



European Parliament EUROPEAN PARLIAMENTARY RESEARCH SERVICE

#### November 2023

Canada is one of the EU's closest partners. The two share numerous values, such as respect for democratic principles, human rights and fundamental freedoms and a commitment to the rules-based international order. In the framework of the Canada-EU Strategic Partnership Agreement (SPA) and the Canada-EU Comprehensive Economic and Trade Agreement (CETA) which is under provisional application, pending its ratification by all Member States, the like-minded partners cooperate on a wide range of issues of shared interest and responsibility. These include foreign policy, international peace and security, trade and investment, climate change and environment, health, and development cooperation.

In this context, the EU and Canada hold regular consultations, including ministerial consultations and dialogues of the political directors, as well as summits between the Canadian prime minister and the presidents of the European Council and the European Commission. On 23-24 November 2023, the EU-Canada Summit is set to take place in St John's, Canada, during which the leaders are expected to reaffirm their joint support for Ukraine and take stock of the results of the CETA, which has been partially in place since September 2017 and has been ratified by 16 out of 27 Member States. The meeting will also provide an opportunity to discuss the EU-Canada Strategic Partnership on key raw materials.

In addition, the EU and Canada regularly carry out specific consultations, dialogues and other activities on regional and global issues on topics such as energy, environment and climate change, non-proliferation, defence and security matters, among others. Being an advanced economy and member of several groups and organisations – including the UN, G7, G20, NATO and the Arctic Council – Canada cooperates closely with the EU (and/or its Member States) on issues of common interest, including peace and security, sustainable development, climate change and gender equality.

The European Parliament's Delegation for Relations with Canada (D-CA) holds annual inter-parliamentary meetings with Canadian counterparts in the Canada-Europe Parliamentary Association. The latest – 42nd – EU-Canada inter-parliamentary meeting took place in Brussels on 8-9 June 2023, during which the counterparts signed a Joint Statement underlining the need for the partners to work together to defend the international rules-based order, and highlighting the importance of deepening the EU-NATO partnership. The D-CA follows developments in EU-Canada relations closely through its regular meetings.

## Canada and its legal, political framework and policies

#### Mapping threats to peace and democracy worldwide: Normandy Index 2023

Study by Elena Lazarou and Branislav Stanicek, EPRS, September 2023 (also in French)

The Normandy Index, now in its fifth year, aims to measure the level of threats to peace, security and democracy around the world. The 2023 edition includes a chapter on Canada. Canada ranks 6th in the Normandy Index, indicating low levels of risk. It performs better than the world average on nearly every indicator, and scores notably well in democratic processes and cybersecurity.



#### Right to health, a comparative law perspective – Canada

## Study by Prof. Derek J. Jones, EPRS, May 2022

This study forms part of a larger comparative law project that seeks to present the right to health in a broad range of legal systems around the world. After analysing applicable constitutional sources, federal legislation and case law, the study explores the definition and content, scope and limits, and evolution of Canada's right to health.

#### **Canada's Parliament and other political institutions**

#### Briefing by Matthew Parry, EPRS, February 2022

The contemporary federal state of Canada was formed in 1867. Its constitution, adopted the same year, sets out the rules by which the country is governed and divides government responsibilities into three separate branches: parliament, executive and judiciary. In addition to being a federation, Canada is also a representative democracy and a constitutional monarchy.

#### The principles of equality and non-discrimination, a comparative law perspective – Canada

#### Study by Prof. Colleen Sheppard, EPRS, November 2020

This study examines sources of equality law and judicial interpretation of the principles of equality and non-discrimination in Canada. It is part of a series of studies, which, from a comparative law perspective, seek to present the principles of equality and non-discrimination in different countries.

#### The role of constitutional courts, a comparative law perspective - Canada: The Supreme Court

#### Study by Prof. Johanne Poirier, EPRS, July 2019

This study is part of a wider project investigating, from a comparative law perspective, the role of constitutional courts of different countries. It examines Canada's highest court, the Supreme Court. While all judicial courts may rule on constitutional matters, the Supreme Court of Canada enjoys a privileged status in the Canadian legal landscape. As the ultimate arbiter of the constitution, it has the final word with respect to constitutional interpretation, notably in constitutional matters. It thus plays a central role in Canada's federal democracy.

#### **Regulating lobbying in Canada**

#### Briefing by Elisabeth Bauer, Piotr Pielucha and Marie Thiel, EPRS, May 2017

As one of the first four countries in the world to regulate parliamentary lobbying activities, Canada provides an interesting example of legislation aimed at boosting transparency, honesty and integrity in public decision-making. Evolving from the 1989 Lobbyists Registration Act, today's Lobbying Act lays out the types of activities concerned and the processes of lobbying regulation, including sanctions, leading to a new wave of investigations and rulings.

