

FRAMEWORK AGREEMENT
for commercial and economic cooperation between the European Communities
and Canada

THE COUNCIL OF THE EUROPEAN COMMUNITIES,
on behalf of the European Economic Community, and

THE COMMISSION OF THE EUROPEAN COMMUNITIES,
on behalf of the European Atomic Energy Community,

of the one part, and

THE GOVERNMENT OF CANADA,
of the other part,

INSPIRED by the common heritage, special affinity and shared aspirations which unite the countries of the European Communities and Canada;

RECOGNIZING that the European Communities and Canada desire to establish a direct link with each other which will support, complement and extend cooperation between the Member States of the European Communities and Canada;

RESOLVED to consolidate, deepen and diversify their commercial and economic relations to the full extent of their growing capacity to meet each other's requirements on the basis of mutual benefit;

CONSCIOUS of the already substantial flow of trade between the European Communities and Canada;

MINDFUL that the more dynamic trade relationship which both the European Communities and Canada desire calls for close cooperation across the whole range of commercial and economic endeavour;

PERSUADED that such cooperation should be realised in evolutionary and pragmatic fashion, as their policies develop;

DESIRING furthermore to strengthen their relations and to contribute together to international economic cooperation;

HAVE DECIDED to conclude a Framework Agreement for commercial and economic cooperation between the European Economic Community and the European Atomic Energy Community, of the one part, and Canada, of the other part; and to this end have designated as their Plenipotentiaries:

THE COUNCIL AND THE COMMISSION OF THE EUROPEAN COMMUNITIES:

Max van der STOEL,

President of the Council,

Minister for Foreign Affairs of the Kingdom of the Netherlands;

Sir Christopher SOAMES,

Vice-President of the Commission of the European Communities;

THE GOVERNMENT OF CANADA:

The Hon. Allan J. MAC EACHAN,

Secretary of State for External Affairs;

WHO, having exchanged their Full Powers, found in good and due form,

HAVE AGREED AS FOLLOWS:

*Article I***Most-favoured-nation treatment**

In accordance with the rights and obligations under the General Agreement on tariffs and trade, the Contracting Parties undertake to accord each other, on an equal and reciprocal basis, most-favoured-nation treatment.

*Article II***Commercial cooperation**

1. The Contracting Parties undertake to promote the development and diversification of their reciprocal commercial exchanges to the highest possible level.

To this end, they shall, in accordance with their respective policies and objectives;

- (a) cooperate at the international level and bilaterally in the solution of commercial problems of common interest;
- (b) use their best endeavours to grant each other the widest facilities for commercial transactions in which one or the other has an interest;
- (c) take fully into account their respective interests and needs regarding access to and further processing of resources.

2. The Contracting Parties shall use their best endeavours to discourage, in conformity with their legislation, restrictions of competition by enterprises of their respective industries, including pricing practices distorting competition.

3. The Contracting Parties agree, upon request, to consult and review these matters in the Joint Cooperation Committee referred to in Article IV.

*Article III***Economic cooperation**

1. The Contracting Parties, in the light of the complementarity of their economies and of their capabilities and long-term economic aspirations, shall foster mutual economic cooperation in all fields deemed suitable by the Contracting Parties. Among the objectives of such cooperation shall be:

- the development and prosperity of their respective industries,
- the encouragement of technological and scientific progress,
- the opening up of new sources of supply and new markets,

- the creation of new employment opportunities,
- the reduction of regional disparities,
- the protection and improvement of the environment,
- generally to contribute to the development of their respective economies and standards of living.

2. As means to such ends, the Contracting Parties shall as appropriate encourage and facilitate *inter alia*:

- broader inter-corporate links between their respective industries, especially in the form of joint ventures,
- greater participation by their respective firms in the industrial development of the Contracting Parties on mutually advantageous terms,
- increased and mutually beneficial investment,
- technological and scientific exchanges,
- joint operations by their respective firms and organizations in third countries.

3. The Contracting Parties will as appropriate encourage the regular exchange of industrial, agricultural and other information relevant to commercial and economic cooperation as well as the development of contacts and promotion activities between firms and organizations in these areas in the Communities and Canada.

