



Council of the European Union

PRESS
EN

BACKGROUND¹
Brussels, 12 October 2016

FOREIGN AFFAIRS COUNCIL - TRADE ISSUES

Luxembourg, 18 October 2016

The Council will be called on to adopt a package of decisions on the comprehensive economic and trade agreement with Canada (CETA).

*The Council meeting will start at 09.00. A presidency **press conference** will be held at the end of the meeting.*

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Press conferences and public events by video streaming: <http://video.consilium.europa.eu>

Video coverage in broadcast quality (MPEG4) and photo gallery on: www.eucouncil.tv

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1 This note has been drawn up under the responsibility of the press office.

EU-Canada trade and investment agreement

The Council will be called on to approve a package of decisions on the comprehensive economic and trade agreement with Canada (CETA).

Specifically, it will be called on to:

- adopt decisions on **signature and provisional application** of the agreement
- request the consent of the European Parliament for **conclusion** of the agreement

CETA will remove more than 99% of tariffs that are currently imposed on trade between the EU and Canada. It includes provisions on market access for goods, services, investment and government procurement, as well as on intellectual property rights, sanitary and phytosanitary measures, sustainable development, regulatory cooperation, mutual recognition, trade facilitation, cooperation on raw materials, dispute settlement and technical barriers to trade.

During the legal scrubbing process, new provisions on investment protection and investment dispute settlement were included, comprising an investment court system. These reflect a new approach developed by the EU for investment dispute resolution.

The agreement was made public on 29 February 2016.

On 5 July 2016, the Commission proposed that the deal be signed and concluded as a "mixed" agreement. This means that on the EU side, it must be signed by both the EU and the member states, and ratified by all relevant national and regional parliaments.

The agreement will be applied on a provisional basis once the European Parliament has consented to its conclusion, pending ratification by all of the member states. Provisional application will concern essentially the provisions of EU exclusive competence.

All three decisions require a qualified majority for adoption by the Council. However, a common accord will be sought for the decisions on signature and conclusion, given that all member states will be called on to sign and ratify the agreement. (Legal basis: articles 43,2, 91, 100,2, 153,2, 192,1 and the first subparagraph of article 207,4 of the Treaty on the Functioning of the European Union, in conjunction with article 218,5.)

The representatives of the member states will also be called on to adopt a **joint interpretative declaration**. This declaration, which is a joint text with Canada, will provide, in accordance with the Vienna convention on the law treaties, a binding interpretation of CETA's terms on specific issues. It will be published in the EU official journal.

The negotiations with Canada were conducted on the basis of a mandate agreed by the Council in April 2009. The talks on investment protection were started within the CETA framework following a Council decision in September 2011.

In 2015 Canada was the EU's 12th most important trading partner while the EU was Canada's second-largest trading partner, with 1.8 % and 9.5 % respectively of each other's external trade.

[Text of the EU-Canada comprehensive economic and trade agreement](#)

[Proposal for a Council decision on the signature of CETA](#)

[Proposal for a Council decision on the conclusion of CETA](#)

[Proposal for a Council decision on the Provisional application of CETA](#)

[Commission webpage on trade with Canada](#)
