The EU and Canada adopted the Recommendation on Trade, Climate Action and the Paris Agreement at the first CETA Joint Committee meeting in Montreal, Canada, on September 26, 2018. The Recommendation reaffirms the Parties’ commitment to implementing the Paris Agreement and respects each Parties’ right to set their own environmental priorities, protections, and laws. The Recommendation also encourages enhanced cooperation on trade-related aspects of the international climate change regime.

**Joint Activities Implemented**

Canada and the EU have engaged in a number of activities to implement the Trade, Climate Action and Paris Agreement Recommendation over the past two years. These activities underscored the key role of civil society, Indigenous groups, and stakeholders in the fight against climate change, as recognized in the Paris Agreement. The activities have touched on a range of topics, including clean technologies, regulatory cooperation, trade and climate under free trade agreements (FTAs), the implementation of the Paris Agreement, and the importance of inclusivity and diversity in implementing FTAs, and have engaged a variety of actors, including social partners, business associations, Indigenous groups, environmental groups, and the policy community. A full description of activities can be found in Annex 1.

**Transparency and Consultative Mechanisms**

The Recommendation supports collaboration under formal mechanisms through which civil society can participate in the implementation and governance of the Trade and Sustainable Development (TSD) and the Trade and Environment chapters.

The CETA Civil Society Forum (CSF) is an annual dialogue on the sustainable development aspects of this Agreement with civil society organisations. The CSF is composed of a balanced representation of industry associations, environmental groups, Indigenous Peoples and other stakeholders. Trade and climate was a key agenda item for the 2019 CSF.

The domestic advisory groups (DAGs) facilitate public engagement in environmental cooperation and provide recommendations on matters related to the implementation of relevant chapters within CETA. The Canadian
Environmental DAG (CEDAG), the Canadian Labour DAG, and European DAG have undertaken a variety of activities, both together and individually. Joint statements from the three DAGs recognize the importance of environment, sustainability and transparency in CETA implementation. For the CEDAG in particular, climate change is one of its priorities and it held a workshop with civil society experts in March 2019 to help further its advice on trade and climate issues.

Results

Cooperation on climate and trade under CETA is the product of a sustained collaborative effort. Stakeholder engagement over the past 18 months has been overall positive. The following activities have kept the momentum going on trade and climate synergies:

- The CETA: Taking Action for Trade and Climate conference of January 2019, brought together 140 participants from civil society, businesses, EU Member States, Canadian provinces and other stakeholders and built an excellent foundation on which to base these collaborative efforts.
- Both civil society and the business sector have shared their views and knowledge on trade and climate during the 2019 CSF.
- On the business side, the 2019 CETA Clean Technology Workshop received excellent feedback from the 56 participating companies and promoted trade and partnership in green foods and services.

Next Steps

Canada and the EU remain committed to including the voices of civil society, Indigenous Peoples, business groups, and environmental organizations into the implementation of CETA. Both Canada and the EU will continue to seek opportunities for further collaboration bilaterally to advance shared priorities and achieve our collective climate ambition.

Canada and the EU are cooperating closely on their respective green and economic recovery plans in the aftermath of the COVID-19 crisis. This includes discussions between Canada’s Environment and Climate Change Minister and the Commission’s Executive Vice-President responsible for the European Green Deal. Both sides are committed to advancing their collective efforts towards greening the recovery, and are working to encourage other partners to join in that effort.

Canada and the EU will continue to update the TSD Committee work plan to include further activities that would promote the mutual supportiveness between trade and climate under CETA.

Going forward, Canada and the EU will continue to work together to ensure the development of mutually supportive trade and environment policies as we move
to fulfil our respective pledges to net-zero-emissions by 2050 and further implement our commitments under the Paris Agreement.

Canada will host a CETA Clean Tech Summit, when conditions allow, to foster partnerships and business opportunities for Canadian and EU cleantech in support of our respective green economic recoveries, along with a virtual EU-Canada Clean Technology Workshop in early 2021 as a follow up to last year’s successful EU-Canada Workshop for Clean Technology Companies held in Montreal.

