



## COMPREHENSIVE ECONOMIC AND TRADE AGREEMENT (CETA)

### 2<sup>ND</sup> MEETING OF THE CETA REGULATORY COOPERATION FORUM

3-4 FEBRUARY 2020, OTTAWA AND BY VIDEOCONFERENCE

#### JOINT REPORT

##### **1. Discussion among regulatory Cooperation Forum (RCF) Co-chairs regarding status of work plans, reporting and general organizational issues.**

The Co-Chairs of the Regulatory Cooperation Forum (RCF) acknowledged the work of regulators in both jurisdictions throughout the past year, particularly the cooperation efforts surrounding improving the health and safety in both Canada and the EU.

No general organizational issues were discussed.

##### **2. Discussion among Co-chairs and regulators regarding potential new items for RCF work plan**

At the first RCF meeting, Co-chairs agreed to revisit the work plan on an annual basis and explore potential opportunities for further cooperation. Potential work plan items for discussion were drawn from stakeholder input and based on feedback from EU and Canadian regulators. In discussing items, Co-chairs took into account jurisdiction, relevancy and readiness of the topics proposed for regulatory cooperation and whether or not the topics were already part of other CETA committees or existing bilateral dialogues. Regulators from both sides outlined the issues to be considered, bilateral discussions to date, and next steps.

Of the three topics, one required further discussions, and two were adopted as work plan items that would be developed over the coming year.

###### **a. 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 has agreed to facilitate conversations among Canadian provinces/territories and the EU to discuss the issue and explore opportunities for cooperation, the first information session being scheduled for February 13, 2020. The goal would be to increase the selection of wood pellet boilers available in Canada.

b. Standards Council of Canada and CEN-CENELEC Agreement

In 2012, Canada's national standards body, Standards Council of Canada (SCC), and two European Standardization Organizations, the European Committee for Standardization (CEN) and the European Committee for Electrotechnical Standardization (CENELEC), signed a formal cooperation agreement, which was renewed for the second time in 2019. Work under this agreement fits within the principles, objectives and activities of the RCF. Moving forward, SCC and CEN/CENELEC will exchange information related to their respective innovation programs and ongoing work and hold a meeting to discuss potential and proposed areas of work in additional detail. Co-chairs indicated their strong support for this cooperation, noted that they looked forward to updates on progress and more information on specific plans as they develop and invited regulators to return in June 2020 with a proposed work plan.

c. Paediatric medicines

Canadian regulators are exploring how to improve access for certain paediatric medicines in Canada. The EU has had success in expanding the availability of drugs for children for an extended period of time, and has a number of processes in place to facilitate these acquisitions. Dialogue stimulated by the RCF would provide a forum, through which, Canada and the EU could agree on the best way to share information and current practices. Co-chairs agreed that this item was a good candidate for the RCF, and regulators were invited to return in June 2020 with a proposed work plan.

### **3. Discussion and status update with regulators on existing work plan items**

In December 2018, the RCF adopted five work plan items for regulatory cooperation. These items have been developed, executed, and seen success over the past year due to the ongoing work of Canadian and EU regulators. Regulators provided Co-chairs with updates and next steps for the current work plan items.

a. Consumer product safety

In November 2018, an administrative agreement was signed between Canada and the European Commission to exchange information between the EU RAPEX alert system and RADAR, Canada's consumer product incident reporting system. The ongoing exchange of information providing Canadian and European regulators detailed information about dangerous products placed on their respective market is now operational and the work plan completed in 2019.

Regulators in Canada and the EU organised, in November-December 2019, a coordinated awareness-raising campaign on the risks of button batteries to children. Additional joint communication campaigns are planned for 2020.

In 2020, regulators also agreed to carry out a pilot coordinated market surveillance activity on heavy metals in children's jewellery sold online. Furthermore, improving the effectiveness of the product recall process is a priority in both Canada and the EU.

b. Pharmaceutical inspections

Canada and the EU have an existing protocol under the CETA for the mutual recognition of good manufacturing practices for pharmaceutical products. Regulators have agreed to expand the existing approach of recognizing inspection results from the respective Parties, to include inspections that are conducted in countries outside EU or Canada. To this end, regulators on both sides have examined how they conduct inspections within their national territory and in other jurisdictions, and in 2020 are seeking to formalize the recognition of inspection results for inspections conducted outside their territories.

