

Brussels, 20 July 2018 (OR. en)

11131/18

WTO 192

'I/A' ITEM NOTE

From:	General Secretariat of the Council		
To:	Permanent Representatives Committee (Part 2)/Council		
Subject:	Recommendations to be signed in the EU-Canada CETA Joint Committee		
	- Endorsement		

- 1. In the Trade Policy Committee (Deputies) meeting on 6 July 2018, the Commission presented proposals for three non-binding Recommendations to be signed in the first session of the EU-Canada CETA (Comprehensive Economic and Trade Agreement) Joint Committee (Montréal, 26-27 September 2018), after their endorsement by the Council. These Recommendations cover the issues of trade, climate action and the Paris Agreement; Small- and Medium-sized Enterprises (SMEs); and Trade and Gender.
- 2. On 20 July 2018, the Trade Policy Committee (Deputies) endorsed the above mentioned proposals, as modified to take into account some necessary adjustments. All delegations were in favour of the proposals.
- 3. Subject to confirmation by the Permanent Representatives' Committee, the Council is therefore invited to:
 - endorse, as an "A" item on the agenda of one of its forthcoming meetings, the three draft Recommendations, as set out in the <u>Annex</u> to this note, and
 - note that the European Parliament will be informed.

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RECOMMENDATION [No]/2018 of [date] OF THE CETA JOINT COMMITTEE

on trade, climate action and the Paris Agreement

THE CETA JOINT COMMITTEE,

Having regard to the Comprehensive Economic and Trade Agreement ('CETA') between Canada, of the one part, and the European Union and its Member States, of the other part ('the Parties'), and in particular Article 26.1(5)(f) thereof,

Whereas:

- (1) The Parties have signed CETA on 26 October 2016.
- (2) The Paris Agreement adopted under the United Nations Framework Convention on Climate Change ('UNFCCC') entered into force on 4 November 2016.
- (3) The Parties recognise the urgent need to meet the aims of the Paris Agreement of holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels by taking immediate and further action to cut emissions as part of the global response to the threat of climate change.
- (4) The Parties further recognise that the environment and the economy go hand-in-hand and that ambitious climate action will protect the environment, spur clean growth and sustainable development, create jobs, and improve human health.

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- (5) Paragraph 9 b) of the Joint Interpretative Instrument on CETA notes that CETA explicitly recognises the right of the Parties to set their own environmental priorities, to establish their own levels of environment protection and to adopt or modify their relevant laws and policies accordingly, mindful of their international obligations, including those set by multilateral environmental agreements.
- (6) The Parties share a common ambition and commitment to find innovative solutions to mitigate and adapt to the effects of climate change, including by working together on the effective and ambitious implementation of the Paris Agreement.
- (7) Paragraph 9 c) of the Joint Interpretative Instrument on CETA clarifies that CETA includes commitments to cooperate on trade-related environmental issues of common interest such as climate change where the implementation of the Paris Agreement is an important shared responsibility for the EU and its Member States and Canada.
- (8) In Article 24.4(2) of CETA the Parties reaffirm their commitment to effectively implement the multilateral environmental agreements to which they are party; these include the Paris Agreement.
- (9) In Article 24.12(1)(e) of CETA the Parties commit to cooperate among others in such areas as the trade-related aspects of the current and future international climate change regime, as well as domestic climate policies and programmes relating to mitigation and adaptation, including issues relating to carbon markets, ways to address adverse effects of trade on climate, as well as means to promote energy efficiency and the development and deployment of low-carbon and other climate-friendly technologies.
- (10) The Parties recognise that it is now important to further step up the role of the Paris Agreement in their bilateral cooperation with a view to promoting mutually supportive trade and climate change policies.

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HAS ADOPTED THIS RECOMMENDATION:

1. The CETA Joint Committee recognises the importance of achieving the purpose and goals of

the Paris Agreement adopted by the Conference of the Parties to the UNFCCC at its 21st

session, in order to address the urgent threat of climate change, and the role of trade to this end.

