
EU-Canada: Commission agrees design of future EU-Canada Trade and Investment Enhancement Agreement

Reference: IP/04/297 Date: 03/03/2004

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IP/04/297

Brussels, 3 March 2004

EU-Canada: Commission agrees design of future EU-Canada Trade and Investment Enhancement Agreement

The European Commission has agreed today on the design of the future EU-Canada Trade and Investment Enhancement Agreement (TIEA), identifying its areas and main objectives. The blueprint of this new type of agreement will now be discussed with the Canadian Government and adopted formally by EU and Canadian Leaders at the next EU-Canada summit to be held in Ottawa on 18 March. EU Trade Commissioner Pascal Lamy said: "As a result of the progressive reduction of tariff barriers, XXI century trade requires us to look at trade obstacles beyond-the-border. We need to be inventive to find solutions which address the new challenges of a trade and investment relationship between two developed economies and help our respective business communities to reap the full potential from their efforts. The values the EU and Canada share and our longstanding and fruitful cooperation will surely contribute to this endeavour."

The EU-Canada TIEA aims at removing and preventing unnecessary obstacles to trade and investment. Thus a key element of the TIEA will be cooperation between EU and Canadian regulators, which will be developed on the basis of a framework being currently prepared by the European Commission and the Canadian Government.

The TIEA will address issues such as:

- Mutual recognition of professional qualifications
- E-commerce
- Financial services
- Government procurement
- Trade facilitation (simplified customs procedures, electronic data exchange, ...)
- Investment facilitation
- Competition
- Sustainable development (transfer of environment friendly technologies, corporate social

responsibility, social dimension of sustainable development, sustainability ...)

- Intellectual property rights
- Science and technology cooperation
- Measures aimed at facilitating trade and investment between EU and Canadian Small and Medium Enterprises

In addition to adopting the blueprint for the future EU-Canada TIEA, the EU-Canada summit on 18 March will also adopt a joint report on the review of the overall relations.

The European Commission and the Canadian Government aim at launching negotiations on the TIEA during 2004 as soon as the respective internal procedures allow.

The EU and Canada will pursue further opening of trade in the goods and services sectors in the context of the on-going WTO negotiations under the Doha Development agenda.

Background

At the summit held in Ottawa on 19 December 2002, the EU and Canada agreed to give a new impetus to strengthening the bilateral trade and investment relationship. Leaders on both sides instructed trade ministers to work on the design of a new type of forward-looking, wide-ranging bilateral trade and investment enhancement agreement.

After the United States, the EU is Canada's most important trading partner. EU exports to Canada consist of transport material (20%), machinery (11%), agricultural products (10%), office and telecom equipment (10%). EU imports from Canada consist of transport material (20%), machinery (16%), chemical products (15%) and agricultural products (7%). EU imports of goods from Canada increased from € 11 billion in 1995 to € 16 billion in 2002. EU exports of goods to Canada increased from € 10 billion in 1995 to € 22 billion in 2002.

The EU is also the second investor in Canada (after the US), while Canada is the fourth investor in the EU (after the US, Switzerland and Japan). EU-Canada investment amounted to €130 billion.

The EU and Canada have concluded several sectoral bilateral agreements, including on veterinary issues, on competition as well as on customs co-operation. An agreement on trade in wines and spirits was signed in Niagara on 16 September 2003.

For more information go to:

http://ec.europa.eu/trade/issues/bilateral/countries/canada/index_en.htm