



Canada-EU Relations

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The EU as an international partner for Canada: What politicians say



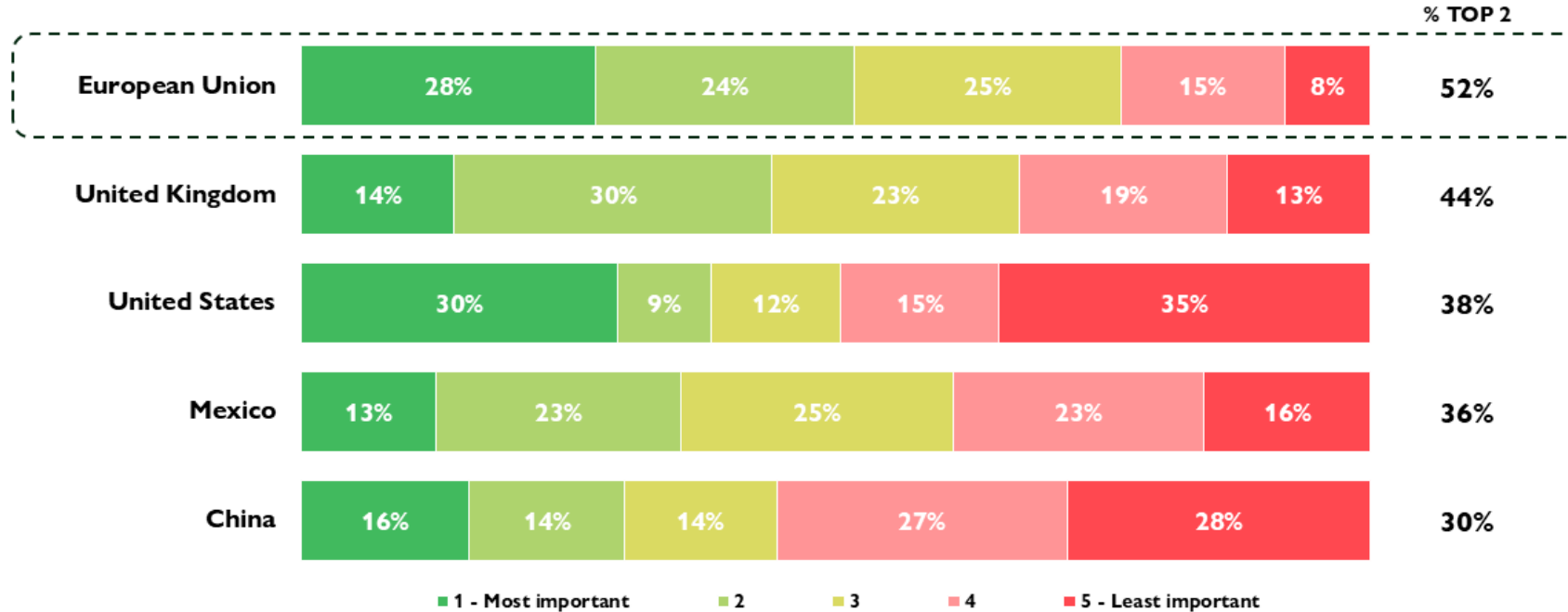
EU-Canada Summit (Brussels, 23 June 2025) - Joint Statement

“Our strong partnership is deeply rooted in trust and common values and shaped by a shared history of human connection and robust economic ties. [...] In a rapidly changing world marked by geopolitical uncertainty, shifting economic dynamics, and the accelerating impacts of climate change, this partnership is more important than ever.”

The EU as an international partner for Canada: What citizens say

And again, who do you think is in the **next 3-5 years** Canada's most important international partner? Please rank the following list from most important (1.) to least important (5.)

CANADA'S MOST IMPORTANT PARTNER IN NEXT 3-5 YEARS



[BASE] n=1,500

Canada-EU relations: Dimensions and institutional frameworks

Bilateral relations	<ul style="list-style-type: none">➤ Economic relations: Comprehensive Economic and Trade Agreement (CETA) = Preferential trade agreement with elaborate governance structure (CETA Joint Committee and 19 specialized committees); Digital Trade Agreement under negotiation➤ Political relations: Strategic Partnership Agreement (SPA) = Institutional framework for cooperation on bilateral and global issues (Joint Ministerial Committee and more than 20 dialogues); Security and Defence Partnership to be implemented
Cooperation in multilateral frameworks	<ul style="list-style-type: none">➤ Organizations where EU is a member or formal observer, including G7/G20, World Trade Organization (WTO), United Nations (UN)➤ Organizations where most EU member states are represented, including North Atlantic Treaty Organization (NATO)➤ International agreements signed by EU, including Paris Agreement on Climate Change

Strengthening Canada-EU relations: Converging priorities?