2. The CETA Joint Committee affirms the Parties' commitment to effectively implement the Paris

Agreement, as a multilateral environmental agreement within the meaning of Article 24.4 of

CETA, with the aim of strengthening the global response to climate change and holding the

increase in global average temperature to well below 2°C above pre-industrial levels and

pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels. In this

regard, the Parties are committed to progressively increase their efforts to mitigate climate

change.

3. In light of the above, the CETA Joint Committee recommends that the Parties cooperate, work

together and take joint actions as relevant to address climate change and promote the mutual

supportiveness of trade and climate policies, rules and measures thereby contributing to the

purpose and goals of the Paris Agreement and the transition to low greenhouse gas emissions

and climate-resilient development.

Adopted at [__], [__] September 2018

For the CETA Joint Committee

On behalf of the EU

On behalf of Canada

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RECOMMENDATION [no.]/2018 of [date] OF THE CETA JOINT COMMITTEE

on Small- and Medium-sized Enterprises (SMEs)

THE CETA JOINT COMMITTEE,

Having regard to the Comprehensive Economic and Trade Agreement (CETA) between Canada, of the one part, and the European Union and its Member States, of the other part ("the Parties"), and in particular Article 26.1.5.(f) thereof, with a view to increasing trade and investment opportunities for SMEs.

HAS ADOPTED THIS RECOMMENDATION:

- 1. The CETA Joint Committee recognises the importance of small and medium-sized enterprises including micro-sized enterprises (hereinafter referred to as "SMEs") in EU-Canada bilateral trade relations and provisions in CETA that are of particular benefit to SMEs. The CETA Joint Committee acknowledges the importance of promoting an environment that facilitates and supports the development, growth and competitiveness of SMEs and that enhances their ability to benefit from the opportunities created by CETA.
- 2. The CETA Joint Committee recommends that each Party establish or maintain a publicly accessible website containing information regarding CETA, including: (a) the text of CETA with all annexes, tariff schedules and product-specific rules of origin; (b) a summary of CETA; and (c) information that each Party considers as useful for SMEs of both Parties.
- 3. The CETA Joint Committee recommends that each Party include in the website provided for in paragraph 2. internet links to: (a) the equivalent website of the other Party; (b) websites of its government authorities and/or other appropriate entities that provide information useful to SMEs of the other Party; and (c) a database or published information that is electronically searchable by tariff nomenclature code which provides specific information on access to its market, import requirements and other information the Parties consider of assistance to SMEs.

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- 4. The CETA Joint Committee recommends that each Party promptly appoint an SMEs Contact Point on each side and notify the other Party of the contact details including information regarding the relevant officials.
- 5. The CETA Joint Committee recommends that the SMEs Contact Points jointly:
 - (a) take into account SMEs needs in the implementation of CETA, exchange SMEs related information, and consider ways to increase trade and investment opportunities under CETA for all EU and Canadian SMEs, including SMEs owned by under-represented groups¹;
 - (b) ensure that the information included in the website referred to in paragraphs 2 and 3 is upto-date and relevant for SMEs, and recommend any additional information that the other Party's SMEs Contact Point may publish on its website;
 - (c) encourage, if appropriate, efforts of other bodies established under CETA to integrate SME-related considerations in their work;
 - (d) consider any other matter of interest to SMEs under CETA, as appropriate; and
 - (e) report periodically on their activities, including with respect to the implementation of this Recommendation and the SMEs related provisions within CETA, to the CETA Joint Committee, and make, as appropriate, suggestions for its consideration.
- 6. The CETA Joint Committee recommends that SMEs Contact Points meet within the first year following the adoption of this Recommendation, and annually thereafter or as determined by the Parties, in person or by any other technological means available. They will carry out their work through appropriate communication channels.

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¹ For Canada, under-represented groups include, for example, women, Indigenous peoples and youth.

7.	The CETA Joint Committee recommends that the SMEs Contact Points may seek to cooperate
	with experts, external organisations and SMEs stakeholders, as appropriate, in carrying out
	their activities.

