



Minutes of the ECR Meeting of November 9th, 2011

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

1. CETA up-date

EUDEL recalled that the EU Chief negotiator gave a full debriefing to MS representatives after the 9th round of the CETA round in Ottawa. EUDEL provided a new version of the "CETA state of play" after round 9, which is attached to these minutes.

- *Debate on CETA in the Standing Committee on International Trade*

EUDEL informed MS that the Canadian Parliament's Standing Committee on International Trade has started a series of public hearings on the CETA negotiations. On October 6th both the Minister of International Trade and the Canadian CETA Chief negotiator had an extensive exchange with members of the Committee. Then, on October 27th the Committee invited stakeholders representing the pharmaceutical industries (both generics and brand-name), the agricultural sector and the fish and seafood sector. The transcripts of these two meetings are available on the site of the Standing Committee at the following links:

<http://www.parl.gc.ca/HousePublications/Publication.aspx?DocId=5161557&Language=E&Mode=1&Parl=41&Ses=1>

<http://www.parl.gc.ca/HousePublications/Publication.aspx?Language=E&Mode=1&Parl=41&Ses=1&DocId=5207571&File=0>

Other hearings should take place in the coming weeks.

- *INTA Visit*

EUDEL recalled the visit of the International Trade (INTA) Committee of the European Parliament to Canada from October 31st to November 4th with stops in Ottawa and Toronto. The Chairman of the Committee himself, Mr Vital Moreira, debriefed MS representatives in Ottawa on November 2nd.

The INTA delegation had the opportunity to meet with high-level officials engaged in the CETA negotiations, including International Trade Minister Ed Fast and Canada's chief CETA negotiator. They also had a meeting with the Standing Committee on International trade of the Canadian House of Commons. In addition, the delegation had a chance to discuss diverse issues (pharmaceuticals, seals, agriculture, oil sands etc.) with a large range of interested stakeholders, including civil society representatives. These meetings allowed INTA

to better understand the positions taken in Canada in the ongoing CETA related debate and more broadly with regard to bilateral EU-Canada relations. When in Toronto, the INTA Delegation also met with Mr Brad Duguid - recently appointed Minister in the Ontario government responsible, among others, for trade issues.

All MEPs concurred that the visit was fruitful and informative and that there is a positive momentum in Canada to reach a good agreement in a short time. [**DELETED**]

In response to a question from D, EUDEL said that the EP only has to give its assent to a proposed international agreement by a simple majority of the Members.

- *European Economic and Social Committee visit (EESC)*

On 1 and 2 November a small delegation of the EESC headed by Mr Sandy Boyle (President of the External Relations Section of the EESC) visited Ottawa with the objective to promote to Canadian interlocutors their proposal to set up a joint body of the EESC, on the one side, and of an equivalent representative group of civil society representatives on the Canadian side. This joint body, to be established either within CETA or the revised Framework Agreement, should be devoted to monitoring the implementation of the agreement from a sustainable development perspective. The EESC delegation met with a range of Canadian civil society representatives, as well as Steve Verheul (chief CETA negotiator) and Alex Bugailiskis (chief Framework Agreement negotiator). [**DELETED**]

Some difficulties arise from the fact that in Canada there are no bodies similar to the EESC where representatives from the entrepreneurs, the unions and the other sectors of civil society work together on a common platform.

2. Fuel Quality Directive- developments

In the month of October, further to the adoption by the Commission of draft implementing rules for the FQD containing a separate default value for bitumen / oil sands, the Canadian authorities launched massive lobbying activities with MS, both in Ottawa and in Europe, strongly supported by numerous articles in the Canadian press.

EUDEL said that on 19 October the Canadian Minister of Natural Resources, Joe Oliver, wrote a letter highlighting the Canadian concerns on the implementing measures of the FQD to G. Oettinger, Commissioner for Energy (letter attached). EUDEL asked if MS had any specific point to report to comment. Several MS (D, E, P, B, NL, DK) said that the Canadian Embassies in their countries had carried out demarches on the FQD. [**DELETED**]

With respect to the Canadian arguments related to the so-called ethical oil (www.ethicaloil.org), BE pointed out the invalidity of this argument since the same oil companies are also active in countries that are deemed producers of unethical oil.

