Canada-European Union Comprehensive Economic and Trade Agreement (CETA): Trade and Environment Chapter

PLAIN LANGUAGE SUMMARY
CETA includes a substantive chapter on the environment. This chapter incorporates commitments to help ensure that trade and environmental protection are mutually supportive and reinforcing, so that Canadians can benefit not only from liberalized trade, but also from a healthy environment.

In the environment chapter, parties agree to enforce domestic environmental laws and ensure the promotion of public awareness and transparency for those laws. The environmental chapter also requires parties to maintain high levels of environmental protection. The chapter also promotes sustainable resource management in relation to trade in forest and fish products and cooperation on trade-related environmental issues of common interest. Matters covered by the chapter will be overseen by the Committee on Trade and Sustainable Development that is composed of senior officials from Environment and Climate Change Canada and the European Commission Directorate General for Trade.

OBJECTIVE
This Agreement commits both countries to encourage high levels of domestic environmental protection, to foster good environmental governance, build on international agreements to which both Canada and the EU are party, and to promote public participation. These objectives are supported by provisions that include both commitments and mechanisms for dialogue and cooperation on trade and environment issues.

KEY ELEMENTS
Commitments to ensure high levels of environmental protection and effective enforcement of environmental laws.

A non-derogation clause that obligates the countries not to relax their environmental laws in order to encourage trade or investment.

Provisions on dispute resolution regarding obligations identified in the Agreement.

Provisions to ensure that information regarding environmental laws and policies is made available to the public.

Provisions relating to the promotion of trade and investment in environmental goods and services.
Provisions outlining that the Committee on Trade and Sustainable Development is responsible for overseeing articles outlined in the Chapter.

EXPECTED RESULTS

High levels of environmental protection are maintained, and improved while increasing bilateral trade flows.

Provide effective mechanisms to raise and resolve concerns about the effective enforcement of domestic environmental laws.

CANADA’S INVOLVEMENT

Environment and Climate Change Canada works with the European Commission’s Directorate General for Trade to implement this agreement, in partnership with external experts (including representatives of other government departments/agencies, academics, private sector and NGOs) where appropriate.

Since the provisional entry into force of CETA, the EU and Canada have been actively working to establish CETA’s governance structure including the setting up of the multiple committees and dialogues as required under the Agreement. This includes the Committee on Trade and Sustainable Development (TSD), which oversees the Trade and Environment Chapter.

In August 2019, the Canadian Domestic Advisory Group (CEDAG) was formed as the consultative mechanism under the agreement. The CEDAG is comprised of ten representatives from civil society including business organizations, non-profits, and Indigenous organizations to provide views and advice to the Government on issues related to CETA’s Trade and Environment Chapter.

RESULTS / PROGRESS

Activities

The Committee on Trade and Sustainable Development is required to meet within the first year of CETA coming into effect and as mutually decided by parties thereafter in order to discuss the implementation of the environmental chapter, including cooperative activities and the review of CETA’s impact on sustainable development. This first meeting of the Committee on Trade and Sustainable Development took place on September 13, 2018 in Brussels. The second meeting of Committee on Trade and Sustainable Development took place in Ottawa on November 11, 2019.

The Civil Society Forum is required to meet annually, unless otherwise agreed to by the parties, in order to conduct a dialogue on the sustainable development aspects of this agreement. The Civil Society Forum is required to include representatives from relevant stakeholder groups including employers, labour, business organizations, and environmental groups. The first Civil Society Forum established under CETA took place on September 12, 2018 in Brussels. The second Civil Society Forum was help in Ottawa on November 12, 2019. On November 6-7, 2019, Canada and the EU co-hosted a workshop on clean technologies that brought together 26 Canadian companies, 30 European companies, and over 100 participants from 14 different countries to participate in panel discussions, business-to-business (B2B) and business-to-government (B2G) meetings, and site visits.

Reports

The Committee on Trade and Sustainable Development is required to make any decision or report public, unless the committee decides otherwise.

Results

The CETA Joint Committee formally adopted the recommendation on trade and climate, prepared in the framework of the Committee Trade and Sustainable Development implementation work, on 26 September 2018.