Adopted at [__], [__] September 2018

For the CETA Joint Committee

On behalf of the EU

On behalf of Canada

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RECOMMENDATION [No]/2018 of [date]

OF THE CETA JOINT COMMITTEE

on Trade and Gender

THE CETA JOINT COMMITTEE,

Having regard to the Comprehensive Economic and Trade Agreement ('CETA') between Canada, of the one part, and the European Union and its Member States, of the other part ('the Parties'), and in particular 26.1.5.(f) thereof,

Whereas:

- (1) Recognising the important contribution made by women to sustainable economic growth through their participation in economic activity, including international trade, the Parties seek to increase women's access to and benefit from the opportunities created by CETA.
- (2) Mindful that trade liberalisation may affect men and women in different ways as workers, producers, traders or consumers, the Parties recognise the need to better understand the gender dimension of trade agreements such as CETA and the need to gather data and evidence in this regard.
- (3) The Parties recall the 2030 Agenda for Sustainable Development and the global Sustainable Development Goals, in particular Sustainable Development Goal 5 to achieve gender equality and empower all women and girls.

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- (4) The Parties reaffirm their commitment to effectively implement the obligations under the international conventions addressing gender equality or women's rights to which they are party, in particular the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) adopted by the United Nations General Assembly on December 18, 1979. The Parties also recall their commitment in the Trade and Labour Chapter of CETA on the fundamental ILO Conventions.
- (5) The Parties reaffirm the objectives of the Beijing Declaration and Platform for Action, in particular its strategic objective to promote women's economic rights and independence.
- (6) The Parties reaffirm the objectives of the Joint Declaration on Trade and Women's Economic Empowerment on the Occasion of the WTO Ministerial Conference in Buenos Aires in December 2017.
- (7) The Parties affirm their commitment to having effective laws and policies promoting gender equality and maximising the positive impact of increased women's participation in international trade.

HAS ADOPTED THIS RECOMMENDATION:

- 1. The CETA Joint Committee recognises the importance of making trade policies more genderresponsive in order to ensure that the benefits of trade liberalisation reach everyone.
- 2. The CETA Joint Committee acknowledges the benefit of sharing experience and best practices in designing, implementing, evaluating, monitoring and strengthening policies and initiatives to encourage women's participation in the economy and international trade.

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- 3. In light of the above, the CETA Joint Committee recommends that the Parties cooperate to improve the capacity and conditions for women, including workers, businesswomen and entrepreneurs, to access and fully benefit from the opportunities created by CETA. Cooperation activities will be carried out on issues and topics determined by the Parties. Such cooperation activities will be carried out with the inclusive participation of women.
- 4. Recognising the need to better understand the impact of trade on gender equality and women's participation in the economy, the CETA Joint Committee recommends that the Parties start their cooperation activities by:
 - a) Sharing methods and procedures for the collection of gender-disaggregated data, the use of indicators, monitoring and evaluation methodologies, and the analysis of gender-focused statistics related to trade;
 - b) Exchanging experience and best practices for conducting gender-based analysis of trade policies; and,
 - c) Exploring the implications for the design and implementation of trade agreements, including CETA.

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- 5. The Parties may invite international organisations, third countries, private sector entities, non-governmental organizations, or other relevant institutions, as appropriate, to assist with the development and implementation of trade related cooperation activities.
- 6. The CETA Joint Committee encourages efforts by other bodies established under CETA to integrate gender-related considerations and activities into their work.
- 7. To facilitate the cooperation and information exchanges on trade and gender listed in the paragraphs above, the CETA Joint Committee recommends that each Party promptly appoint a Contact Point for trade and gender to coordinate the implementation and operation of this Recommendation and notify the other Party its contact details including information regarding the relevant officials.
- 8. The Joint Committee recommends that Contact Points for trade and gender meet within the first year following the adoption of this Recommendation, and annually thereafter or as determined by the Parties, in person or by any other technological means available, report on their activities, and make proposals on any matter related to this Recommendation as appropriate, to the CETA Joint Committee for consideration. The Contact Points for trade and gender may carry out other duties pertaining to this Recommendation as appropriate.
- 9. The CETA Joint Committee will assess progress achieved at its next meeting, and periodically thereafter, and determine future priorities for cooperation on trade and gender.

Adopted a	ıt [_	_], [_	_] September	201	8
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For the CETA Joint Committee

On behalf of the EU	On behalf of Canada	

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