

# **EU-Canada**

## **Strategic Partnership Agreement**

### **Joint Cooperation Committee Report** on the **State of the EU–Canada Relationship**

**2020-2022**



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## I. INTRODUCTION

### The EU-Canada strategic partnership

1. The European Union (EU) and Canada share a dynamic and enduring relationship rooted in common democratic values, strong historical ties and shared interests. Six years ago, we affirmed our status as strategic partners and confirmed our determination to further elevate our relationship and our common role as global actors through the **Strategic Partnership Agreement (SPA)**. The SPA entrenches our values of democracy, human rights, the rule of law and gender equality, and our shared commitment to effective multilateralism and the international rules-based order. It upgrades the political and security dimensions of our bilateral relationship and deepens our cooperation in a wide range of policy areas beyond trade.
2. **This third report of the Joint Cooperation Committee (JCC)** under the Strategic Partnership Agreement (SPA) gives an overview of the state of the EU-Canada relationship and takes stock of key achievements, initiatives and high-level meetings that have taken place since the last JCC on 10 February 2020 in Ottawa. It delineates the breadth and depth of our cooperation and aims to inform the Joint Ministerial Committee and the public about the progress made in the EU–Canada strategic partnership.
3. Over the past three years, we have strengthened **EU–Canada relations significantly**. In the face of unprecedented and complex global challenges: from the COVID-19 pandemic, which has claimed the lives of more than 6.5 million people globally and exacerbated social and economic inequalities, to Russia’s military aggression against Ukraine that blatantly violates the most basic principles of international law, has brought immense suffering upon the Ukrainian people, and caused far-reaching geopolitical and economic repercussions; from pressure on democracy and fundamental values, and accelerating climate change and environmental degradation, the EU and Canada have been working side-by-side to tackle these challenges and to seize opportunities for Europeans and Canadians alike.
4. In this new geopolitical context, EU-Canada cooperation has intensified at every level. EU and Canadian leaders met in Brussels for a **Leaders’ Summit on 14 June 2021** to discuss how to work together to tackle urgent priorities such as the COVID-19 pandemic, climate change and the protection of the environment, while also harnessing the potential of trade, technology and innovation, and advancing democratic values, peace and security. In a spirit of solidarity, the leaders ensured the **uninterrupted export of COVID-19 vaccines from the EU to Canada** at a time when they were most needed, making Canada the EU’s top-four export destination for the vaccines. Further reinforcing the already comprehensive EU-Canada cooperation, the leaders launched a number of new initiatives to attain such goals, including a new **EU-Canada Health Dialogue**, an **Ocean Partnership Forum** and an **EU-Canada Strategic Partnership on Raw Materials**.
5. Almost a year after the Summit, the EU High Representative for Foreign Affairs and Security Policy/Vice-President of the Commission (HR/VP), the Foreign Ministers of the EU Member States and the Canadian Foreign Minister convened the Joint Ministerial Committee of the SPA on 16 May 2022 in Brussels. The committee discussed our decisive response to **Russia’s unprovoked and unjustified invasion of Ukraine** as well as ways to respond to its global ramifications, particularly for energy and food security, supply chains, access to critical raw materials and cyber-related risks. The Canadian Foreign Minister also twice participated in the EU Foreign Affairs Council, first on 4 March and 16 May 2022, together with the Ukrainian Foreign Minister.
6. From the onset of Russia’s full-scale invasion, the EU and Canada have worked closely on hard-hitting sanctions and on our respective political, military, financial, security and stabilisation,

development and humanitarian support to Ukraine. The EU and Canada have respectively imposed sanctions on 1355 and over 1500 individuals and entities for their role in undermining Ukraine's territorial integrity and sovereignty. The EU has provided EUR 12 billion of military support (EUR 3.6 billion via the European Peace Facility and bilateral contributions from EU Member States), and Canada has committed or delivered over CAD 1 billion to this effect.

