

EU-Canada CETA negotiations
Round VII, Ottawa, 11-15 April 2011

Round VII of the negotiations for the EU-Canada Comprehensive Economic and Trade Agreement (CETA) took place in Ottawa 11-15 April.

The negotiations in the round focussed primarily on text issues.

Art 4.3

There was 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 remaining open issues in the text on trade in goods, negotiators are generally making good progress in finding possible compromises (notably on national treatment, Canadian import and export exceptions). However the inter-linkage between this chapter and in particular Rules of Origin makes a limit to what could be achieved in concrete terms without movement in those chapters.

On **Sanitary and Phyto-Sanitary (SPS)** it was finally possible to work towards a solution on the disputed question of scope and to better understand the differences of approach in our respective phytosanitary systems with regard to import conditions and approvals. This should open the way for an agreement. Both Parties agreed on the importance of having a "friendly" agreement with focus on collaboration, in addition to facilitating the resolution of trade issues.

In the **TBT** chapter, the Canadians are adjusting their expectations with regard to their involvement in European regulatory and standard setting processes

Art 4.1(a)

In the area of **wines and spirits**,

Art 4.1(a)

On **Procurement** and on **Services**

Art 4.1(a)

the text is far advanced. Few remaining open issues, linked to other chapters or to the outcome on market access. Good progress as well on the **mutual recognition of professional qualifications** where both parties advanced on

Art 4.1(a)

however,

On **dispute settlement and mediation** almost all was agreed. Parties made significant progress cleaning up the text and have resolved three of the outstanding issues: panel composition, choice of forum and drafting of the proposed mediation annex.

On **Intellectual Property Rights (IPR)** discussions were short in all areas and limited progress was made on text. The deadlock on pharma-related issues

Art 4.1(a)

The discussion on **Geographical Indication (GIs)** was limited as the EU list on agricultural products and foodstuffs was under discussion with the EU Member States and not yet agreed.

Difficult discussions on **Rules of Origin (RoO)** which is, given our different systems, one of the most complex and the most time-intensive area of the negotiations. Both sides share the concern on timing in view of the upcoming market access discussions to which an understanding on the key RoO issues is directly linked. The work on specific rules of origin is now narrowing down on those products with (perceived or real) economic importance where the rules on both sides significantly differ (cars, meats, sugar containing products, textiles, fish). For many of these lines, a solution is not yet in view.

Some progress in the areas of **sustainable development** and Art 4.1(a) but positions are still apart.

The Parties also discussed possible provisions on Energy, Raw materials dialogue and cooperation in Science, Technology Research and Innovation.

The next round will take place in Brussels 11-15 July.