

Canada-EU CETA Sustainable Development & Environment Provisions

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CELA Publication 765
January 14, 2011



CETA's Environmental Implications

- Trade agreements are frequently perceived to undermine environmental protection efforts
- Trade itself need not be environmentally detrimental and may actually have a positive environmental impact
- The question is how to ensure that trade agreements and environmental laws are mutually supportive

Title on Sustainable Development

- EU: ... the Parties recognize that economic development, social development and environmental protection are interdependent and mutually reinforcing components of SD and reaffirm their commitment to promoting the development of international trade in such a way as to contribute to the objective of SD, for the welfare of present and future generations. In particular, the Parties underline the benefit of considering trade related labour and environment issues as part of a global approach to trade and SD, and will strive to ensure that sustainable development objectives are integrated and reflected at every level of their trade relationship

Title on Sustainable Development

- Canada views environment and labour as two separate issues, paralleling NAFTA. Proposed objectives of the Environment Chapter include:
 - Conservation, protection and improvement of the environment
 - Promotion of sustainable development through environmental and economic policies that are mutually supportive
 - Promotion of cooperation on the development and improvement of environmental governance
 - Enhancement of compliance with and enforcement of environmental laws
 - Promotion of transparency and public participation in environmental decision-making
 - Promotion of economically efficient and effective environmental measures

Right to Regulate and Levels of Protection (Canada)

- Recognizing the sovereign right of each Party to establish its levels of domestic environmental protection, including its environmental laws, policies and priorities, and to adopt or modify each of these accordingly, each Party shall seek to ensure that its environmental laws and policies provide for high levels of environmental protection, and shall strive to continue to improve those laws and policies and their underlying levels of protection

Levels of Protection (EU Counter-proposal)

- Recognizing the (sovereign) right of each Party to set its own environmental priorities, to establish its own domestic levels of environmental protection, and to adopt or modify its relevant laws and policies accordingly, in a manner consistent with the international environmental agreements to which they are party and CETA, each Party shall seek to ensure that its laws and policies provide for and encourage high levels of environmental protection and shall strive to continue to improve its laws and policies and their underlying levels of protection

Multilateral Environmental Agreements

- Canada: Each Party affirms the rights and obligations in the MEAs to which it is a party.
- EU: The Parties shall effectively in implement their respective laws and practices, in their whole territories, the MEAs to which they are parties

Multilateral Environmental Agreements

- EU: Nothing in this Agreement shall prevent Parties from adopting or maintaining measures to implement the MEAs to which they are party provided that such measures are not applied in a manner that would constitute a means of arbitrary or unjustifiable discrimination between the Parties or a disguised restriction on trade.

'Integrated' Provisions

- ... each Party shall strive to promote trade and economic flows and practices that contribute to enhancing decent work and environmental protection, in particular by:
 - Encouraging trade in products under criteria of environmental, social and economic sustainability, including products that are the subject of schemes such as Fair and Ethical Trade schemes
 - Encouraging voluntary best practices of CSR by enterprises within their territories, to strengthen coherence between economic, social and environmental objectives

'Integrated' Provisions

- The Parties recognize the importance of identifying the best options to address specific SD issues, on the basis of a balanced assessment of the likely economic, social and environmental impacts of possible actions, taking into account the views of stakeholders. In this light... the Parties commit to reviewing, monitoring and assessing the impact of the implementation of CETA on SD... for instance through trade-related sustainability impact assessments

Institutional Structures for SD

- Board on Trade and SD
 - Comprised of senior officials from within the administrations of the Parties responsible for labour, environmental and trade matters
 - Oversees the implementation of the SD provisions of CETA and to discuss matters of common interest
- Civil Society Forum
 - Meetings of CSOs (EU-Canada Civil Society Forum) facilitated by the Parties to conduct dialogue encompassing SD aspects of trade
 - Convened once a year with representation of relevant interests including orgs. Representing employers, workers, environmental interests and business groups, local communities, etc.