4. Without prejudice to the relevant provisions of the Treaties establishing the Communities, the present Agreement and any action taken thereunder shall in no way affect the powers of the Member States of the Communities to undertake bilateral activities with Canada in the field of economic cooperation and to conclude, where appropriate, new economic cooperation agreements with Canada.

*Article IV***Joint Cooperation Committee**

A joint Cooperation Committee shall be set up to promote and keep under review the various commercial and economic cooperation activities envisaged between the Communities and Canada. Consultations shall be held in the Committee at an appropriate level in order to facilitate the implementation and to further the general aims of the present Agreement. The Committee will normally meet at least once a year. Special meetings of the Committee shall be held at the request of either Party. Subcommittees shall be constituted where appropriate in order to assist the Committee in the performance of its tasks.

*Article V***Other Agreements**

1. Nothing in this Agreement shall affect or impair the rights and obligations of the Contracting Parties under the General Agreement on tariffs and trade.
2. To the extent that the provisions of the present Agreement are incompatible with the provisions of the Agreement between the European Atomic Energy Community and Canada of 6 October 1959, the provisions of the present Agreement shall prevail.
3. Subject to the provisions concerning economic cooperation in Article III (4), the provisions of this Agreement shall be substituted for provisions of Agreements concluded between Member States of the Communities and Canada to the extent to which the latter provisions are either incompatible with or identical to the former.

*Article VI***European Coal and Steel Community**

A separate Protocol is agreed between the European Coal and Steel Community and its Member States, on the one hand, and Canada, on the other.

*Article VII***Territorial application**

This Agreement shall apply to the territory of Canada and to the territories to which the Treaties establishing the Communities apply, on the conditions laid down in those Treaties.

*Article VIII***Duration**

This Agreement shall enter into force on the first day of the month following that during which the Contracting Parties have notified each other of the completion of the procedures necessary for this purpose. It shall be of indefinite duration and may be terminated by either Contracting Party after five years from its entry into force, subject to one year's notice.

*Article IX***Authentic languages**

This Agreement is drawn up in two copies in the Danish, Dutch, English, French, German and Italian languages, each of these texts being equally authentic.

Til bekræftelse heraf har undertegnede befuldmægtigede underskrevet denne rammeaftale.

Zu Urkund dessen haben die unterzeichneten Bevollmächtigten ihre Unterschriften unter dieses Rahmenabkommen gesetzt.

In witness whereof, the undersigned Plenipotentiaries have affixed their signatures below this Framework Agreement.

En foi de quoi, les plénipotentiaires soussignés ont apposé leurs signatures au bas du présent accord-cadre.

In fede di che, i plenipotenziari sottoscritti hanno apposto le loro firme in calce al presente accordo quadro.

Ten blijke waarvan de ondergetekende gevolmachtigden hun handtekening onder deze Kaderovereenkomst hebben gesteld.

Udfærdiget i Ottawa, den sjette juli nitten hundrede og seksoghalvfjerds.

Geschehen zu Ottawa am sechsten Juli neunzehnhundertsechundsiebzig.

Done at Ottawa on the sixth day of July in the year one thousand nine hundred and seventy-six.

Fait à Ottawa, le six juillet mil neuf cent soixante-seize.

Fatto a Ottawa, addì sei luglio millenovecentosettantasei.

Gedaan te Ottawa, de zesde juli negentienhonderdzesenzeventig.

For Rådet og Kommissionen for De europæiske Fællesskaber
Für den Rat und die Kommission der Europäischen Gemeinschaften
For the Council and the Commission of the European Communities
Pour le Conseil et la Commission des Communautés européennes.
Per il Consiglio e la Commissione delle Comunità europee
Voor de Raad en de Commissie van de Europese Gemeenschappen

M (Mr) de Sh
Christopher James

For regeringen for Canada
Für die Regierung von Kanada
For the Government of Canada
Pour le gouvernement du Canada
Per il governo del Canada
Voor de Regering van Canada

Allen J. MacEachen