#### Canada's strategic communication to counter foreign propaganda

#### Briefing by Naja Bentzen with Lana Perić, EPRS, October 2016

Over the decades, Canada has taken evolving strategic communication (StratCom) measures to counter foreign propaganda – often violent, extremist and undemocratic – disseminated by non-state and state actors. To this end, the Canadian government has employed both hard and soft tactics and strategies through legislation, community outreach and military operations.

#### Asylum policy in Canada

#### 'At a glance' note by Ionel Zamfir, EPRS, February 2016

Traditionally, Canada has been a leading nation in accepting refugees through the United Nations. It has a comprehensive programme for resettling refugees, which assigns an important role to private sponsors. However, a number of legislative changes in recent years, aimed at deterring 'irregular arrivals' of asylum-seekers, have raised concerns about human rights violations.



# Comprehensive Economic and Trade Agreement with Canada (CETA)

# Stakeholder consultation report on the implementation of selected aspects of the EU-Canada Comprehensive Economic and Trade Agreement (CETA)

Study by Dr Matthias Bauer, EPRS, November 2023

The European Parliament's Committee on International Trade is currently scrutinising implementation of the EU-Canada CETA through a dedicated report. This stakeholder consultation report offers evidence in support of the committee's work on the implementation report.

#### **CETA implementation: SMEs and regions in focus**

Study by Jana Titievskaia and Ioannis Zachariadis, EPRS, November 2019

The aim of this analysis is to chart the state of play of CETA's ratification procedures, the agreement's key objectives, the controversies surrounding it, and the initial results stemming from provisional application, with a focus on regions and small and medium-sized enterprises (SMEs).

#### From arbitration to the investment court system (ICS): The evolution of CETA rule

#### In-depth analysis by Laura Puccio and Roderick Harte, June 2017

The CETA is the first EU agreement signed by the EU containing investment protection provisions. Investment provisions include investment liberalisation measures and an investment protection framework with a dispute settlement mechanism for disputes arising between investors from the partner country and the host state.

#### **CETA and public services**

#### In-depth analysis by Laura Puccio, Wilhelm Schöllmann and Giulio Sabbati, EPRS, February 2017

One of the main debates surrounding CETA was the protection of public services. Activists, on both sides of the Atlantic, claimed that CETA would limit governments' ability to create and regulate public services, as well as to renationalise in the event of failed liberalisation or privatisation. Public services have therefore been insulated to some extent from CETA's liberalisation effects with respect to cross-border trade (CBT) and investment flows (INV). This in-depth analysis looks at the way and extent to which public services are protected by the agreement.

#### Trade and sustainable development chapters in CETA

#### Briefing by Laura Puccio and Krisztina Binder, EPRS, January 2017

CETA only partially exceeds the dialogue-only approach contained in earlier EU trade agreements and has maintained the exclusion of trade and sustainable development (TSD) chapters from the scope of the state-to-state dispute settlement procedure. It also maintains an ad hoc two-stage dispute resolution mechanism already found in the EU-South Korea free trade agreement. The mechanism does not include sanctions, and focuses on mutually agreed solutions to problems.

#### **CETA:** Investment and the right to regulate

#### At a glance note by Laura Puccio, EPRS, February 2017

Under international public law, states can be asked to compensate investors whenever regulatory measures become expropriation measures or violate standards of treatment, such as the 'fair and equitable treatment of investors' obligation. The EU-Canada CETA takes a relatively restrictive approach to these investor rights.

#### Comprehensive Economic and Trade Agreement (CETA) with Canada

#### 'At a glance' note by Wilhelm Schöllmann, EPRS, February 2017

The EU and Canada signed CETA on 30 October 2016, after long discussions. A total of 38 statements and declarations as well as a Joint Interpretative Instrument accompany the Council decision to sign the agreement.

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#### Agriculture in the EU-Canada Comprehensive Economic and Trade Agreement (CETA)

## 'At a glance' note by Francesco Tropea with Pieter Devuyst, EPRS, July 2016

The CETA is a preferential trade and investment agreement, negotiated between the EU and Canada, which seeks to increase the bilateral flow of goods, services and investments. CETA includes several elements that are directly related to agriculture, notably tariff cuts, tariff rate quotas and Geographical Indications, while the sections on subsidies, rules of origin and sanitary and phytosanitary rules also have implications for the sector.

