

because Canada is a leader in tritium technology (a by-product of Canada's CANDU reactor), EC fusion research teams already have Canadian members and contracts have been awarded to Canadian firms because of their expertise.

Canada is exploring the possibility of strengthening co-operation with the EC in a number of research fields, including the environment, non-nuclear energy sources, biotechnology, telecommunications and information technologies, and advanced materials. The Canadian ministers of Science and Technology and of External Affairs have confirmed this interest to their EC counterparts and proposed the negotiation of a science and technology agreement.

The EC is one member of the EUREKA ministerial club which involves 18 Western European countries. This club directs a multi-sectorial technology development program now totaling 297 projects for a cost of about \$10 billion. This European program involves some 1 600 firms and research institutions in Europe. A small number of Canadian firms have already succeeded in finding a place in EUREKA projects with European partners.

## Customs Tariff Structure

The Common Customs Tariff (CCT) of the EEC, which applies to goods imported into the Community from other countries, including Canada, is based on the international Harmonized System (HS) of tariff classification.

On January 1, 1988, the HS was adopted by the EEC and most of the other major trading nations including Canada and the United States. The system is based on the Customs Co-operation Council Nomenclature.

Customs duties in the Community are levied on either an "ad valorem" or "specific" basis. Ad valorem duties are used most widely throughout the Customs tariff and are charged on a percentage of the declared value as defined by European Community regulations (see "Customs Valuation" section). Where specific rates are applicable, the charge is made per unit, net weight or other specified measure of quantity.

Information about the classification of Canadian goods in the CCT and the rates of customs charges applicable may be obtained by contacting the European Community Trade Policy Division of External Affairs and International Trade Canada.