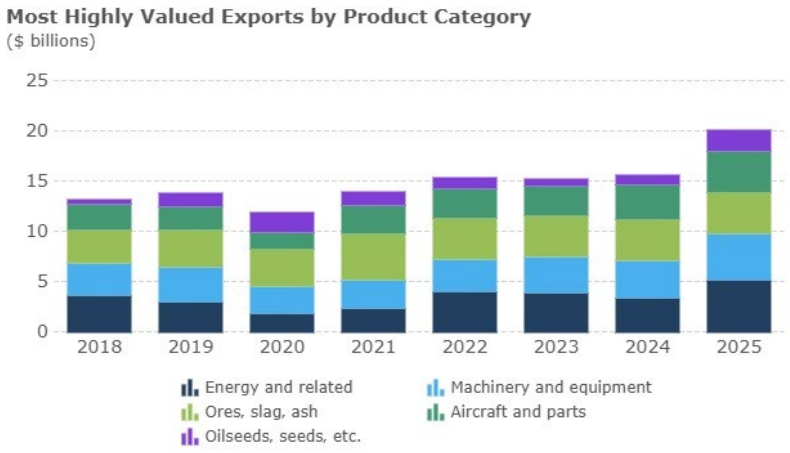
Share of Exports by Sector

- Exports in 2025:
  - Resource-based goods: 35.1%, an increase from 33.4% in 2024
  - Manufactured goods: 64.9%, a decrease from 66.6% in 2024



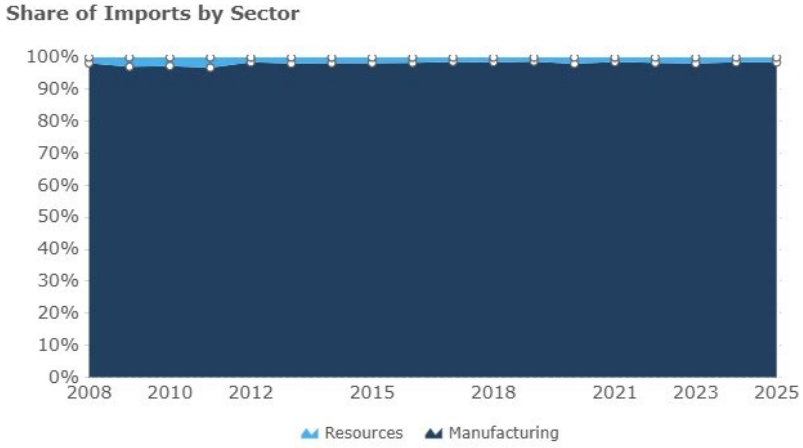
Most Highly Valued Exports by Product Category

- Highest-valued exports in 2025: Crude oil and aircraft, together accounting for 16.5% of the total value of Canadian exports to the EU
  - Crude oil: $3.9 billion, an increase from $2.1 billion in 2024
  - Aircraft: $3.1 billion, an increase from $2.7 billion in 2024



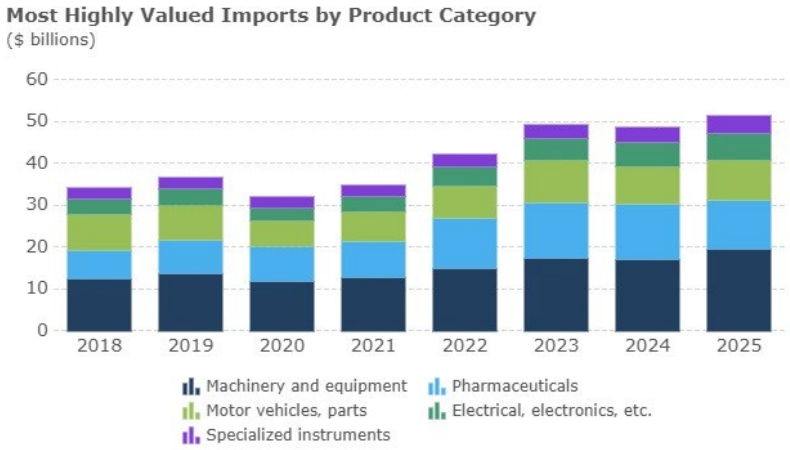
Share of Imports by Sector

- Imports in 2025:
  - Resource-based goods: 1.5%, unchanged from 2024
  - Manufactured goods: 98.5%, unchanged from 2024