3. Canadian Wheat Board

EUDEL said that proposed legislation to privatize and end the monopoly powers of the Canadian Wheat Board (CWB) to sell Western Canadian wheat and barley was introduced into the Canadian Parliament on 18 October. Under the proposal (Bill C-18), these monopoly powers will end by 1 August 2012, while the CWB will continue as a public entity (with the

government continuing to provide guarantees for its borrowing) for 5 years until 1 August 2017.

This proposal has been strongly opposed by the CWB and some Western Canadian farmers, both of which have launched lawsuits against the government's initiative, as well as the Manitoba government. The basis for both lawsuits is that, under the current legislation creating the CWB, the government is required to consult with farmers as a pre-condition to any elimination of the CWB's monopoly powers over a particular commodity. The government has dismissed these concerns and are proceeding quickly with the passage of this proposal, possibly by the end of this year. EUDEL added that the elimination of the monopoly powers of the CWB has been an EU demand both within the current WTO DDA negotiations and the CETA negotiations.

4. Debriefings

- *G20: presentation by France*

France provided a comprehensive debriefing on the major results of the G20 meeting held in Cannes on 3 and 4 November. Key documents of the meeting are attached.

- *High Level Dialogue on Climate change*

The EU/Canada HLD on climate change took place on 17 October via video conference. A debriefing was already presented to the latest HoMs meeting and essential elements are presented in the attached document.

EUDEL also informed that, in view of the Durban Conference, the Delegation is organising a demarche with the Canadian Ministry of Environment, to be carried out by November 14th at the latest. The EUDEL will conduct the demarche together with the Polish Presidency. Other MS may be interested in taking part in the demarche.

- *High Level Dialogue on Environment*

The EU/Canada HLD on environment took place in Ottawa on 25 October. The EU side was represented by DG K. Falkenberg while the Canadian side was headed by Deputy Minister P. Boothe. A meeting between DG Falkenberg and MS took place in Ottawa on 24 October. The summary of the discussion attached to these minutes.

- *Energy drinks*

EUDEL reported that on 6 October, the Canadian government announced that it was intending to change its regulatory regime for so-called "energy drinks" from that of a "natural health product" to that of "food". This would entail a different approval process and more detailed labelling requirements. Canada wants this new regime to be in place within 2 years. More information about these changes can be found at this link: <http://www.hc-sc.gc.ca/fn-an/legislation/pol/energy-drinks-boissons-energisantes-eng.php>. Interested parties can submit written comments to the Canadian government about these changes -- the deadline for comments is 15 November. EUDEL asked MS to inform it if any EU interests make such comments. EUDEL added that the EU has raised with Canada its concerns over its regulatory regime for energy drinks, as well as its regime to approve caffeine as a food additive, many

times, particularly at previous meetings of the EU-Canada Trade and Investment Sub-Committee (TISC).

5. Other business

- *Green Energy Act (WTO case)*

At the request of MS, EUDEL explained that the EU's GEA complaint in the WTO is still in its preparatory phase. No real action has taken place since the request for WTO consultations was made last August.

- *TISC meeting*

The next TISC meeting will take place on December 1st.

If MS want any market access topics to be raised at this meeting, they are invited to inform the Commission as soon as possible.

- *EU-Canada Joint Custom Cooperation Committee (JCCC), Ottawa, 14-15 November 2011*

The JCCC meeting will take place in Ottawa on 14 and 15 November 2011. This Committee, which is established in the context of the EU/ Canada Custom Cooperation Agreement, has not met for a very long time. The EU side will be represented by Taxud DG W. Deffaa and Canada's side will be headed by Luc Portelance, President of the Canadian Border Services Agency (CBSA).

The agenda will also include topics related to the Canada-US Perimeter Vision, negotiations for a supply chain security agreement and IPR enforcement.

6. Next ECR meeting and guest speaker

- The next ECR meeting will take place on December 6th at 10.00am.
- Against the backdrop of the ongoing financial crisis and the outspoken Canadian comments about the situation in Europe by the Prime Minister, the Minister of Finance and the press, BE has arranged for a guest speaker: Hendrik BRAKEL
Senior Economist, Economic analysis and forecasting, Export Development Canada

M. Brakel and his colleagues have just completed their *Global Export Forecast*, with an outlook on the Canadian economy and trade with Europe.