7. On 23 March 2022, the President of the European Commission and the Prime Minister of Canada set up a dedicated **working group on the green transition and liquefied natural gas (LNG)** to develop concrete actions to deepen our cooperation towards a net-zero energy transition, enhance security of our energy supplies and end the EU's and its Member States' dependence on Russian energy. Work also intensified under the EU-Canada Strategic Partnership on Raw Materials that was agreed at the 2021 Summit to diversify Europe's imports away from unreliable producers.
8. The EU and Canada have worked together with international partners to address the impact on global food and energy security of Russia's illegal invasion of Ukraine, including through the UN Global Crisis Response Group on Food, Energy and Finance, the G7 Global Alliance for Food Security, the Roadmap for Global Food Security – Call to Action and the EU-led Solidarity Lanes. The EU and Canada also expressed their strong support for the UN-brokered Black Sea Grain Initiative. In March 2022, the European Commission and Canada launched the global pledging campaign '**Stand Up for Ukraine**', which raised **EUR 9.1 billion** for people fleeing the Russian invasion, inside Ukraine and abroad, which was co-hosted by President von der Leyen and Prime Minister Trudeau with the international advocacy organisation Global Citizen.
9. As one of the most consistent contributors to the **EU Common Security and Defence Policy** missions and operations, over the last three years Canada has participated in the EU Coordinating Office for Palestinian Police Support (EUPOL COPPS) in the West Bank and in EUCAP Sahel in Mali. Most recently, Canada has been coordinating informally with the EU Military Assistance Mission in support of Ukraine (EUMAM Ukraine). In 2021, Canada joined the Permanent Structured Cooperation (PESCO) military mobility project and progress continues in joining the PESCO project 'Network of Logistics Hub in Europe and Support to Operations' following the positive decision of the Council of 20 February 2023, deepening our long-standing cooperation within the EU's Common Security and Defence Policy.
10. **Trade and economic relations between the EU and Canada** maintained a growth trajectory over the last three years. Despite profound global economic disruptions during this period the Comprehensive Economic and Trade Agreement (CETA), which removes 98% of duties on goods, has been the main driver of this growth. CETA also contributed to strengthening the resilience of our economies and supporting post-Covid-19 recovery. In 2021, bilateral trade in goods between the EU-27 and Canada increased by 31%. The EU is Canada's third largest trading partner, with over EUR 60 billion in total merchandise traded between the two parties in 2021 (a 31% increase compared to 2016).
11. Recognising the urgency and the interlinked nature of the challenges posed by **climate change and biodiversity loss**, the EU and Canada stepped up their global action over the past three years. Our shared objective is to achieve climate neutrality by 2050. We have held discussions on carbon pricing, on how to promote innovations as well as on the question of how to prevent carbon leakage in a WTO compatible way. In May 2022, together with China, the EU and Canada co-convened the sixth meeting of the Ministerial on Climate Action (MoCA) in Stockholm to discuss COP27 priorities, and how to deliver on the COP26 mandates and respond collectively to the demands for global climate ambition. Canada also joined the EU in fighting the adverse impact of single-use plastic products being littered to the environment by banning certain single-use plastics. We joined efforts ahead of COP15 on the Convention on Biological Diversity held in 2022 in Montreal to reach an agreement on an ambitious and transformative post-2020 Global Biodiversity Framework. The Ocean Partnership Forum under the EU-Canada

Ocean Partnership Declaration, launched at the 2021 EU-Canada Summit, reinforced cooperation on **ocean sustainability** through joint initiatives.

12. The **EU–Canada Strategic Partnership on Raw Materials** is already delivering positive results, with several important investments taking place on both sides of the Atlantic. Set up under CETA, the partnership will contribute to joint efforts to secure access to the critical raw and processed materials that are indispensable to the green and digital transitions. The EU is Canada’s second-largest export market for minerals and metals, and we have the potential to further increase our value chain integration and resilience. As one of the world’s biggest producers of metals and minerals, and with a strong focus on developing its domestic critical minerals value chains – from mineral exploration, extraction, processing to recycling – Canada is well-positioned to ensure reliability of access, while providing supply sources that comply with high environment, social and governance (ESG) criteria.