c. Cosmetic-like drug products

In February 2019, Canada and the EU agreed to a common pilot project to eliminate quarantine and confirmatory re-testing of sunscreen products imported from the EU. The pilot was successful in engaging a number of EU exporters and increased sunscreen selections in Canada. In 2020, Canada is supportive of expanding the pilot to exploring opportunities for other types of low-risk cosmetic-like drug products, such as anti-dandruff shampoo and toothpaste, but the exact timeline is dependent on the approval of Canada's regulatory amendments. These changes are anticipated to result in increased consumer choice and reduced pricing for these products. We are in the process of determining ways to measure how these regulatory savings for industry translate to consumer benefits.

d. Cybersecurity and internet of things

2019 has seen much advancement in technologies and changes in regulator priorities within this space. Dialogue on these issues remain open between Canada and the EU, however, new priorities have presented a need to re-calibrate the work plan item with a view to exploring privacy and data protection related standards and regulatory measures. In 2020, regulators will discuss their new priorities to identify any potential areas for regulatory cooperation.

e. Animal welfare

Canada and the EU identified the long distance transport of animals as the initial topic for discussion of animal welfare issues under the RCF. Canada and the EU have initiated discussions on animal welfare issues, reviewing first the respective approaches to animal welfare and long distance transport. Canada and the EU have also committed to further sharing of information and will be holding further discussions in the near future, including on other areas related to animal welfare.

#### **4. Discussion among Co-chairs regarding RCF communications and consultation issues**

In response to continued public interest shown for the RCF, the Co-chairs agreed to publish success stories for completed work plan items, highlighting the work of the regulators and how it has affected EU and Canadian citizens. Further, the Co-chairs remained committed to providing public updates to the work plan both following the February meeting and again in Summer 2020.

Acknowledging the ongoing work resulting from the Stakeholder Consultations in 2018, Co-chairs agreed that targeted stakeholder consultations on the RCF were not going to be a priority for 2020. However, new issues will be welcomed through direct submissions to the EU or Canada.

#### **5. RCF Co-chair stakeholder debrief and exchange of views**

Following the discussion with regulators, RCF Co-chairs and regulators from the EU and Canada debriefed civil society stakeholders about the RCF's activities and results. Audiences from multiple physical locations participated in this exchange: stakeholders participating in person in Ottawa, in Brussels via video link, and from desks and conference rooms via video or teleconferencing (questions were welcomed via e-mail). Stakeholders in Ottawa and Brussels commented on the successes of the current work plan items over the past year. Stakeholders continued to stress the importance of and interest in the work pertaining to animal welfare.

Questions were raised pertaining to the process followed by the RCF, specifically pertaining to the interactions of the RCF with Canadian provinces and territories on items such as wood pellet boilers. Canada signalled that while it is navigating this process for the first time, it is committed to facilitating the conversations with provinces and territories.

Co-chairs expressed openness to receiving suggestions from stakeholders for new topics, specifically regarding new and emerging issues, however, topics that fall under the scope of other committees established under CETA should be avoided. It was further stressed that all regulatory cooperation activities were voluntary, and required mutual interest from both Canada and the EU to be considered for an RCF work plan. In that light, stakeholders were encouraged to communicate any potential issues to the EU or Canada at their convenience.

Co-Chairs confirmed that a report detailing the outcomes of the meeting, along with an updated RCF work plan would be made public in the coming weeks.

#### **6. Wrap-up and next steps**

The next RCF meeting should take place in approximately one year in Brussels. Both sides will take stock of the progress made on the work plan items in the summer of 2020. In the meantime, suggestions for additional potential work plan items are welcomed and regulators are encouraged to work together to achieve positive outcomes on the work plan.

## **Participants:**

### Regulator Cooperation Forum

- Co-Chairs
  - Director, Directorate A, Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs, European Commission
  - Deputy Head of Unit E1, Directorate-General for Trade, European Commission
  - Executive Director, Regulatory Policy and Cooperation Directorate, Regulatory Affairs Sector, Treasury Board of Canada Secretariat
  - Director General, Trade Agreements and Negotiations, Market Access, Global Affairs Canada
- Officials from the Treasury Board of Canada Secretariat, Global Affairs Canada
- Officials from the European Commission's Directorate General for Trade and the Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs
- Officials from the Mission of EU to Canada
- Regulators and officials from the European Commission's Directorate-General for Health and Food Safety, Directorate-General for Communications Networks, Content and Technology, Directorate-General for Justice and Consumers, Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs, the European Medicines Agency (EMA) and European Committee for Standardization (CEN).
- Regulators and officials from Health Canada, Agriculture and Agri-Food Canada, and Innovation, Sciences and Economic Development Canada
- Registered stakeholders attending the Stakeholder Debrief session (in person, via videoconference, or via teleconference)