Gouvernement du Canada

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Canada-UK Trade Continuity Agreement (Canada-UK TCA) Agreement on Trade Continuity

between the United Kingdom of Great Britain and Northern Ireland and Canada

The United Kingdom of Great Britain and Northern Ireland ("the United Kingdom" or "UK") and Canada (hereinafter referred to as "the Parties"),

Recognising that the *Canada-European Union Comprehensive Economic* and *Trade Agreement* ("CETA") done at Brussels, on 30 October 2016, will cease to apply to the United Kingdom at the end of the transition period provided for in the *Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community, done at Brussels and London on 24 January 2020 ("transition period");*

Desiring that the rights and obligations between them as provided for by CETA should continue following the departure of the United Kingdom from the European Union and following the end of the transition period, subject to the provisions of this Agreement, including the modifications provided for in <u>Annexes A and B</u>;

Reaffirming the preamble of CETA,

Have agreed as follows:

Article I

Incorporation of CETA

- 1. The provisions of CETA are incorporated by reference into and made part of this Agreement, *mutatis mutandis*, subject to the provisions of this Agreement, including the modifications provided for in <u>Annexes A and B</u>.
- 2. For greater certainty, a reference to "this Agreement" in Articles I through VII, <u>Annexes A and B</u> or the incorporated provisions of CETA, shall be understood as reference to the Agreement on Trade Continuity between the United Kingdom of Great Britain and Northern Ireland and Canada ("Trade Continuity Agreement" or "TCA").
- 3. For greater certainty, a reference to the "provisions of CETA" in this Agreement includes tables, lists, annexes, reservations and footnotes.
- 4. Provisions of CETA, or parts of such provisions, that apply exclusively to EU Member States and not to the UK, or that are in languages other than English and French, are not incorporated by reference into and made part of this Agreement.
- 5. For greater certainty, nothing in this Agreement shall provide any rights to any non-Party to this Agreement.
- 6. In the event of any inconsistency between Articles I through VII and the provisions of CETA, as incorporated, Articles I through VII shall prevail to the extent of the inconsistency.

Article II

Further provision in relation to the Canada-UK Joint Committee

1. The Canada-UK Joint Committee, which the Parties establish under incorporated Article 26.1 (Canada-UK Joint Committee), shall ensure that this Agreement operates properly.

- 2. Upon entry into force of this Agreement, any decisions adopted by the CETA Joint Committee or specialised committees established by Article 26.2 (Specialised committees) of CETA before CETA ceased to apply to the United Kingdom shall, to the extent that those decisions relate to the Parties to this Agreement, be deemed to have been adopted by the Canada-UK Joint Committee, *mutatis mutandis* and subject to the provisions of this Agreement, including the modifications provided for in Annexes A and B.
- 3. Nothing in paragraph 2 prevents the Canada-UK Joint Committee from making decisions that are different from, revoke or supersede the decisions deemed to have been adopted by it under that paragraph.

Article III

Retained Law

- 1. References to EU law in this Agreement are to be understood as references to EU law as incorporated into the law of the UK on the date the transition period ends.
- 2. Subject to the provisions of this Agreement, in incorporating EU law into UK domestic law, or in making amendments to UK law to address a deficiency in retained EU law, the UK shall not decrease the conformity of a measure, as it existed before the incorporation or amendment, with the provisions of this Agreement.
- 3. Nothing in paragraph 2 prevents the UK from withdrawing treatment it was granting to Canada only as a result of the UK's participation in the internal market of the European Union.
- 4. A dispute arising in relation to paragraph 2 shall be considered urgent within the meaning of incorporated paragraph 29.4.4 (Consultations) and incorporated Article 29.11 (Urgent proceedings), except that:

- (a) consultations shall commence within 5 days of the date of receipt of Canada's request by the UK; and
- (b) the UK may not make the type of request referred to in the final sentence of incorporated Article 29.11 (Urgent proceedings).

Article IV

Subsequent Negotiations

- 1. The Parties shall commence negotiations on a new Canada-United Kingdom free trade agreement no later than one year after the date of entry into force of this Agreement.
- 2. A Party shall give positive consideration to any proposal by the other Party regarding topics to be included in the scope of the negotiations referred to in paragraph 1, including topics not covered by this Agreement.
- 3. In pursuing the negotiations referred to in paragraph 1, the Parties shall endeavour to develop their trade and economic relations further by aiming for an agreement that is ambitious, modern and comprehensive, and that is tailored to their interests.
- 4. The Parties shall strive to conclude the negotiations referred to in paragraph 1 within three years of the date of entry into force of this Agreement.