### **Provisional application of the EU-Canada Strategic Partnership Agreement**

13. The EU-Canada Strategic Partnership Agreement (SPA) has been provisionally applied since 1 April 2017. To date, 23 EU Member States have ratified the Agreement. The SPA will fully enter into force once all Member States have ratified the Agreement at national level.
14. Alongside CETA, which strengthens trade and investment, the SPA lays out a robust cooperation framework that guides our work to: a) achieve a fairer, greener and digital transition; b) build an economy that works for people and enhance our economic resilience; c) become climate neutral by 2050 and protect our planet; e) promote international peace, security and our shared democratic values; f) improve the health and well-being of our citizens; g) strengthen justice, freedom and security.
15. The EU-Canada strategic partnership is governed by two bodies: the Joint Cooperation Committee and the Joint Ministerial Committee. According to the SPA, the Joint Cooperation Committee: recommends priorities in relation to cooperation between the parties; (ii) monitors developments in the strategic relationship between the parties; (iii) exchanges views and makes suggestions on any issues of common interest; (iv) makes recommendations for efficiencies, greater effectiveness and synergies between the parties; (v) ensures that the agreement operates properly; (vi) provides an annual report to the Joint Ministerial Committee on the state of the relationship, which the parties shall make public.

## **II. ECONOMIC AND SUSTAINABLE DEVELOPMENT**

### **CETA**

16. **The EU-Canada Comprehensive Economic and Trade Agreement (CETA)**, is an **ambitious and inclusive free trade agreement** that demonstrates our mutual commitment to the rules-based multilateral trading system and to sustainable development. Thanks to CETA, trade and investment between the EU and Canada is growing in all sectors. In 2021, EU-Canada bilateral trade increased over 30% from pre-CETA levels in 2016. CETA is an important tool for to **advancing high labour and environmental standards**. For example, under CETA, we have created a Civil Society Forum that will bring Canadian and European civil society representatives together to monitor the implementation of the agreement’s chapters on trade and sustainable development, environment, and labour. CETA has an active governance structure, with 19 specialised subcommittees and dialogues taking place on an ongoing basis. In light of the interest expressed by civil society, the EU and Canada have agreed measures to make CETA committees more transparent. Meeting schedules and agendas, and joint reports of the meetings of committees and bilateral dialogues are available online, on a timely basis, to ensure that all

stakeholders are informed and can contribute to the effective implementation of the agreement. The third CETA Joint Committee meeting, co-chaired by Valdis Dombrovskis, European Commission Executive Vice-President and European Commissioner for Trade, and the Honourable Mary Ng, Minister of International Trade, Export Promotion, Small Business and Economic Development, took place in Ottawa, Canada on 2 December 2022.

17. Most of CETA has been provisionally applied since 21 September 2017. CETA will enter fully into force once all EU Member States have ratified it at national level, thus allowing Canada and the EU to complete their respective ratification processes. To date, 17 EU Member States have notified the EU that they have ratified CETA.
18. Specific progress has been made in the specialised CETA (sub-) committees. For example, in March 2022, Canada and the EU concluded negotiations on a **Mutual Recognition Agreement (MRA) for Professional Qualification of Architects**, the first-ever agreement by the EU on professional qualifications with a third country. The fourth meeting of the Committee on Geographical Indications (GIs) established under CETA took place in July 2022. Canada and the EU engaged in an in-depth discussion on issues related to GI protection for agricultural products and foods, as well as other issues related to GIs. The Trade and Sustainable Development Committee is involved in discussing cooperation on trade and labour issues, such as combating forced and child labour in global supply chains. Furthermore, CETA is also instrumental in the EU-Canada Strategic Partnership on Raw Materials, signed in June 2021, which is of crucial importance in the current geopolitical context.
19. Key exceptions to provisional application include provisions on investment protection and the **Investment Court System (ICS)**, which can only be brought into force upon final ratification. The inaugural Joint Committee meeting in 2018 already reviewed the work undertaken to operationalise the CETA Investment Court System once CETA enters into force, in line with the commitments made by the parties on the signature of CETA. On 29 January 2021, the EU and Canada adopted four decisions putting in place the Investment Court System provisions agreed in CETA.
20. Meanwhile, CETA provisional application has resulted in the **elimination of tariffs** on approximately 98% of all Canadian and EU products (more than 9,000 tariff lines). By January 2024, duties on an additional one per cent of tariff lines will be eliminated. Since provisional application began, two-way trade in goods and services has grown significantly. Since September 2017, Canada and the EU have also reached out to businesses and entrepreneurs to promote the opportunities offered by the agreement. Canada and the EU are committed to ensuring further progress towards full and effective implementation of CETA, to fulfil its potential in all sectors.

