February 2016

The EU-Canada negotiations for a Comprehensive Economic and Trade Agreement (CETA) were concluded in September 2014. The agreement’s overall aim is to increase flows of goods, services and investment to the benefit of both partners. Except for a few sensitive agricultural products, the agreement would remove practically all tariffs on goods exchanged between the two partners. Canada would substantially open up its public procurement, thereby eliminating a major asymmetry in access to each other’s public procurement markets. The EU succeeded in securing protection for a large number of European Geographical Indications (GIs) on the Canadian market. Provisions on sustainable development should ensure that trade and investment do not develop to the detriment of, but rather support, environmental protection and social development.

International Agreements in Progress: Comprehensive Economic and Trade Agreement (CETA) with Canada
Briefing by Wilhelm Schöllmann, January 2017
CETA was signed by the EU and Canada on 30 October 2016. The Council decision on signature was only reached after difficult discussions, so that a total of 38 statements and declarations by Member States, the Commission and the Council, as well as a Joint Interpretative Instrument accompany that Council decision. The European Parliament has launched the consent procedure with Artis Pabriks (EPP, Latvia) as rapporteur. On 24 January 2017, the Committee on International Trade (INTA) voted in favour of an EP consent for CETA. The vote in plenary is planned for the February part-session in Strasbourg (13 to 16 February).

CETA and public services
In-depth analysis by Laura Puccio and Wilhelm Schöllmann, February 2017
Because of the narrow definition of the public sector carve-out in trade agreements, and in order to protect the capacity of states to introduce public services and regulate them, the EU and its Member States included several reservations in the services and investment chapters. These reservations have been entered for, among other sectors, health services, education services, social services, environmental, energy and transport services. This in-depth analysis explains in what way and in how far CETA exempts public services in the EU and the EU Member States from competition from Canada.

CETA: Investment and the right to regulate
At a glance by Laura Puccio, 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 Comprehensive Economic and Trade Agreement (CETA) takes a relatively restrictive approach to these investor rights.

Trade and Sustainable Development Chapters in CETA
Briefing by Laura Puccio and Krisztina Binder; Graphics by Christian Dietrich, January 2017
The inclusion by the EU of trade and sustainable development (TSD) chapters in FTAs concluded with its partners plays a role in ensuring that trade and investment liberalisation does not lead to a deterioration of environmental and labour conditions. CETA partially exceeded the dialogue-only approach contained in earlier EU agreements, but maintained an ad hoc two-stage dispute resolution mechanism without sanctions, and focused on mutually agreed solutions to problems following the cooperative nature of the TSD chapters.

Agriculture in the EU-Canada Comprehensive Economic and Trade Agreement (CETA)
At-a-glance by Francesco Tropea with Pieter Devuyst, July 2016
The Comprehensive Economic and Trade Agreement (CETA) is a preferential trade and investment agreement,
negotiated between the European Union (EU) and Canada. CETA includes several elements which 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.

Further reading

**Investment rules in trade agreements: Developments and issues in light of the TTIP debate**
*In-depth analysis by Laura Puccio, September 2015*

A guide to EU procedures for the conclusion of international trade agreements
*Briefing by Laura Puccio, October 2016*

**Is CETA a mixed agreement?**
*At-a-glance by Wilhelm Schöllmann, July 2016*

More in the **Globalstat Infographic: Canada: Economic Indicators and Trade with the EU**

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