

15<sup>th</sup> September 2016

### **Canadian and European services industries call for prompt implementation of CETA**

The Canadian Services Coalition (CSC) and the European Services Forum (ESF) represent the voice of services industries, including trade in services and investment negotiations in Canada and in the European Union respectively.

Canadian and European services businesses have been highly engaged in supporting the Comprehensive Economic and Trade Agreement (CETA) negotiations between Canada and the European Union since their inception in 2009 and have engaged closely in consultations with our respective governments.

Trade in services represents more than 28% of total trade between Canada and the EU, with a volume of 31.2 Billion US\$ in 2015. When we look at the trade in value-added (TiVA) indicators, services play an even more important role in the global value chain of both parties, with 60% of total EU Exports and 45% of total Canada exports. Services also represents more than 50% of the huge foreign direct investment between Canada and EU (Total stocks of 465 US\$ Billion in 2014). CETA will contribute to further enhance our strong trade and investment relationship.

CETA is the best trade and investment deal concluded so far by the EU and Canada. It is balanced and extremely positive for Canada's and Europe's economies which rely on open markets and trade. CETA is a comprehensive agreement that provides for ambitious and balanced market access in key areas of interest to our businesses, including cross-border trade in services, temporary entry and stay of business persons and access to investment in services sectors. CETA also contains a chapter on Domestic Regulations and on Mutual Recognition of Professional Qualifications which will support other services related chapters.

This progressive agreement further includes legitimate protections of public services for both parties. The CSC and ESF welcome the adoption of the negative list approach which provides full transparency of the level of openness and gives concrete information to services providers on remaining restrictions.

CETA is forward-looking in important fields such as public procurement, increasing access to procurement by all public entities in EU member states and at Canada's provincial and municipal levels. This remarkable achievement demonstrates the goodwill that has underlined the negotiation process.

CETA is also a pioneer in encouraging deeper regulatory cooperation among regulators. It sets an important precedent by creating a framework to integrate mutual recognition agreements for licencing and qualification procedures in professional services.

For all of the above reasons, the European and Canadian services business community believe that this agreement marks a great success for Canada's and the EU's trade policies. We have no doubt that enterprises, workers and consumers from both sides of the Atlantic will benefit from CETA once implemented. Small and medium-sized enterprises in particular will reap great benefits from improved access to public procurement and a reduced regulatory burden.

Talks on the trade aspects of the agreement concluded in 2013. Finalisation of discussions on investment and legal scrutiny of the agreement took nearly three more years. Parties should now move to implement CETA to preserve the credibility of and commitment to their international trade policies.

The Canadian Services Coalition and the European Services Forum therefore call on the European Union and its member states and on the Canadian government to swiftly sign the agreement. CETA should then be ratified and implemented as soon as possible.

Canada and the EU are longstanding partners. In the current environment of slowing growth and political uncertainty, the CETA is the right instrument for Canadian and European trade and investment policies to deliver concrete results, re-commit to the principles of openness and boost confidence and stability across our regions.

#### **Contacts:**

Pascal Kerneis – European Services Forum - ESF – [p.kerneis@esf.be](mailto:p.kerneis@esf.be)

Adriana Vega – Canadian Services Coalition – CSC - [avega@chamber.ca](mailto:avega@chamber.ca)