### **The multilateral trading system**

21. Canada and the EU share a common resolve for rapid and concerted action to address the unprecedented challenges facing the multilateral trading system. We continue to work with the rest of the WTO membership on ideas and potential solutions to modernise and strengthen the WTO. Among the challenges faced by the WTO, having a fully and well-functioning dispute settlement system accessible to all Members by 2024 is an important and urgent priority. For as long as that system is not in place, the EU and Canada are among the WTO members that participate in the ‘multi-party interim appeal arbitration arrangement’, or ‘MPIA’ as it is known. This is an interim arrangement designed to preserve the right to a functioning two-tier and independent WTO dispute settlement mechanism in cases among participants. It is open to all WTO members to join, for as long as the WTO Appellate Body remains unable to function fully. Canada and the EU will continue to work together bilaterally, and within the Ottawa Group of

like-minded WTO members, to demonstrate leadership in safeguarding and enhancing the multilateral trading system.

### **Macroeconomic dialogue**

22. The COVID-19 pandemic led to a steep global recession in 2020, with the global recovery subsequently interrupted by Russia's illegal invasion of Ukraine in February 2022. Russia's unlawful action has also pushed up global inflation and slowed down trade and growth. To help address these challenges, the EU and Canada cooperate closely in the multilateral context (the G7, G20 and international financial institutions) and also engage in regular (annual) macroeconomic dialogues under the SPA. These dialogues allow for a comprehensive exchange of views on economic prospects and the structural challenges our respective economies face while identifying common priorities for the multilateral agenda. The macroeconomic dialogues continued through the pandemic, in virtual format, with the most recent being held in February 2023.

### **Cooperation on the regulation of financial services**

23. The EU and Canada held the fifth annual meeting of the CETA Financial Services Committee on 27-28 October 2022 in Brussels. These meetings provide an important forum where we can discuss shared global challenges in the financial services sector, exchange views on financial sector regulation and policies, including digital finance and sustainable finance, and cooperate on the development of international standards.

### **Cooperation on taxation**

24. The EU and Canada cooperate actively on tax good governance and are parties to the OECD multilateral Convention on Mutual Administrative Assistance in Tax Matters. The EU Member States and Canada are partners in implementing the global standards on transparency and exchange of information, fair taxation, and the international consensus against base erosion and profit shifting. In 2021, over 130 countries around the world, including Canada and the EU Member States, agreed to a reform of the international tax framework and joined the G20/OECD agreement to address the challenges of digitalisation and globalisation, by setting a minimum effective level of taxation (Pillar 2) and by reallocating parts of the profits of the world's largest multinationals (Pillar 1). This historic agreement, achieved thanks to a collective effort to which both the EU and Canada have substantially contributed, will help bring a level playing field in international taxation and boost tax revenue collection. This is paramount to enhancing public investments and improving the business environment. EU Member States are working towards implementing the Global Anti-Base Erosion Rules in a uniform way within the EU, and continue to contribute, like Canada, to the ongoing work of the Inclusive Framework.