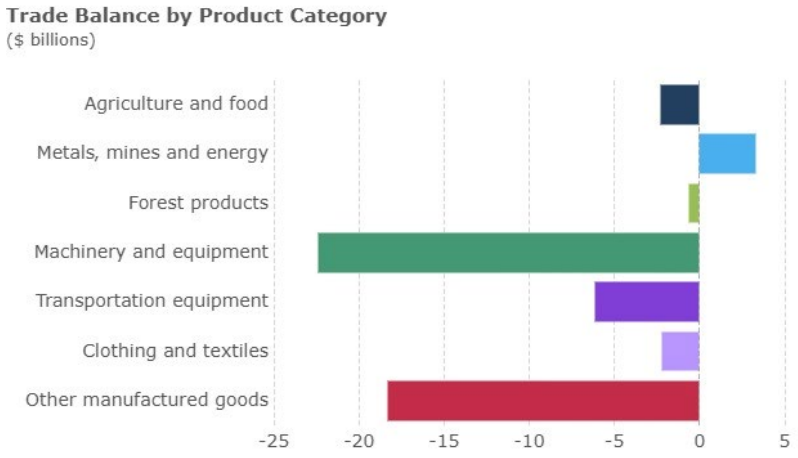
Most Highly Valued Imports by Product Category

- Highest-valued imports in 2025: Motor vehicles and medications in doses, together accounting for 14.4% of the total value of Canadian imports from the EU
  - Motor vehicles: $6.9 billion, an increase from $6.1 billion in 2024
  - Medications in doses: $6.3 billion, an increase from $6.1 billion in 2024



Trade Balance by Product Category

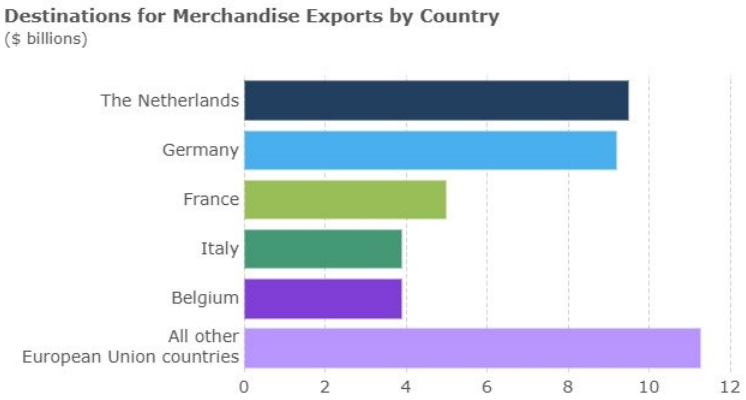
- Largest merchandise trade deficit in 2025: Machinery and equipment, at $22.4 billion
- Largest merchandise trade surplus in 2025: Metals, mines and energy, at $3.3 billion



CANADA'S MERCHANDISE TRADING PARTNERS WITHIN THE EUROPEAN UNION

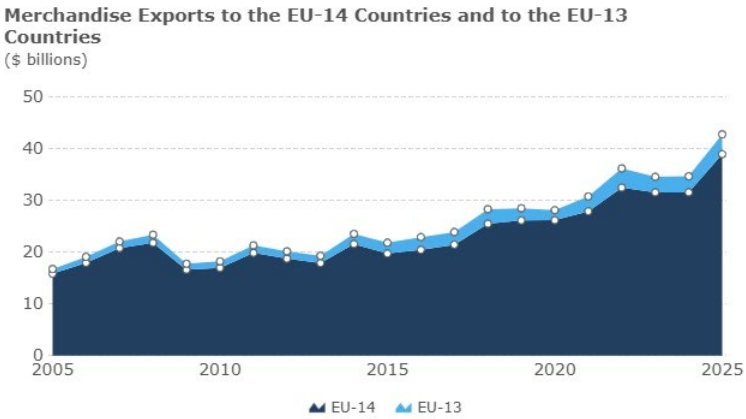
Destinations for Merchandise Exports by Country

- Destinations for merchandise exports to the EU, by country, in 2025:
  - The Netherlands: 22.2%
  - Germany: 21.4%
  - France: 11.8%
  - Italy: 9.1%
  - Belgium: 9.1%
  - All other EU countries: 26.4%



Merchandise Exports to the EU-14 Countries and to the EU-13 Countries

- Destinations for merchandise exports to the EU countries in 2025:
  - EU-14 countries: 91.0%, a decrease from 91.1% in 2024
  - EU-13 countries: 9.0%, an increase from 8.9% in 2024



