

**EU-Canada CETA negotiations,
1st round, Ottawa 19 – 23 October 2009**

The **1st Round** of negotiations for the EU-Canada Comprehensive Economic and Trade Agreement (CETA) took place in Ottawa from 19 to 23 October 2009. The negotiations covered 16 trade and trade-related areas and involved some 33 EC officials and 120 Canadian Federal Government officials. The Chief Negotiators were Mauro Petriccione, Director, DG TRADE for the EU and Steve Verheul, Assistant Deputy Minister, Department of Foreign Affairs and International Trade (DFAIT) for Canada.

A total of some 60 representatives of Canada's Provinces and Territories were present at the Round, and participated in the various negotiating groups in which areas of provincial competence were involved. (The Federal Government remained, however, the lead spokesman in all negotiating groups.)

Art 4.1(a)

Discussions centred on 16 key areas of a future agreement: Trade in Goods, TBT, SPS, Establishment and Services, IPR, Government Procurement, Customs and Trade Facilitation, Rules of Origin, IPR, Subsidies, Monopolies and State Enterprises, Competition, Regulatory Cooperation, Sustainable Development, Trade Remedies, Institutions and Dispute Settlement. An informal exchange was also held on other areas for possible inclusion in the CETA, probably in the form of enhanced cooperation.

Overall, the 1st Round was considered by both sides as having been productive, with progress made towards reaching a consolidated common draft text in areas including Trade in Goods, TBT, GP, Competition, Regulatory Cooperation, Rules of Origin, Dispute Settlement, Customs and Trade Facilitation and aspects of Services and Investment. In other areas such as IP, SPS and Trade Remedies, good progress was made in terms of mutual understanding of each party's approaches, such as should allow for common draft texts to be available for debate in Round II (Brussels, 18 – 22 January 2010).

Thanks to the exchange of texts which had preceded the Round, both parties had been able to pre-identify not only areas of convergence and divergence on substance, but also differences in architecture. During the Round, emphasis was placed on substance rather than on architecture, although it was recognised that in some areas – notably Sustainable Development and aspects of Services and Investment – architecture would be an important element of future discussions. Areas of substantive divergence related i.a. to certain market access issues (in both the services and goods sectors), elimination of customs duties on exports, national treatment and agricultural subsidies. Positive were repeated statements by the Canadian Chief Negotiator that Canada – like the EU – sought an ambitious agreement, and that a shallow agreement would not be worth negotiating.

In preparation for the January Round it was agreed that a common working document would be provided by negotiating leads by 14 December, consisting of consolidated text or side-by-side text where text had not been consolidated. In addition, offers on Goods and requests on Cross-border trade in Services, Investment and Government Procurement would be exchanged on 14th December, with a view to discussion during the 2nd Round.

Dates for the 3rd and 4th Rounds have been set tentatively at 19 – 23 April 2010 (in Ottawa) and 12 – 16 July 2010 (in Brussels).

Update (16.12.09): Tariff offers and requests were exchanged on 14th December, and will be discussed at Round II in Brussels. Work on texts will also continue.