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Subject: COUNCIL DECISION on the position to be taken on behalf of the European Union in the CETA Joint Committee established under 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, as regards the adoption of a decision on the procedure for the adoption of interpretations in accordance with Articles 8.31.3 and 8.44.3(a) of CETA as an Annex to its Rules of Procedure

COUNCIL DECISION (EU) 2020/...

of ...

**on the position to be taken on behalf of the European Union
in the CETA Joint Committee established under 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, as regards
the adoption of a decision on the procedure for the adoption of interpretations
in accordance with Articles 8.31.3 and 8.44.3(a) of CETA
as an Annex to its Rules of Procedure**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular the first subparagraph of Article 207(4), in conjunction with Article 218(9) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) Council Decision (EU) 2017/37¹ provides for the signing on behalf of the European Union of the Comprehensive Economic and Trade Agreement (CETA) between Canada, of the one part, and the European Union and its Member States, of the other part² ('the Agreement'). The Agreement was signed on 30 October 2016.
- (2) Council Decision (EU) 2017/38³ provides for the provisional application of parts of the Agreement, including the establishment of the CETA Joint Committee and the Committee on Services and Investment. The Agreement has been provisionally applied since 21 September 2017.
- (3) Pursuant to Article 26.3.1 of the Agreement, the CETA Joint Committee is to, for the purpose of attaining the objectives of the Agreement, have the power to make decisions in respect of all matters when the Agreement so provides.

¹ Council Decision (EU) 2017/37 of 28 October 2016 on the signing on behalf of the European Union of 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 (OJ L 11, 14.1.2017, p. 1).

² OJ L 11, 14.1.2017, p. 23.

³ Council Decision (EU) 2017/38 of 28 October 2016 on the provisional application of 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 (OJ L 11, 14.1.2017, p. 1080).

- (4) Pursuant to Article 26.3.2 of the Agreement, the decisions made by the CETA Joint Committee are to be binding on the Parties, subject to the completion of any necessary internal requirements and procedures, and the Parties are to implement them.
- (5) Pursuant to Article 26.1.4(d) of the Agreement, the CETA Joint Committee is to adopt its own rules of procedure.
- (6) Pursuant to Article 26.2.1(b) of the Agreement, the Committee on Services and Investment is one of the specialised committees established by the Agreement.
- (7) Pursuant to Article 26.2.4 of the Agreement, the specialised committees are to set and modify their own rules of procedures, if they deem it appropriate.
- (8) Rule 14.4 of the Rules of Procedure of the CETA Joint Committee, as set out in Decision 001/2018 of the CETA Joint Committee of 26 September 2018, provides that unless otherwise decided by each specialised committee pursuant to Article 26.2.4 of the Agreement, the Rules of Procedure apply *mutatis mutandis* to the specialised committees and other bodies established under the Agreement.

- (9) In accordance with Articles 8.31.3 and 8.44.3(a) of the Agreement, where serious concerns arise as regards matters of interpretation that may affect investment, the Committee on Services and Investment may, on agreement of the Parties and after completion of their respective internal requirements and procedures, recommend to the CETA Joint Committee the adoption of interpretations of the Agreement. An interpretation adopted by the CETA Joint Committee is binding on the Tribunals established under Section F (Resolution of investment disputes between investors and states) of Chapter Eight (Investment) of the Agreement. The CETA Joint Committee may decide that an interpretation is to have binding effect from a specific date.
- (10) It is therefore appropriate to establish the position to be taken on the Union's behalf in the CETA Joint Committee on the basis of the draft decision of the CETA Joint Committee in order to ensure the effective implementation of the Agreement,

HAS ADOPTED THIS DECISION:

Article 1

The position to be taken on behalf of the European Union in the CETA Joint Committee as regards the adoption of a decision on the procedure for the adoption of interpretations in accordance with Articles 8.31.3 and 8.44.3(a) of the Agreement as an Annex to its Rules of Procedure shall be based on the draft decision of the CETA Joint Committee¹.

Article 2

This Decision shall enter into force on the date of entry into force of the Agreement.

Done at Brussels,

For the Council
The President

¹ See document ST 6965/20 on <http://register.consilium.europa.eu>.