



Draft Minutes of the ECR Meeting of July 3rd, 2012

Attendance: All except Bulgaria, Cyprus, Estonia, Germany, Greece, Hungary, Italy, Latvia, Lithuania, Luxemburg, Malta, Poland

1. Follow-up on Montreal Visit

The group judged the trip to Montreal as successful. EUDEL expressed the hope that it could be a start to a more coordinated EU trade presence in Montreal. EUCOCIT could share its experiences of EU coordination in Toronto and maybe even help with consolidating EU activities in Montreal.

EUDEL explained that a similar trip could be organised to Toronto. EUDEL has already made contacts with airlines to see whether special pricing for a group booking could be obtained – [**DELETED**]. A preference for November, or possibly spring 2013 as the end of the year could be busy, was expressed by several MS.

Once the idea of the trip to Toronto is approved, a programme will be discussed at an ECR meeting. Suggestions for meetings included the Ontario government, Toronto Board of Trade and Canada's financial sector

2. CETA – State of play

EUDEL recalled that a comprehensive debriefing by the EU Chief CETA Negotiator, Mauro Petriccione, was given after the working session that took place in Ottawa in June.

COM also debriefed MS on this CETA working session at the TPC meeting of 22 June.

The next CETA working session is to take place in Brussels the week of 16th July.

EUDEL reported on the appearance of the Canadian Chief CETA Negotiator, Steve Verheul, before the Standing Committee on International Trade (CIIT). SV addressed some of Canada's most sensitive issues.

On pharma IPR, answering a question from the Liberal Party critic, he said that Health Canada was doing a study on potential costs of agreeing to EU IPR requests. SV admitted that he was not made aware of the result of this study.

On supply management, SV said that EU should take a broader perspective and realise that it has much more offensive interests than Canada does. He recalled that the Canadian government is very much committed to defending this system.

Regarding GIs, Canada has accepted the principle of protection, but is now looking into particular names and potential conflicts (including with third countries) that may arise.

SV estimated that the end of 2012 is still a realistic deadline for the successful conclusion of these negotiations.

The transcript of the meeting can be found at this link:

<http://www.parl.gc.ca/HousePublications/Publication.aspx?DocId=5689172&Language=E&Mode=1&Parl=41&Ses=1>

EUDEL also informed that the Canadian government has replied to the recent report on CETA by the CIIT. This reply is a standard procedure. The reply does not contain any new elements. DFAIT is very much in favour of CETA, as a tool to further diversify Canadian trade. The government's response can be found at this link: <http://www.parl.gc.ca/HousePublications/Publication.aspx?DocId=5692254&Language=E&Mode=1&Parl=41&Ses=1> .

3. Canada Trade Policy

- Trans-Pacific Partnership

EUDEL informed that Canada has been invited to join the TPP process. This was the most important outcome for Canada from the G20 Summit in Mexico. The US Congress still has to approve that invitation. So far, there has been very little information available publicly, but it seems that Canada will have to agree to whatever has been negotiated so far and in addition it will not be able to veto the agreement in the future.

Mexico was also invited to join the TPP process a day before Canada. It is also interesting to note that the invitation to Canada was extended right after the House of Commons had finally approved the copyright modernisation bill (Bill C-11). This issue was by far the most important trade irritant for the US in their trade relations with Canada.

- Japan

CIIT continued its hearings on possible FTA talks with Japan. [**DELETED**]

- China

It was expected that the Prime Minister Harper was going to announce a launch of the FTA process with China at the G20 Summit, but he did not do so.

- Colombia

A hearing before the CIIT took place with DFAIT presenting positive outcomes of the agreement after the 1st year of its functioning and several NGOs denouncing the difficult situation of labour unions.

4. Meeting of the TISC (EU-Canada Trade and Investment Sub-Committee) of 14-15 June

EUDEL distributed the agenda for the TISC meeting and explained that the TISC met over 2 days by videoconference. The EU side was led by Mr. Philipp Dupuis (Acting Head of Unit, North America, DG TRADE) and the Canadian side was led by Kathleen Mackay (Director,

Technical Barriers and Regulations Division, DFAIT). In the interest of time, EUDEL did not go over what was discussed for each agenda item, but said it was prepared to address specific questions of Member States. Denmark asked about the "fuel quality directive" item – EUDEL replied that Canada was seeking assurances that the EU's impact assessment on the FQD's implementing measures would be transparent and would allow input from Canada. Ireland asked about the "wine and spirits agreement" item – EUDEL replied that the discussion concerned setting a date and agenda for the next of the Joint Committee under the Agreement, which was overdue.

5. Rio+20 Summit

The Rio+20 Conference took place between 20 and 22 June. EUDEL undertook to provide a succinct written debriefing on its main outcomes, as follows:

After 3 days of statements, the plenary officially adopted the Rio+20 outcome document 'The future we want'.