Article V

Review of procedures for the resolution of investmentdisputes between investors and states

- 1. Incorporated Articles 8.18 (Scope) through 8.43 (Consolidation), as well as incorporated paragraphs 8.44.2 and 8.44.3 (Committee on Services and Investment), except for sub-paragraph (d), shall not apply upon entry into force of this Agreement.
- 2. Within 90 days of the entry into force of this Agreement, the Parties shall commence a comprehensive review of the incorporated provisions listed in paragraph 1.
- 3. The review under paragraph 2 shall be completed within three years of the entry into force of this Agreement. No later than 30 months after the entry into force of this Agreement, the Parties shall consult as to whether the three-year period should be extended. If they agree, the period may be extended by decision of the Canada-UK Joint Committee.
- 4. If the review under paragraph 2 has not been completed within the time period set out in paragraph 3 or as extended by the Canada-UK Joint Committee, the incorporated provisions listed in paragraph 1 shall apply, provided that the equivalent provisions of CETA have entered into force.
- 5. For greater certainty, following the Parties' review under paragraph 2, the amendment procedures established in incorporated paragraph 30.2.1 (Amendments) apply.
- 6. Incorporated paragraph 13.2.4 (Scope), incorporated sub-paragraph 13.18.3(c) (Financial Services Committee), incorporated Article 13.21 (Investment disputes in financial services) as well as incorporated Annex 13-B (Understanding on the Application of Articles 13.16.1 and 13.21), to the extent that it relates to the process under incorporated Article 13.21, shall not apply unless and until the incorporated provisions referred to in paragraph 1 apply.

7. Further to Article II.2 (Further provision in relation to the Canada-UK Joint Committee), any decisions, or parts of decisions, related to the incorporated provisions listed in paragraph 1 that were adopted by the CETA Joint Committee or the Committee on Services and Investment established under Articles 26.1 (CETA Joint Committee) and 26.2 (Specialised committees) of CETA before it ceased to apply to the United Kingdom shall not be deemed to have been adopted by the Canada-UK Joint Committee under this Agreement.

Article VI

Integral parts of this Agreement

Unless otherwise provided for, the protocols, annexes, and footnotes to this Agreement, including those incorporated under Article I (Incorporation of CETA), constitute integral parts thereof. The agreement, in the form of an exchange of letters between Canada and the United Kingdom, entitled "WTO Cheese TRQ – UK Transitional Access to the European Union Reserve", dated [], also constitutes an integral part of this Agreement.

Article VII

Entry into force and provisional application

- 1. This Agreement shall be approved by the Parties in accordance with their domestic procedures.
- 2. This Agreement shall enter into force on:
 - (a) the later of:
 - (i) the date on which CETA ceases to apply to the United Kingdom; or

- (i) the date of the later of the Parties' notifications that they have completed their domestic procedures; or
- (b) such other date as the Parties may otherwise agree.
- 3. Pending the entry into force of this Agreement, the Parties may provisionally apply this Agreement or provisions thereof by an exchange of written notifications. Such provisional application shall take effect on the later of:
 - (a) the date on which CETA ceases to apply to the United Kingdom; or
 - (b) the date of the later of the Parties' notifications that they have completed their respective internal requirements and procedures necessary for provisional application of this Agreement.
- 4. A Party may terminate the provisional application of this Agreement by written notice to the other Party. Such termination shall take effect on the first day of the second month following the date the notification is received, unless the notification provides for a later date.
- 5. If the Parties provisionally apply this Agreement, or certain provisions of it, the term "entry into force of this Agreement" in this Agreement, or in those provisions, shall be deemed to refer to the date that such provisional application takes effect.
- 6. The United Kingdom shall submit notifications under this Article to Canada's Department of Foreign Affairs, Trade and Development or its successor. Canada shall submit notifications under this Article to the United Kingdom's Foreign, Commonwealth and Development Office or its successor.
- 7. The Canada-UK Joint Committee and other bodies established under this Agreement may exercise their functions during the provisional application of this Agreement. Any decisions adopted in the exercise of their functions will cease to be effective if the provisional application of this Agreement is terminated under paragraph 4.

In witness whereof the undersigned, being duly authorised thereto by their respective Governments, have signed this Agreement.

DONE in Duplicate at Ottawa [and London] this 9th day of December 2020 in the English and French languages, both texts being equally authentic.

For the United Kingdom of Great Britain and Northern Ireland: For Canada:

Date Modified:

2020-12-09