LIMITED

EU-Canada CETA negotiations Round VI, Brussels, 17-21 January 2011

Round VI of the negotiations for the EU-Canada Comprehensive Economic and Trade Agreement (CETA) took place in Brussels 17-21 January.

The negotiations in the round focussed primarily on text issues.

Art. 4.3

There was slow and steady progress on all chapters but no major break-through to report. The reason for the slower progress on text is that the remaining differences either a) can only be solved alongside the market access discussions, or b) the issues are more systemic, relating to differences of our economic structure or our regulatory systems. Finding common ground in these areas becomes more difficult however, there is a clear willingness on both sides to find solutions for these outstanding issues, but it takes time and needs creativity. The provinces were again well involved in this round.

With regard to the key issues in the different negotiation areas:

On goods, both sides went through the whole text. Key elements that remain open are national treatment, duty drawback, Canadian export duties, agricultural subsidies, and the list of exceptions in the Canadian annex to the trade and goods text where we are slowly making progress.

In the TBT chapter, delegations reviewed the entire text of the chapter again.

Art 4.1(a)

On procurement, there was an article-by-article review of the text. The remaining open text issues are related to the results of the still to come market access discussions.

On Rules of Origin, negotiators reviewed the complete list of product specific rules. Approximately half of the chapters are now agreed. Around 20 additional chapters have only a limited number of open issues to solve. The remaining key differences are in agriculture, notably beef, cars, fisheries, and textiles. For these products, the differences mainly relate to the different structures of our economies.

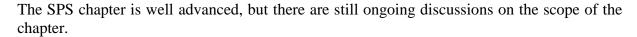
On subsidies the negotiations moved beyond talking about principles and objectives into discussions of text, but nothing has yet been agreed.

In the IPR chapter,

Art. 4.3

Apart enforcement, there has been no progress on the other IPR items, notably copyrights and pharmaceutical patents.

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Sustainable development Art 4.1(a)

. Discussions are notably ongoing on the link of the environmental- and labour provisions of the chapter to the relevant multilateral conventions and on the remedies.

Art. 4.3

On Mode 4, the parties reviewed the text. The development of a common text is far advanced. The key remaining issues relate to the outstanding offers.

Art. 4.3

Canada and EU also had a detailed exchange of views on the main principles of the negotiation of Mutual Recognition, and the Canadian text proposal.

The EU recalled its concerns about differences in the respective negotiating approaches

Art 4.1(a)

and on the legal certainty of MRAs. Both parties agreed that MRAs should involve and apply to all jurisdictions within their territories.

On Maritime Transportation, good progress was made with the removal of several brackets.

Art. 4.3

The Commission will present the text to Members States for

comment.

The next round will be in the week of April11 in Ottawa.