

**CFRED's Eleventh Trade and Investment Law Seminar:**

**THE COMPREHENSIVE ECONOMIC AND TRADE AGREEMENT  
(CETA) BETWEEN THE EU AND CANADA A MODEL FOR FUTURE  
“MEGA-REGIONAL” AGREEMENTS?**

by

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Chaired by: **Prof. Gonzalo Villalta Puig**, *Faculty of Law, CUHK*

**17 March 2015, Tuesday, 1:00 – 2:00p.m.**

*The Warren Chan Moot Court, CUHK Graduate Law Centre, 2/F Bank of America Tower, Central, Hong Kong*

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Under negotiation since 2010, CETA is now complete. The political choices have been made and once the legal scrub has been completed in May–June 2015 to provide a definitive legal text, only the process of formal approval and implementation will remain.

The current text issued by the EU Commission and Canada is available on line [here](#).

Like the NAFTA 1993 before it, the CETA text is the most ambitious free trade agreement ever negotiated, only the European Union, a customs union, goes much further in scope towards the economic integration of its parties. As such it is likely to serve as a model for many future major free trade agreements.

The EU resisted Canadian requests to begin trade negotiations for over a decade and it was only at the point where both Canada and the EU wanted a trade agreement that serious negotiations could begin. For Canada CETA represents enhanced and more guaranteed access to the markets of the 28 member EU. For the EU, as a major trading power, the objectives are more complex. The EU certainly sought guaranteed access to Canadian provincial services and government procurements markets, worth well over 250B, which have been closed to it under the GATT and GATS. It also sought more secure access to Canadian energy sources as well as the right to invest in Canadian resources. But perhaps fundamentally it was also seeking to provide pressure on the United States to conclude the TTIP negotiations towards a full free trade agreement. Both parties were also committed to negotiating a free trade agreement which broke new ground with respect to regulatory cooperation, if not complete harmonization. The agreement is thus a comprehensive updating and deepening of the free trade agreement model, arguably taking this FTA further than any before it.

As well as dismantling many traditional trade barriers and breaking new ground in a number of areas the CETA also seeks to clarify rules governing the relationship of trade and environmental protection, labour standards, human rights, competition law and public health protections in separate chapters. There is also a chapter in maritime transportation and a number of provisions on air transport services.

Trade is intimately related to investment protection and promotion and CETA contains a complex chapter and many related provisions in the services chapters dealing with investments. CETA includes a full and extensive section dealing with investor state arbitration.

Reflecting the fact that CETA reaches further into the domestic economies of Canada and the EU, extensive efforts have been made to preserve the policy-making space of both parties. Thus CETA contains an important chapter on exceptions. The investment chapter also contains extensive substantive and procedural exceptions. By the use of these very extensive exceptions, which are found throughout the CETA text as well as in the Schedules, the Parties have shown their desire to maintain their sovereign right to protect fundamental interests and to continue to make important public policy decisions. But the extensive use of exceptions is clearly one of the most significant features of this new model free trade agreement.

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## **ABOUT THE SPEAKER:**



Professor de Mestral, C.M., has taught constitutional law, law of the sea, public international law, international trade law, international arbitration, and the law of the European Community, and public international air law. His current research interest is the law of international economic integration. He has prepared books, articles and studies in English and French on international trade law and on Canadian comparative and constitutional law and international law. He has served on WTO and NAFTA dispute settlement and arbitration tribunals. He was made Member of the Order of Canada in December 2007.

In December 2014, he was appointed a Senior Fellow at the Centre for International Governance Innovation (CIGI).

**All are welcome!**  
**Admission is free of charge!**

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