The EU and Canada will continue working together in the World Trade Organization in order to promote environmental sustainability in a coherent and overarching manner together with other WTO Members.
Annex 1 – Joint activities under the Recommendation

CETA: Taking Action for Trade and Climate
January 2019

The CETA: Taking Action for Trade and Climate conference was co-hosted by Canada and the EU on January 24, 2019 in Brussels, Belgium to implement the Recommendation. It brought together 140 participants from business, civil society and stakeholders to promote opportunities and joint actions that support trade and climate policy objectives under CETA, including the implementation of the Paris Agreement. High-level panels included representatives from the European Commission, the Government of Canada, the OECD, BusinessEurope, Maersk, Derichebourg, European Trade Union Confederation, Climate Action Network Europe, Centre for International Governance Innovation, Effenco, and Écotech Québec, followed by guided interactive discussions on sustainable and green investment, regulatory cooperation, trade promotion, green technologies and services, and institutional settings.

World Trade Organisation Presentation
May 2019

The Recommendation encourages cooperation between the Parties to take joint actions to address climate change and promote the mutual supportiveness of trade and climate policies. Canada and the EU delivered a joint presentation to the World Trade Organisation Committee on Trade and Environment in May 2019, entitled “Implementation of the CETA Environment and Sustainable Development Chapters: Links to Climate Action”.

Clean Technology Workshop for Small and Medium Enterprises
November 2019

In response to participants’ suggestions from the CETA: Taking Action for Trade and Climate conference to include follow-up actions to support Small and Medium Enterprises (SMEs) in the clean tech sector, a Clean Technology Workshop for SME was held in Montreal on November 6-7, 2019, bringing together 26 Canadian and 30 EU companies from 14 countries, including Germany, the United Kingdom, France, Spain, Belgium, the Netherlands, Czech Republic, Italy, Portugal, Denmark, Estonia, Lithuania, Greece and Hungary. The workshop was a successful combination of panel discussions, 119 business-to-business meetings, 131 business-to-government meetings, and a series of site visits which all provided a platform to share success stories, expertise, investment and partnership opportunities, available services and programs on CETA and the clean technologies, and the complementarities between the artificial intelligence and clean technology sectors. Building on the success of the first clean technology workshop, a follow-up virtual event (time TBD) is planned to further advance trade in clean technologies under CETA.
Canada-European Union virtual meeting on Priorities  
January 2020

Canada and the EU held a video conference on January 10, 2020, to exchange updates on their climate and environment priorities, as a formal outcome of the November 2019 TSD Committee meeting. The EU spoke about the European Green Deal, including a law to enshrine climate neutrality in legislation, and its ongoing priorities of climate, biodiversity, and the circular economy. Canada discussed its climate, environmental and biodiversity priorities, as indicated in the Minister for Environment and Climate Change’s mandate. Both Parties will continue to collaborate on ways to mainstream climate and environment in other CETA committees.

Meeting of the CETA Regulatory Cooperation Forum  
February 2020

The second meeting of CETA’s Regulatory Cooperation Forum took place in Ottawa on 3-4 February 2020. The Forum’s Co-chairs and EU and Canadian regulators discussed, amongst other topics, wood pellet boilers. Canada and the EU rely on different standards to certify pressure vessels and boilers, namely CSA B51 and EN303-5 for wood pellet boilers. Although pressure vessel regulation and maintenance is under provincial/territorial jurisdiction, Canada agreed to facilitate conversations among Canadian provinces/territories and the EU to discuss the issue and explore opportunities for cooperation. The goal would be to increase the selection of wood pellet boilers available in Canada.

CETA Environmental Civil Society Workshop  
March 2020

On March 2, 2020, the one-day CETA Environmental Civil Society Workshop was held for a wide variety of Canadian stakeholders, including representatives from environmental groups, Indigenous Peoples, and other relevant civil society organizations, to exchange with one another and learn more about the Trade and Environment dimensions of CETA. This was the first Workshop hosted by the CEDAG to deepen Canadian participation in these aspects of CETA implementation.

The Workshop featured expert speakers presenting on four topics:

- Implementing CETA in alignment with global environmental goals;
- Indigenous rights and trade;
- Mutual support between multilateral, regional and preferential trade agreements and international environmental agreements; and,
- Domestic enhancement of Canada’s and the EU’s climate commitments