	Canada	EU
Economic and trade policy	<ul style="list-style-type: none">➤ Protect access to US market➤ Diversify trade relations away from US➤ Protect domestic industry➤ Invest in major economic projects	<ul style="list-style-type: none">➤ Protect access to US market➤ Reduce strategic dependencies (energy, strategic minerals)➤ Protect domestic industries➤ Green transition (?)
International security policy	<ul style="list-style-type: none">➤ Invest in armed forces (NATO spending targets)➤ Reduce dependency on US while maintaining interoperability➤ Build defence industry	<ul style="list-style-type: none">➤ Strategic shift: Crisis intervention (2003) → neighbourhood stabilization (2016) → territorial defence (2022)➤ Support capacity-building at member-state level➤ Build defence industry

Bilateral economic relations: Achievements and challenges

CETA performance (2017-23)

- Tariff elimination has spurred bilateral trade (goods +65%, services +81%, more than general trade increase in this period); positive effect on GDP
- Bilateral investment has not increased significantly (+12%)
- Innovative elements of CETA (e.g., regulatory alignment, mutual recognition provisions, labour mobility) have seen slow uptake

Data source: [European Commission](#), June 16, 2025

Challenges and obstacles

- Economic case for Canada-EU trade not obvious for all companies
- Little EU investment in Canadian energy/strategic minerals
- Non-tariff barriers (e.g., food standards, green legislation) and bureaucratic complexities (e.g., tariff rate quotas)
- CETA provisions on digital trade already outdated
- 10 of 27 EU member states have not yet ratified CETA (source of uncertainty!)

The EU as an economic partner for Canada

	Merchandise Exports (2024)		Merchandise Imports (2024)		Services Exports (2024)		Services Imports (2024)		Outward FDI (2024)		Inward FDI (2024)	
	Million \$ CDN	% of Total	Million \$ CDN	% of Total	Million \$ CDN	% of Total	Million \$ CDN	% of Total	Million \$ CDN	% of Total	Million \$ CDN	% of Total
US	\$591,515	76%	\$489,602	62%	\$109,111	50%	\$121,756	56%	\$1,289,335	52%	\$683,757	47%
EU	\$34,662	4%	\$73,993	9%	\$24,308	11%	\$29,182	13%	\$297,259	12%	\$355,757	24%
China	\$30,362	4%	\$61,551	8%	\$7,860	1%	\$4,165	2%	\$16,634	1%	\$30,787	2%
UK	\$29,537	4%	\$10,014	1%	\$10,617	5%	\$10,913	5%	\$136,459	6%	\$96,971	6%
Mexico	\$9,449	1%	\$29,431	4%	\$3,808	2%	\$5,695	3%	\$46,327	2%	\$2,672	<1%

Data sources: Statistics Canada (Tables [12-10-0011-01](#), [12-10-0157-01](#), [36-10-0008-01](#), accessed May 13, 2025)

Bilateral security relations: Achievements and future projects

Bilateral forms of collaboration

- High level of alignment and coordination on international issues (e.g., Russia/Ukraine, Israel/Palestine)
- Canadian participation in several missions under EU's Common Security and Defence Policy (CSDP) – small scale, mainly civilian personnel
- Canadian participation in two projects under EU's Permanent Structured Cooperation (PESCO) – focus on logistics, military mobility

Security and Defence Partnership (2025)

- Defines range of policies where Canada and EU will strive to enhance cooperation
- Precondition for Canada's involvement in EU's Security Action for Europe (SAFE) defence investment program
- SAFE provides loans to member states for defence investments; 65% of procurement must be from European suppliers
- Canadian participation ("pay to play") currently being negotiated → Would enable joint procurement

More on SAFE: [European Commission](#)

Should Canada consider joining the EU?



Frédéric Mérand (Professor, Université de Montréal)

“After the defection of the U.S., Europe remains the only club of liberal democracies and multilateralism, two core Canadian values. It is a prosperous region where, thanks to our history and contribution to NATO, we have reliable allies. Becoming the 28th EU member state rather than the 51st U.S. state would act as a hedge for our economic security while keeping our political sovereignty.”

Material for class activity/assignment

View Professor Mérand’s full article and short responses from 15 Canadian EU scholars.

Source: [European Community Studies Association – Canada \(ECSA-C\)](#)

