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## **EU-CANADA BUSINESS SUMMIT PRAGUE**

### **ADDRESS BY ADRIAN VAN DEN HOVEN DIRECTOR, INTERNATIONAL RELATIONS**

#### **Introduction**

- European companies welcome negotiations on EU-Canada economic integration agreement
- Agreement should be comprehensive and ambitious, set a new benchmark for bilateral economic integration.
- The business community is ready to help the EU and Canada overcome the challenges of this negotiation.

#### **Priorities for European Companies**

- 1) Eliminate tariff and non-tariff barriers that prevent European companies from selling their products on the Canadian market.

Example: Tariffs are the main obstacle to EU exports of textiles products and footwear to Canada. Tariffs are as high as 20%, whereas for NAFTA products these tariffs are 2,5% maximum.

Canada has a number of tariff peaks: transport equipment (25); leather (20); other manufacturers (18); textiles/apparel (18); wood/paper (16); chemicals (16); minerals/metals (16).

- 2) Much broader reciprocal access to public procurement markets at all levels to ensure fair conditions for European companies.

Whereas Canadian companies are benefitting from a relatively open European public procurement market, Canada's commitments are among the poorest offers under the WTO Government Procurement Agreement (GPA). Public entities below the federal level are not covered. In addition, whole sectors are



excluded, including communications equipment, transportation equipment, basic telecommunication services, transport services, dredging, shipbuilding and repair.

- 3) Cooperation on access to raw materials to prevent market distortions in the global raw materials market. The EU and Canada are ideally positioned to cooperate more in the area of raw materials.

- High volume of raw materials trade between the EU and Canada.
- Canadian companies produce raw materials destined for global markets.

The EU and Canada should identify common interests and devise joint actions and common positions in international fora.

- 4) Other areas of concern to European companies are:

- a. Removal of market access barriers for services and service providers. Mutual recognition of qualifications would be a good starting point.

- b. Strengthening Canada's Intellectual Property Rights regime (pharmaceutical sector).

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