

# CETA Ratified by European Parliament

February 2017



On February 15, the European Parliament ratified the Canada-EU Comprehensive Economic and Trade Agreement (CETA). In a world in which protectionism has had a significant resurgence, notably in the United States, this is a landmark accomplishment, both for Canada and for the EU. It will open the door for increased trade and investment opportunities for Canadian businesses in Europe and European businesses in Canada. Negotiations have taken almost eight years to complete. The Canadian Parliament is to ratify the agreement in the very near future.

CETA goes beyond a classic trade liberalization agreement and covers services, intellectual property, government procurement and the movement of people. It will remove tariffs on most traded goods and services. Certain exceptions will include

dairy products and audiovisual services. CETA also provides for the mutual recognition of certification standards for a wide range of products.

Some aspects of the agreement, those not part of EU jurisdiction, will require ratification by national parliaments in the EU. However, 90% of the agreement does fall under exclusive EU jurisdiction and that 90% will apply provisionally as early as April 2017.

Given the protectionist signals coming from Washington and the inevitable complexities of the upcoming BREXIT negotiations between the EU and the UK, wrapping up CETA at this time was a very important accomplishment for the EU and Canada. Finalizing the agreement before crucial elections in the Netherlands,

France and Germany was also important. The agreement demonstrates that trade liberalization is still possible and can be beneficial for all parties concerned.

Prime Minister Justin Trudeau has said that “CETA is the most progressive trade agreement ever negotiated by Canada or the European Union. CETA sets a high standard for free trade agreements of the future. It will benefit Canada and the European Union by opening new markets and creating new opportunities for Canadian businesses and workers on both sides of the Atlantic.”

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February 15, 2017