



COMPREHENSIVE ECONOMIC AND TRADE AGREEMENT (CETA)

MEETING OF THE COMMITTEE ON SERVICES AND INVESTMENT, BRUSSELS, 18 SEPTEMBER 2018

JOINT REPORT

The inaugural meeting of the Committee on Services and Investment established under Article 26.2.1(b) of CETA took place in Brussels on 18 September 2018. The Parties discussed investment protection matters in the morning and services matters in the afternoon.

Morning Session – Investment protection

1. Functioning of the Appellate Tribunal

The Parties discussed possible rules setting out the administrative and organisational matters for the functioning of the Appellate Tribunal, pursuant to Article 8.28.7 of CETA. Those rules cover the composition and administrative arrangements for the Appellate Tribunal and the conduct of appeals.

2. Code of conduct for Members of the Tribunal, the Appellate Tribunal and mediators

The Parties discussed draft rules for a code of conduct for the Members of the Tribunal and Members of the Appellate Tribunal and for mediators, pursuant to Article 8.44.2 of CETA. Those rules include disclosure obligations, more detailed rules on independence and impartiality, obligations of former Members, as well as rules on confidentiality, expenses and sanctions.

3. Rules for mediation for use by disputing parties

The Parties also discussed possible mediation rules pursuant to Article 8.44.3(c) of CETA. Those rules cover the initiation of the mediation procedure, the appointment of mediators, the mediation procedure, the implementation of mutually agreed solutions, the relationship to dispute settlement proceedings and rules on time limits and costs.

4. AOB: Other CETA provisions applicable to the Appellate Tribunal

The Parties also exchanged preliminary views about which other procedural rules of Chapter 8 Section F CETA should be applied, *mutatis mutandis*, to the Appellate Tribunal.

5. Conclusion of the session and next steps

Both Parties confirmed their willingness to continue working on the abovementioned items. They agreed that the discussions and presentations provided a strong basis from which the technical work should continue with the aim to agree at technical level on a set of draft decisions at the latest by the 1st quarter of 2019. The Parties agreed that the next discussion about the abovementioned items should take place through a videoconference in mid-October this year.

Afternoon Session – Services

6. Mutual recognition agreements

The Parties were informed of the on-going technical discussions towards potential mutual recognition agreement for architects. A next videoconference is planned to take place early October to finalise the initial assessment of the joint approach submitted by the EU and Canadian architects and to agree on the next steps.

7. Coastal shipping

Canada provided an overview of the reform of its cabotage regime, including legislative amendments, and noted in particular the introduction of the Vessel Advance Notification Form.

8. Financial services

The parties discussed the ongoing negotiations relating to the development of performance requirements obligations for financial services, pursuant to Article 13.9 of CETA. The discussions will continue on the basis of technical meetings in the coming months.

9. Questions from Canadian services suppliers concerning interpretation of reservations by Member States under Annex 10-E

Canada mentioned difficulties met by some services suppliers in understanding certain reservations made by Member States under Annex 10-E. Parties agreed to continue the discussion in the near-term, possibly in the context of the Contact Points under Article 10.5 of CETA.

10. Claim from EU mode 4 suppliers in relation to work permits in Canada (maintenance work)

The European Commission reported on a claim concerning the requirement of work permits in the context of after-sales maintenance services by short term business visitors in Canada.

11. Update on the implementation of art. 10.4 (provision of information on temporary entry)

Both parties agreed that this is an important element of the implementation of CETA and its transparency. The European Commission explained that it is reflecting on possible solutions to make the information easily accessible, also in relation with Member States, possibly through the Immigration portal. Given the technical requirements, this could be achieved on the EU side around the end of 2019. Canada shared its experience in that regard, having fulfilled this commitment on the date of provisional application of CETA in September 2017, well in advance of the 180 day commitment set out in Article 10.4.

12. Conclusion of the session and next steps

The Parties agreed to continue discussions through technical meetings on mutual recognition of professional qualifications, on performance requirements in financial services, on clarification issues related to the scheduling of temporary entry reservations, and on EU implementation of the transparency provisions on temporary entry.