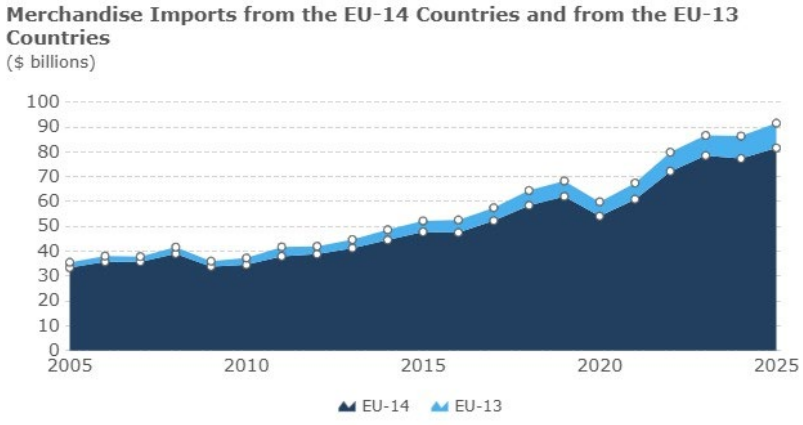
Sources of Merchandise Imports by Country

- Sources of merchandise imports from the EU, by country, in 2025:
  - Germany: 27.4%
  - Italy: 14.9%
  - France: 11.2%
  - Sweden: 5.7%
  - Ireland: 5.4%
  - All other EU countries: 35.4%



Merchandise Imports from the EU-14 Countries and from the EU-13 Countries

- Sources of merchandise imports from the EU countries in 2025:
  - EU-14 countries: 89.1%, a decrease from 89.5% in 2024
  - EU-13 countries: 10.9%, an increase from 10.5% in 2024



CANADA'S SERVICES TRADE WITH THE EUROPEAN UNION

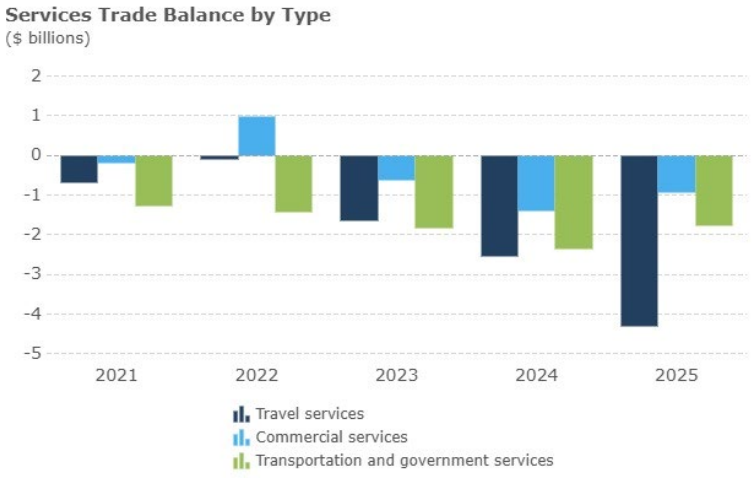
Services Trade

- Services trade between Canada and the EU in 2025: $57.6 billion
  - Exports: $25.2 billion, a 7.3% increase from 2024
  - Imports: $32.3 billion, an 8.2% increase from 2024
- Trade deficit in 2025: $7.1 billion, an increase from $6.4 billion in 2024



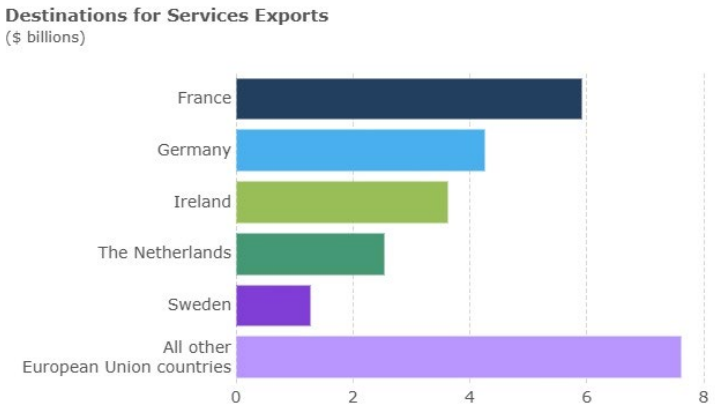
Services Trade Balance by Type

- Services trade deficit between Canada and the EU in 2025: Largely due to travel services trade
- Travel services trade between Canada and the EU in 2025: $6.6 billion in exports and $10.9 billion in imports
- Commercial services trade between Canada and the EU in 2025: $14.9 billion in exports and $15.9 billion in imports
- Transportation and government services trade between Canada and the EU in 2025: $3.8 billion in exports and $5.6 billion in imports



