



Minutes of the ECR Meeting of February 7th, 2012

Attendance: All except Bulgaria, Croatia, Cyprus, Latvia, Lithuania, Luxembourg, Malta

1. Guest speaker – 10:00

- Presentation by CBSA on the US/Canada security perimeter

MM. Tony Hahn and Cameron Walter (Canada Border Services Agency or CBSA) gave the attached presentation concerning the recently-agreed US-Canada "Border Action Plan for Perimeter Security and Economic Competitiveness". [**DELETED**]

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After the presentation, EUDEL said it would try to get a speaker on the Canada-US Action Plan on Regulatory Cooperation, which was announced at the same time as the Action Plan on Perimeter Security and Economic Competitiveness in December 2011. The text of this particular Action Plan is attached.

2. CETA – State of play

EUDEL recalled that a full state of play on the CETA negotiations was already provided to Member States by Mauro Petriccione, EU chief negotiator, on Friday February 3rd.

As a complement to the analysis of the current Canadian external trade, EUDEL made reference to a recent paper published by the Conference Board of Canada and titled "*Adding Value to Trade Measures: An Introduction to Value-Added Trade*". This paper, which is available at this link: <http://trade.compliance.ghy.com/wp-content/uploads/2012/01/12-149-ValueAddedTrade.pdf> highlights the concepts of value-added trade and shows how conventional trade data (measures of imports and exports) can distort the real trade picture when countries are involved in vertical trade (supply chain trade). This notion is very relevant to Canada given that Canada's trade may contain a very high level of foreign (mainly US) inputs and components. So, from a value-added trade angle, the conclusions of the study are as follows: 1) Canada is less trade dependent than thought; 2) The US remains by large the first Canada's trading partner but Canada's trade with the US is less important than normally thought. For the same reasons, Canada's trade relationships with Europe and Asia are more significant than what suggested by conventional trade data; 3) The services sector becomes a much more important contributor to Canadian trade, as the value of services embedded in the value of traded goods becomes apparent.

3. ECR functioning

- EU presence on Canadian territory

EUDEL said that, further to the idea launched at the ECR in January, less than half of the MS have supplied the information about their network of trade related presence on the Canadian territory. EUDEL invited those MS who have not provided the information to do so in the coming days. EUDEL would like to present an initial picture of the EU presence in Canada at the ECR meeting in March.

- Preparation of ECR annual report

EUDEL recalled that in order to be able to produce an ECR annual report on Canadian economic and trade matters by year end, it is important that MS volunteer now on which parts of the report they would like to contribute. As already indicated in January, EUDEL said that it would cover trade, agriculture, fishery and environmental (including climate change) matters. IT confirmed its intention to take care of macroeconomic and monetary matters. DE said that they could take care of the natural resources chapter while BE and NL expressed a general interest in making some contribution but asking for some more time to specify their area of responsibility.

EUDEL recalled that it would be important to define the areas of competence as soon as possible and preferably by March, at the latest. In order to facilitate this task, EUDEL will circulate a draft "table of contents" with a view to clarify which areas are already covered and which instead would need additional contributions by MS.

- Field trips (Bombardier/Montreal)

EUDEL confirmed that Bombardier is available to host the visit of ECR members to the Bombardier's facilities in Montreal. The visit would take about 2/2.30 hours. The organisation of such a visit implies two additional questions:

1) How to organise the journey for a relatively large number of participants (personal vehicles, vans by the Embassies, bus rental etc.). The meeting agreed that the best and more rational way to do it would be by means of a small bus to be rented for the day. EUDEL said that it would make enquiries with rental companies to assess costs and conditions.

2) How to take advantage of the second part of the day in Montreal after the visit of the Bombardier facility. Some ideas have been proposed: meeting with the Quebec government, meeting with business representatives, meeting with University and/or the media, meeting with EU trade representatives in Montreal etc. For this second part of the journey it was agreed that it would be important to ensure the visibility of the ECR as a group. In terms of logistics, it would be useful if EU entities in Montreal (Consulates, Chambers of Commerce, trade representatives etc.) could make us available a venue for the organisation of the event. DE and IT said that they would enquire with their respective Chambers of Commerce to see whether this kind of support is available.

4. Other business

- Green Energy Act

EUDEL informed that the WTO agreed at its meeting in January to set up a Panel based on the EU's complaint about the domestic content requirements under Ontario's Green Energy Act. Discussions are ongoing as to whether this Panel proceeding will be joined with a similar WTO Panel set up on the basis of Japan's complaint about these same domestic content requirements.

- Fuel Quality Directive

EUDEL informed that the next meeting of the technical committee on the implementing measures of the FQD will meet in Brussels on February 23rd. EUDEL also mentioned that last week met with representatives of the Council of Canadians (CoC) and Canadian environmental groups who support the EU proposals on the FQD. DE, IT, NL, E and H also had meetings with the same organisations. They reported that incidentally the CoC also raised the question of the investor-state provisions to be negotiated in the context of the CETA and expressed their concern in that respect.

- Bill C-11 – Copyright

EUDEL informed that Bill C-11 is still being debated at second reading, but is expected to go to a Legislative Committee shortly. The Chairman of that Committee has been chosen and will be an MP from the Opposition NDP. It is anticipated by a number of stakeholders that the Bill will be improved during the Committee's deliberations.

- Presentation by Leszek Balcerowicz, former Governor of the National Bank of Poland in Ottawa on 27 February 2012

EUDEL and PL announced that Mr Balcerowicz, former Governor of the Polish national Bank, will make a presentation on the Polish economic reforms of the 1990s and the current Euro situation on February 27th in the boardroom of the EU Delegation to Canada at 10h00. A formal invitation to MS will be sent out shortly.

5. Date of next ECR meeting

The next ECR meeting will take place on March 6th.