### **Authorised Economic Operators programmes**

25. On 28 October 2022, the EU-Canada Joint Customs Cooperation Committee adopted a decision on the **mutual recognition of the EU's and Canada's Authorised Economic Operators (AEO) programmes**. When fully implemented, the new AEO Mutual Recognition Agreement, together with CETA, will further facilitate two-way trade across the Atlantic and enhance the security of supply chains for authorised Canadian and European businesses.

### **SMEs**

26. Through CETA, the EU and Canada are taking steps to help small and medium-sized enterprises (SMEs) better participate in international trade and regional supply chains, including through dedicated SME-related provisions across the agreement and the CETA Recommendation on

SMEs. In March 2021, the EU and Canada endorsed the CETA SME action plan for 2020-2021 to facilitate the implementation of the CETA Recommendation on SMEs adopted in 2018. EU and Canadian CETA SME contact points continue to meet to discuss opportunities to ensure their SMEs can benefit from the agreement.

27. To advance opportunities for SMEs, the EU and Canada cooperate closely in the **Enterprise Europe Network** within which Canada is represented by a consortium – (an international network partner) that provides business and innovation support services to strengthen companies' competitiveness and sustainability. Besides, the EU and Canada cooperate continuously in the framework of clusters cooperation (under the respective administrative arrangement) to foster business partnerships for SMEs.
28. Canada is also one of the six countries participating in **the EU's Erasmus for Young Entrepreneurs Global** pilot project-that supports cross-border business exchange between new and experienced entrepreneurs. Since 2021, 15 business matches between European and Canadian entrepreneurs have been established.

## Energy

29. Following the Russian war of aggression against Ukraine, President von der Leyen and Prime Minister Trudeau released a joint statement on 23 March 2022. The statement notably created a **green transition and liquefied natural gas (LNG) working group** to develop a concrete action plan to deepen EU-Canada cooperation towards a net zero energy transition, enhance security of supply and work to eliminate the EU and its Member States' dependence on Russian energy. As an immediate response, Canada announced its capacity to increase its oil and gas exports by about 5% and worked towards supplying additional gas to Asia to alleviate pressure on the global markets. Six rounds of high-level calls with Canada's Ministry of Natural Resources took place in the framework of the Green Transition and LNG Working Group between April and October. These aimed to review Canada's offer to engage further on LNG, hydrogen, uranium, biomass, potash and critical raw materials. Under the WGGTL sub-working group on Uranium and Nuclear Fuel, the EU and Canada have been working on evaluating their respective nuclear fuel capabilities, and those of other like-minded countries, on improving the security of supply of nuclear fuel, and exploring opportunities to modernise their treaty relations to facilitate increased trade and partnership in the nuclear energy and technology space. The discussions and outcomes of the Green Transition and LNG Working Group will also feed into the High-Level Energy Dialogue.
30. In the last three years, the EU and Canada have continued their strategic energy cooperation under the **High-Level Energy Dialogue**. The last HLED meeting took place in June 2021. Discussions focused on key areas of cooperation, including the outcomes of the five energy efficiency webinars delivered between March and July 2021, the co-launch of the Clean Energy Ministerial Empowering People Initiative in May-June 2021, and the high-level National Observer panel discussion on the path to net zero, held in March 2021. In 2022, the EU and Canada identified a number of priorities for joint work, in particular related to methane emissions reduction, infrastructure investments, hydrogen, nuclear and carbon capture, utilisation and storage (CCUS). As regards hydrogen, a number of activities took place, including government exchanges, as well as workshops organised in April and June 2022 to exchange on related regulatory frameworks in the EU and Canada as well as on building a sustainable supply chain of renewable and low-carbon hydrogen. The autumn saw engagement amongst methane leads, which has paved the way for work going forward. In December 2022, a government-focused CCUS workshop enabled exchange on EU and Canadian policies and projects, while exploring cooperation that could leverage existing multilateral engagement.

