

## Scope and Objectives of the TIEA

### **1. Regulatory Co-operation**

The EU and Canada, as reflected in the EU “Better Regulation Package” and the Canadian “Smart Regulation Initiative”, respectively, are committed to ensuring high levels of protection for their citizens and for the environment, while ensuring transparency, performance and cost-effectiveness of regulations. In this context, the EU and Canada recognise the value of regulatory co-operation, developed within the frame of their domestic procedural and substantive obligations, in order to promote information exchange and expand mutual knowledge of regulatory practices, including enhanced use of best practices, improve the effectiveness of regulatory initiatives and facilitate trade and investment.

The EU and Canada agree to work towards removing obstacles to trade and investment through adequate mechanisms, including, where appropriate, the reduction of unnecessary regulatory differences, so as to facilitate trade while ensuring quality and effectiveness of regulations.

Consequently, regulatory co-operation should have a central role in the future agreement while respecting both Parties' rights and obligations under the WTO Agreements or any other international agreements to which each may be a Party, including the right to determine the appropriate level of protection of public interests involved (*inter alia*, the prevention of deceptive practices, protection of human health or safety, animal or plant life or health, or the environment). Regulatory co-operation will also take into consideration any other international initiatives on regulatory practices to which both Parties might subscribe, such as those developed in the Organisation for Economic Co-operation and Development (OECD).

At the December 2002 Summit in Ottawa, the EU and Canada agreed “to intensify our regulatory dialogue and work towards a new framework in this field”. Following the adoption by Leaders at the May 2003 Summit in Athens of the Joint Action Plan on Regulatory Dialogue and Co-operation, the European Commission and the Government of Canada are developing such a framework. The EU and Canada look forward to its completion at the earliest opportunity. This voluntary framework will form the basis for the development of voluntary co-operation between EU and Canadian regulators competent in the sectors concerned. This framework will support, not duplicate, existing mechanisms (e.g. Joint Committees established under bilateral EU-Canada Agreements; or in multilateral regulatory bodies).

The TIEA will consequently refer to the voluntary Framework as the instrument of regulatory cooperation for those areas within its scope. Other regulatory issues will be addressed according to the relevant sections of this document. With respect to the regulatory aspects of services, consideration will be given, if needed, to possible common elements with future developments arising from this section.

The TIEA may also establish a specific committee for purposes of follow up of progress made in the overall application of the voluntary Framework, address any issues arising, and make recommendations for future action, without prejudice to the operation of sectoral committees established under bilateral agreements (e.g. Joint Management Committee established under the Veterinary Agreement, and Joint Committee created under the Agreement on Trade in Wines and Spirits Drinks). In addition, the TIEA may establish more formalised co-operation mechanisms in those sectors identified by the respective competent regulators.