#### Globalstat Infographic: Canada: Economic Indicators and Trade with the EU

'At a glance' note by Giulio Sabbati and Marta Russo, EPRS, October 2018

# Issues with a regional or thematic scope

#### Russia's war on Ukraine: Implications for the Arctic

#### Briefing by Gabija Leclerc, EPRS, November 2023

Canada is one of eight Arctic states and one of the five coastal Arctic states. Russia's brutal war of aggression against Ukraine has already manifested in a plethora of impacts on the Arctic region (including in the Canadian Arctic), of which repercussions are likely to spread well beyond the Circumpolar North.

#### Third-country participation in EU defence

#### 'At a glance' note by Elena Lazarou with Linda Tothova, EPRS, March 2022

Cooperation with third countries is embedded in several dimensions of EU security and defence policy. The Strategic Compass dedicates one of its main sections to the role of partnerships. It calls for stronger tailored bilateral partnerships with like-minded partners.

#### **Global human rights sanctions – Mapping Magnitsky laws: The US, Canadian, UK and EU approach** *Briefing by Martin Russell, EPRS, November 2021*

Human rights sanctions are nothing new, but the death in 2009 of Russian whistle-blower Sergei Magnitsky in detention resulted in calls for more vigorous action to counter continuing abuses in many countries. This briefing compares four such programmes: the US Global Magnitsky Act, Canada's Sergei Magnitsky Law, the UK's Global Human Rights and Anti-Corruption Regulations, and the EU's restrictive measures against serious human rights violations and abuses, the most recent of the four to be adopted.

#### Human rights in EU trade agreements: The human rights clause and its application

#### Briefing by Ionel Zamfir, EPRS, July 2019

The practice of linking human rights with trade liberalisation has gained ground among many trade partners. Not only the EU, but also other important trade powers, such as the US and Canada, embed human and labour-rights provisions in their new trade agreements. The political agreement with Canada is the first EU agreement fully clarifying the specific circumstances under which the human rights clause could be applied.

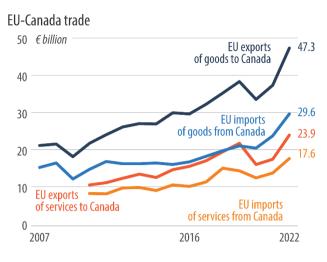
#### United States-Mexico-Canada Agreement (USMCA): Potential impact on EU companies

#### At a glance note by Jana Titievskaia with Marian Pietsch, EPRS, December 2018

The USMCA is a trade agreement due to replace the North American Free Trade Agreement (NAFTA). The United States, Mexico and Canada signed the agreement on 30 November 2018. In 2018, the EU policy makers raised concerns that certain USMCA provisions on rules of origin, geographical indications and voluntary export restraints could have implications for EU companies trading with or present in North America, in particular carmakers, food and drink exporters, and dairy producers. The USMCA could also set precedents for future US trade policy, in departing from key principles in international trade and origin determination.

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# **EPRS** graphics



Mechanical appliances and

Pharmaceutical

products (B): 13.1%

Agri-food (D): 10.1%

Oil, gas, coal (E): 6.2 %

Other (G): 31.0 %

Transport (A): 25.3 %

services (B): 19.4%

Personal, cultural and recreational (E): 6.1%

Intellectual property (F): 5.5 %

Various business

Travel (C): 17.2 %

ICT\* (D): 11.4 %

Other (G): 15.0%

Organic chemicals (F): 4.7 %

electrical equipment (A): 22.8%

Vehicles and aircraft (C): 12.1%

## EU exports of goods to Canada (2022)



## EU exports of services to Canada (2022)



\*ICT: Information, computer and telecommunications services

Data sources: EU-Canada trade data are from Eurostat Comext (goods) and from Eurostat BPO\_ITS6\_DET (services); EU share in Canada's total trade is from the IMF. Graphics: Gyorgyi Macsai.

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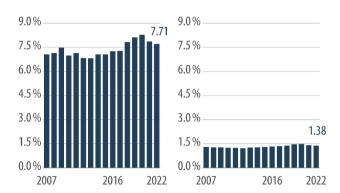


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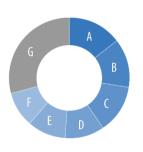
Share in partner's total trade with the world (goods)

EU share in Canada's total trade

Canada share in EU's total trade



EU imports of goods from Canada (2022)



Ores, slag and ash (A): 14.6% Oil, gas, coal (B): 13.0% Mechanical appliances and electrical equipment (C): 13.0% Vehicles and aircraft (D): 10.8% Agri-food (E): 10.1% Pearls and gemstones (F): 9.5 % Other (G): 29.0%

Various business

services (A): 31.6 %

Travel (C): 14.3 %

ICT\* (D): 11.6 %

Maintenance and

repair (F): 3.3 %

Other (G): 9.6%

Transport (B): 24.3 %

Intellectual property (E): 5.3 %

EU imports of services from Canada (2022)