## Climate

31. The EU and Canada have continued to lead efforts to promote the global reduction of greenhouse gas emissions and to foster the transition to a net zero emissions economy by 2050. In the context of the CETA Trade and Sustainable Development Chapter, the fourth annual CETA Civil Society Forum and Trade and Sustainable Development Committee meeting held in February 2022 were an opportunity to discuss trade and climate and environmental policy developments and cooperation. In March 2022, the EU and Canada also held technical discussions on the implementation of carbon pricing systems and carbon border adjustment mechanisms to prevent carbon leakage in a WTO compatible way. A joint EU-Canada business-to-business event on clean technology opportunities under CETA was organised in March 2021, which was followed by the Canada-EU CETA Cleantech Summit in September 2022 to advance clean technology trade, investment and cooperation under CETA. The last Canada-EU High-Level Dialogue on Climate Change under SPA took place in April 2020 and the next is expected to take place in 2023.
32. At the multilateral level, Canada and the EU have continued to encourage ambitious climate action by discussing and aligning positions in relevant fora, including the G7, the G20, the Ministerial on Climate Action, and the Conference of the Parties under the UN Framework Convention on Climate Change, with the aim to achieve the goals of the Paris Agreement. In May 2022, Canada, China and the EU co-convened the sixth meeting of the Ministerial on Climate Action in Stockholm. Ministers and high-level representatives from over 30 countries, including ministers from the G20 and chairs of key party groupings in the UN climate negotiations, attended the meeting. Discussions focused on COP27 priorities including climate change mitigation, adaptation, loss and damage, climate finance, and how to deliver on the COP26 mandates and collectively respond to the demands for global climate ambition.

## Environment and biodiversity

33. The strong EU-Canada cooperation on environment and biodiversity further deepened in 2020-2022. Two EU-Canada High-Level Dialogues on Environment took place in December 2020 and July 2022. Discussions focused on the circular economy (including plastics), chemicals and biodiversity. In the context of CETA, an EU-Canada expert exchange was held in January 2022 to discuss the environmental impact of trade agreements on biodiversity. Specific environmental issues were also discussed in other CETA committees, such as the Agriculture, the Wine and Spirits Committee or the Trade in Goods and Services Committees. The Circularity for Climate event, hosted by Canada and with EU participation, was held at the Canadian pavilion at COP27 in Egypt in November 2022 and the work done in the framework of the World Circular Economy Forum, hosted virtually by Canada in September 2021 (with the Finnish innovation fund, Sitra), illustrate the deepening of related EU-Canada cooperation. The EU-financed project 'Reducing Plastic Waste in Canada' began in the spring of 2021. Aiming to exchange experiences and approaches to reducing plastic use through events, study visits and other activities, this project provides concrete follow-up to the exchanges in the High-Level Dialogue on Environment.
34. On the multilateral front, with Canada providing the location for the **COP15 to the Convention on Biological Diversity (CBD)**, EU-Canada cooperation stepped up and we were successfully able to achieve our shared goal of adopting the ambitious and transformative Kunming-Montreal Global Biodiversity Framework to address the ongoing loss of biodiversity. Beyond CBD, Canada and the EU remain like-minded partners, working together to promote common environmental objectives in different settings. On the **Global Plastics Agreement**, both sides substantially contributed to the successful UN Environmental Assembly in March 2022, which resulted in the launch of an intergovernmental negotiating committee, and we are proud members of the High Ambition Coalition (HAC) to End Plastic Pollution. In 2021, Canada was

one of the first countries to join the European Commission in launching the Global Alliance for Circular Economy and Resource Efficiency at UN Environmental Assembly, thereby helping to create momentum and bring on board other partners from around the globe.

