

National ratification issue could derail EU-Canada trade deal

Dispute could influence British future attempts to negotiate a trade deal

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A contentious EU-Canada trade agreement is at risk of becoming bogged down in a spat between EU capitals and Brussels over whether national parliaments should get to ratify the deal.

The European Commission has waded into sensitive political territory by suggesting that, legally, the wide-ranging accord could simply be approved by national trade ministers and by the European Parliament to take effect.

While EU leaders are highly supportive of the trade deal, [known as CETA](#), the commission's push for a streamlined adoption has raised the prospect of an ugly power struggle even as the bloc seeks to cope with the trauma of Britain's vote last month to leave the EU.

At stake is whether a total of 38 different national parliamentary chambers, including in some cases regional assemblies, should have a binding say. In addition to the commission's belief that this is not required under the EU's treaties, a pressing political concern is that it could be the death knell of a deal that took five years to negotiate.

The outcome of the tussle could also have implications for how complicated it will be for post-Brexit Britain to negotiate a trade deal with the EU.

The EU commission's decision-making college will try to thrash out a plan for how to proceed at a meeting on Tuesday in Strasbourg.

The commission's move has been a gift to anti-globalisation groups, leftwing parties and other opponents of the pact, who have campaigned against the substance of the agreement on the basis that it is an undemocratic attack on social and environmental standards. The EU and Canadian authorities firmly reject the criticisms.

The spat, which has been brewing for some time, fully erupted last week when Jean-Claude Juncker, the commission's president, pushed for the [simplified adoption process](#) at a meeting of EU leaders in Brussels.

[Sigmar Gabriel](#), leader of Germany's social democrats and the country's economy minister, said on Wednesday that attempting to bypass national parliaments would be "incredibly foolish" and would serve to magnify "conspiracy theories" about the deal.

Similarly, Jean-Luc Mélenchon, a leftist candidate for next year's French presidential election, accused Mr Juncker of trying to impose the trade deal "by force".

There are already signs of organised parliamentary resistance to the agreement in Belgium, where the regional parliament of Wallonia voted in April to block the country's ability to sign.

Paul Magnette, the French-speaking region's minister president, and one of the country's leading socialist politicians, has said that "everybody in Wallonia is against this treaty".

The EU commission fears a ratification process for the Canada deal that could be even longer than the four years it took to approve a recent EU-South Korea agreement. Some worry that it may never be completed.

Diplomats and officials see a point of principle at stake which will set a precedent for future trade talks, including potentially with the UK, depending on the approach Britain takes to negotiating its new, post-Brexit, arrangements with the EU.

CETA has become a target for leftwing parties and anti-globalisation activities in a number of countries, including Germany, Austria, France and Belgium, partly out of concerns that it would act as a stalking horse for a larger trade deal, known as TTIP, that is being negotiated with the US.

EU officials insist that both CETA and TTIP would contain safeguards to prevent a race to the bottom in regulatory standards.

The EU commission has pointed out that not having national ratification does not stop parliaments debating the deal.

Commission sources told the Financial Times that their approach is "guided by law" and provided for "full democratic scrutiny".

But this has so far failed to assuage national governments, an overwhelming majority of which called for a national ratification process at a meeting of EU trade ministers in May.

Both Angela Merkel, Germany's chancellor, and François Hollande, the French president, said after this week's EU summit that national parliaments should get to debate CETA, although it was not clear whether this meant they would insist on national ratification.

Should the commission press ahead with its approach, it would take a unanimous decision by EU member states to overturn it, and to force Brussels to accept the need for a national parliaments to have more of a say.