On the Green Economy, the text gives an opportunity for those who want to develop Green Economy policies as a common undertaking. On Sustainable Development Goals (SDGs), the text provides an opportunity to work towards establishing goals. Rio has decided to set up a working group to further develop specifications on how to do this. Also, it has been agreed to reinforce the Institutional Framework for Sustainable Development (IFSD), in particular to strengthen and upgrade UNEP. Finally, the text agrees to establish a sustainable development finance strategy which will combine current development aid with private sector investments.

In general, the Conference represented another marker in the geopolitical shift in power from a situation where industrialised countries dominated the agenda towards a world where emerging economies have the ability to set the agenda and effectively shape the outcome.

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6. Rare Earth Elements R&D Workshop organized by NRCAN; 26 June

EUDEL attended a workshop organised by Natural Resources Canada on rare earths. EUDEL presented the EU strategy regarding these raw materials. It is important to note that the European Commission is launching a project named EURECON – European Rare Earths Competency Network that is meant to bring together existing knowledge in this field in the EU. Canada is proud to have more than 50% of rare earths extraction projects outside China, but faces similar challenges to those of the EU – the knowledge exists, but is not coordinated.

7. Bill C-311 – interprovincial sales of domestic wine

EUDEL distributed the text of Bill C-311, which came into force on 28 June. EUDEL explained that the intent of the legislation was to allow individuals to directly import domestic wine from other provinces for their personal use, without having to go through the relevant provincial liquor board. Since domestic wineries are given an exemption from charging the markup usually required by the respective provincial liquor board for direct sales within that province (a derogation from 'national treatment' requirements, since this is only allowed for domestic wineries), under Bill C-311, this exemption could be also applied to direct sales out of province. As a consequence, the effect of this preferential treatment for domestic wineries could be much greater. EUDEL asked Member States to check with their respective wine

exporters and importers to determine whether the passage of Bill C-311 raises concerns. He added that he is aware that the main provincial liquor boards potentially affected have given a very narrow interpretation of what types of sales this legislation actually applies to.

8. Bill C-11 – copyright reform

EUDEL informed that the copyright modernisation Bill has received a Royal Assent and is now awaiting an Order-in-Council process (implementing regulations). This may take up to few months before the Bill enters into force.

9. Interim Report on the EU-US High Level Working Group on Jobs and Growth

EUDEL distributed the text of the interim report of the EU-US High Level Working Group on Jobs and Growth released on 19 June. The main conclusion says that a comprehensive agreement would be the best avenue to boost bilateral EU-US economic relations. This would include investment protection, government procurement at all levels of government, etc. On IPR, the report already predicts that it would be impossible to reconcile all differences. Regarding sensitive products, “options would be considered in the course of a negotiation”.

10. AOB

▪ New Safe Food Act

EUDEL distributed a Canadian government news release concerning the introduction of a proposed **Safe Food for Canadians Act (Bill S-11)** on 7 June. This proposal is intended to improve Canada's food safety oversight. This includes measures to improve controls over imported food. EUDEL asked Member States to check with their respective exporters and importers to determine whether this proposed legislation raises concerns.

▪ Mutual recognition of drivers licenses Canada/EU

Belgium raised its concern over the issue of the mutual recognition of drivers' licences. He noted that, currently, this is determined by each province with each Member State individually. Certain provinces are more difficult than others in recognizing drivers' licences from EU countries, for the purposes of allowing those EU nationals to drive in that province. He suggested that this issue could be addressed by an EU approach, rather than individually by each Member State. He added that this issue could also be taken up by the ECRs, since there is an economic aspect to it. Other Member States mentioned that this issue is already being taken up by the EU Consular Working Group. Ireland noted that this issue was one of great importance to the Irish community in Canada and that it was also receiving attention at political level in Ireland. Ireland was therefore already proceeding with pursuing agreements with all the provinces on a bilateral level, as many other Member States had already done, and would continue to do so. It was suggested that the views of this Working Group be first sought as to whether the ECRs should also take up the issue.

▪ Refined Sugar – Recommencement of the Expiry Review of anti-dumping and anti subsidy measures against EU imports

EUDEL informed that the Canadian International Trade Tribunal (CITT) had reopened its expiry review of anti-dumping and anti-subsidy measures against certain EU imports of refined sugar. This was the result of a recent Federal Court of Appeal (FCA) decision that had set aside the CITT's original expiry review finding of no injury dated November 2010 and returned the matter to the CITT for reconsideration. The CITT's reconsideration is focused only on the specific grounds mentioned by the FCA for decision. EUDEL informed the CITT that it will participate in this new expiry review. Deadline for submissions is the end of July. There is no indication of when the CITT will issue its final decision.

Ireland gave a short debriefing of Canadian Minister Flaherty's recent visit to Ireland.

11. Next Meeting

The next meeting will take place on **Tuesday, September 11**, starting at 10:00 a.m.