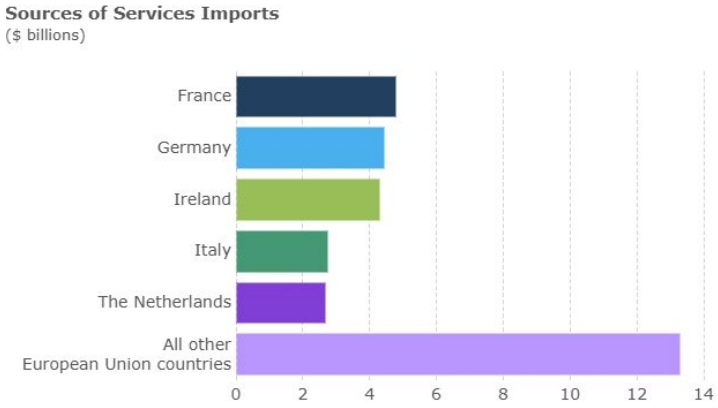
Destinations for Services Exports

- Destinations for services exports to the EU in 2024:
  - France: 25.1%
  - Germany: 18.1%
  - Ireland: 15.4%
  - The Netherlands: 10.8%
  - Sweden: 5.5%
  - All other EU countries: 25.1%



Sources of Services Imports

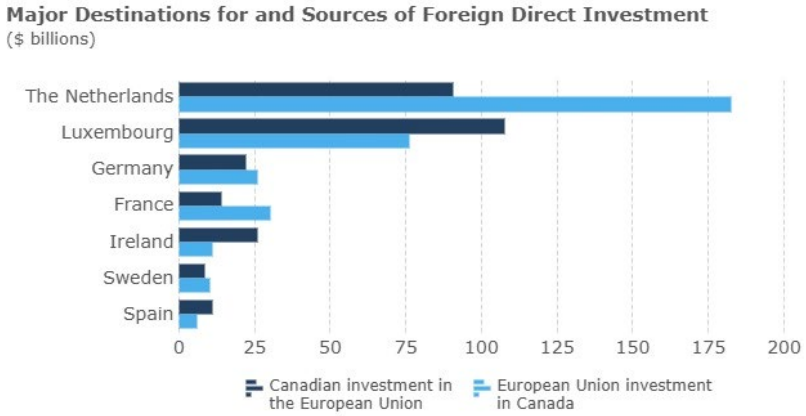
- Sources of services imports from the EU in 2024:
  - France: 16.1%
  - Germany: 14.9%
  - Ireland: 14.4%
  - Italy: 9.2%
  - The Netherlands: 9.0%
  - All other EU countries: 36.3%



CANADA'S FOREIGN DIRECT INVESTMENT WITH THE EUROPEAN UNION

Major Destinations for and Sources of Foreign Direct Investment

- Major destinations for Canadian foreign direct investment in the EU in 2025:
  - Luxembourg: $108.0 billion
  - The Netherlands: $91.0 billion
  - Ireland: $26.1 billion
- Major EU sources of foreign direct investment in Canada in 2025:
  - The Netherlands: $182.9 billion
  - Luxembourg: $76.2 billion
  - France: $30.4 billion



