

The Comprehensive Economic and Trade Agreement: Public Good or Private Interest?

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Negotiating dynamics

- Canada and the EU are important trading partners
- CETA involves matters far beyond trade: “very high level of ambition;” “more far-reaching than NAFTA”
- Canada the smaller and politically needier party

Key EU priorities

- Access to government procurement, especially sub-national
- Intellectual property protection
- Agriculture
- Investment protection

Unconditional access to government procurement

- Highest EU priority
- Seeking sweeping coverage at the federal, provincial, crown corporation, and municipal level
- Special interest in public utilities, drinking water, waste, public transit and energy.
- Explicitly targeting local content provisions (renewable energy & urban transit)

Ontario Green Energy Act

- High feed-in tariffs for renewable energy
- To qualify for subsidies, a portion of the costs must be spent locally
- Open to all firms regardless of nationality
- European governments pioneered this policy model

Intellectual property (pharmaceuticals)

- New rights of appeal for patent holders
- Longer periods of data protection
- "Patent term extension"
- Such measures would further reduce the availability of generic drugs, driving Canadian drug costs higher

Agriculture

- Eroding the supply-managed sectors (e.g. dairy)
- Weakening the Canadian Wheat Board
- Farmers concerned about the ability to save seed
- Protection for “geographical indications”
- EU export subsidies are not negotiable

Investment protection

- CETA: first commercial treaty fully negotiated under new Lisbon Treaty rules
- Canada has tabled NAFTA chapter 11
- Will CETA include NAFTA elements (e.g. expropriation, investor-state)?
- “Most favoured nation” clause in NAFTA
- EC seeking changes to Investment Canada (foreign investment reviews)

Conclusions

- The EC is not exporting the European social model
- Pursuing commercial interests of its largest global firms
- Potential to dramatically reshape Canadian domestic policy in certain areas
- Concerns for European citizens and civil society