



Mr Karel De Gucht
Trade Commissioner
European Commission
Rue de la Loi 200
B-1049 Brussels

18 December 2012

Dear Commissioner,

The business community is looking forward to the benefits that an ambitious and successful swift conclusion to the negotiations for an EU-Canada Comprehensive Economic and Trade Agreement (CETA) will bring to both signatory parties.

We would like to draw your attention to the fact that although the negotiations are expected to be concluded by the end of 2012, several important issues must be solved to promote trade and investment, which we set out below. Indeed, given the CETA's role as a marker for an ambitious broader EU trade policy agenda, and the negotiating leverage afforded by access to the EU's Single Market, we count on the Commission to maintain its strong stance on these issues:

- Access to government procurement that is non-discriminatory and removes technical barriers and local content and assembly requirements. It is essential that a wide range of government procurement opportunities, especially in the key sectors of energy and transport, be committed at all public entity levels (EU, federal and national, Canadian provincial and territorial, EU Member State sub-national, as well as EU and Canadian municipal and other local) on a pan-European and pan-Canadian basis.
- Robust protection and enforcement of intellectual property (IP) rights to foster knowledge-based economic growth. This should include, for the pharmaceutical and crop protection sector, the introduction of an effective right of appeal for innovators, the extension of the period of data exclusivity to the EU level of protection, and the introduction of Patent Term Restoration/Supplementary Protection Certificates. As well as greater legal certainty, these measures would provide both a level playing field between the EU and Canada and ensure that innovative companies are in a position to recover the costs and risks associated with bringing new products to the market.



- Investment provisions should offer a high level of protection, equal to the highest EU member states' Bilateral Investment Treaties (BITs) standards. An open definition to investments should be adopted that will include all types of assets. Furthermore, the possibility for international arbitration should be left open.
- Rules of Origin (ROOs) that are in conformity with international standards, clear and easy-to-use by businesses, as complex rules consume business resources, generate unnecessary opportunity costs and hamper the efficiency of business operations. As the EU-Korea FTA recently illustrated, this has an impact particularly on SMEs, which face difficulties in reaping the full benefits provided by an FTA. At the same time it is necessary that the agreed rules take into account the industrial reality existing both in the EU and Canada so that economic operators from both sides of the Atlantic can benefit fully from the agreement. Finally, the EU-Canada CETA should not create precedents regarding the application of the standard EU thresholds on rules of origin.
- Concerning services, we would like to emphasise the necessity that investment protection for financial services be not treated separately from protection granted in other sectors.
- Market access for EU's high value added agriculture products including dairy, wines and spirits and resolution of the non-tariff barriers impacting these sectors.

It is our sincere hope that the European Commission takes these views into account and makes the progress necessary to conclude a high-quality EU-Canada CETA in 2012.

Yours sincerely,

Markus J. Beyrer