PROFILE OF THE EUROPEAN UNION

Countries of the European Union	GDP at PPP (2024, US$)	GDP per Capita at PPP (2024, US$)	Population (2024)	International Merchandise Exports and Imports as a Percentage of GDP at Official Exchange Rates (2024)
Austria	678.4 billion	73,900	9.1 million	79.6%
Belgium	871.8 billion	73,500	11.9 million	156.4%
Bulgaria	270.3 billion	41,900	6.4 million	88.6%
Croatia	191.6 billion	49,500	3.9 million	77.2%
Cyprus	61.3 billion	63,000	1.4 million	47.1%
Czechia	624.7 billion	57,300	10.9 million	143.0%
Denmark	489.4 billion	81,900	6.0 million	60.3%
Estonia	68.6 billion	50,000	1.4 million	95.7%
Finland	367.4 billion	65,400	5.6 million	53.1%
France	4.3 trillion	62,600	68.6 million	44.0%
Germany	6.1 trillion	73,600	83.5 million	66.2%
Greece	461.2 billion	44,300	10.4 million	56.9%
Hungary	464.3 billion	48,600	9.6 million	137.4%
Ireland	720.0 billion	133,400	5.4 million	63.2%
Italy	3.7 trillion	62,000	59.0 million	54.2%
Latvia	81.0 billion	43,400	1.9 million	101.6%
Lithuania	159.7 billion	55,300	2.9 million	99.5%
Luxembourg	105.6 billion	155,900	677,000	44.3%
Malta	39.7 billion	69,900	568,800	53.0%
The Netherlands	1.6 trillion	86,200	18.0 million	142.8%
Poland	1.9 trillion	51,300	36.6 million	82.7%
Portugal	552.7 billion	51,700	10.7 million	64.5%
Romania	935.0 billion	49,100	19.1 million	61.9%

Countries of the European Union	GDP at PPP (2024, US$)	GDP per Capita at PPP (2024, US$)	Population (2024)	International Merchandise Exports and Imports as a Percentage of GDP at Official Exchange Rates (2024)
Slovakia	261.0 billion	48,100	5.4 million	162.2%
Slovenia	121.7 billion	57,200	2.1 million	223.9%
Spain	2.8 trillion	58,000	48.8 million	51.9%
Sweden	759.4 billion	71,800	10.6 million	63.8%
European Union	28.6 trillion	63,600	450.2 million	71.9%

Source: Table prepared by the Library of Parliament using data obtained from World Bank Group, "World Development Indicators," Database, accessed 27 May 2026.

DEFINITIONS

Definitions Used Throughout the Series

Balance of payments–based data

Data that indicate the value of transactions between a country's residents and non-residents.

Customs-based data

Data compiled from declarations that are filed with the Canada Border Services Agency and that are used to track the flow of goods into and out of Canada, with one exception: exports to the United States. Since 1990, customs-based data on most Canadian exports to the United States have been based on declarations filed with U.S. Customs and Border Protection.

Gross domestic product (GDP)

Measure of an economy's total production in a given year.

Manufactured goods

Finished or semi-finished products resulting from the transformation of materials and substances into new products (North American Industry Classification System, or NAICS, codes 31 to 33), and the output of establishments primarily engaged in operating electric, gas and water utilities (NAICS code 22).

Merchandise trade

Trade in physical goods, such as cars, wheat and iron ore.

Resource-based goods

Products of the agriculture, forestry, fishing and hunting sector (North American Industry Classification System, or NAICS, code 11), and of the mining, quarrying, and oil and gas extraction sector (NAICS code 21).

Services trade

Trade in travel, transportation, government and commercial services. Travel services are goods and services purchased abroad by travellers, with one exception: cross-border transportation. Transportation services are the transportation of goods and cross-border travellers, and related services. Government services arise largely from official representation and military activities, and some governmental commercial activities. Commercial services are all other services, such as management, financial or engineering services; this category also includes charges for the use of intellectual property.

Trade balance

Difference between the value of exports and the value of imports. There is a trade surplus if the value of exports exceeds the value of imports. There is a trade deficit if the value of imports exceeds the value of exports.

Definitions Specific to the Profiles for Countries and Regions

Foreign direct investment (FDI)

Investment that provides an investor with ownership of at least 10% voting equity in an enterprise that is located in a country other than the investor's country of residence. The stock of FDI is the value of the accumulated equity owned by investors abroad; the stock changes from year to year based on various factors, including flows of FDI.

Purchasing power parity (PPP)

Ratio of the prices in two countries for identical goods and services. It is used to adjust economic indicators to account for international price differences. With a calculation of GDP at PPP, a given good or service has the same price in each country.

Definitions Specific to the Profile for the European Union

EU-13

The 13 countries that joined the European Union between 2004 and 2013: Bulgaria, Croatia, Cyprus, Czechia, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia and Slovenia.

EU-14

Fourteen of the 15 countries that became members of the European Union before 2004: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain and Sweden. The 15th country, the United Kingdom, withdrew from the European Union on 31 January 2020.

Definitions Specific to the Profiles for Provinces and Territories

Basic prices

Prices received by sellers. They exclude both taxes and subsidies on products.

Market prices

Prices paid by buyers. They include taxes net of subsidies on products.