### **Strategic Partnership on Raw Materials**

35. In the context of ongoing efforts to achieve a transition to a climate-neutral and digital economy, the June 2021 EU-Canada Summit established an EU-Canada **Strategic Partnership on Raw Materials** alongside the annual bilateral dialogue on raw materials established under CETA. The strategic partnership is a key instrument to further develop our existing cooperation and ensure the security of supply chains for minerals and metals that are critical to the twin digital and green transitions. Since its establishment, the strategic partnership has been delivering positive results in each of its three pillars: (i) integration of EU-Canada raw material value chains; (ii) collaboration in science, technology and innovation; (iii) environmental, social, and governance criteria and standards. Our cooperation and dialogue were further reinforced following the Russian war of aggression against Ukraine.
36. Important investments and production decisions both by European companies in Canada and Canadian companies in the EU, as well as partnerships have been announced in strategic areas including the battery value chain, rare earth elements and potash. Several events were organised to enable the exchange of information and facilitate related business opportunities between the EU and Canada, with the participation of EU Member States, Canadian provinces and the private sector. Relevant exchanges between research communities have also taken place on these topics and additional ones are planned in 2023.
37. In international/multilateral fora, the EU is cooperating closely with Canada and other partners to promote best practices and environmental, social and governance criteria and standards. Joint work and coordination are also taking place under the Strategic Advisory Group on Critical Minerals of the International Organization for Standardization, the Conference on Critical Minerals and Minerals, the Minerals Security Partnership and the new Working Party on Critical Minerals under the International Energy Agency.

### **Dialogue on agricultural sustainability**

38. In line with the EU's Farm to Fork Strategy and Canadian priorities, the EU-Canada **Dialogue on Agricultural Sustainability** was launched at the June 2021 EU-Canada Summit, within the framework of the Agriculture Dialogue under CETA. The dialogue has taken the form of a series of joint workshops on sustainability issues of mutual concern, with the involvement of farmers, researchers, government representatives and other stakeholders. The workshops aim to increase understanding of both sides' policy context and to showcase best practice and related research and innovation efforts. Four workshops had taken place by January 2023, on soil health, reduction of greenhouse gas emissions in the livestock sector, organic production, and the sustainable use of fertilisers, respectively. One additional workshop is planned for early 2023, on pesticide use in agricultural production. The series of workshops will conclude with a closing event bringing together stakeholders from both sides to take stock and showcase what has been addressed so far and to discuss potential further bilateral engagement.

### **Food security**

39. The EU and Canada have worked closely together to alleviate the impact on global food security caused by Russia's war. Two coordination meetings have been held to share information on Ukraine's needs. Canadian companies are actively participating in the EU's Solidarity Lanes initiative to facilitate exports from Ukraine and Canada has contributed to the alleviation of Ukraine's grain storage issues. With Canada's wheat harvest returning to normal levels in 2022, after an extreme drought the previous year and the EU's good wheat harvest, together EU and

Canadian wheat exports on the global market are expected to reach almost 60 million tonnes, up by more than one-third on last year (+15 million tonnes).

## **Ocean partnership**

40. In 2020-2022, the EU and Canada continued to implement the Ocean Partnership Agreement signed in 2019. Annual dialogues and exchanges took place under the EU-Canada High-Level Dialogue on Oceans and Fisheries in October 2020, October 2021 and October 2022. We discussed issues such as ocean governance, the ocean-climate nexus; fisheries under regional fisheries management organisations, illegal, unreported and unregulated fishing, and Arctic matters (in particular with reference to the Arctic Ocean). In addition, Canada and the EU confirmed their commitment to advance ocean science cooperation on the Atlantic Ocean by signing the All-Atlantic Ocean Research and Innovation Alliance Declaration in July 2022, in partnership with other signatories. Canada and the EU further enhanced their close cooperation aspiring to reach a strong international legally binding instrument (under the UN Convention on the Law of the Sea) on the conservation and sustainable use of marine biodiversity in areas beyond national jurisdiction.
41. In this context, the June 2021 EU-Canada Summit launched the **Ocean Partnership Forum**, as outlined in the 2019 Ocean Partnership Agreement, to reinforce cooperation on the promotion of ocean sustainability through targeted joint initiatives. The Forum's first edition took place on 3-4 October 2022 and focused on international ocean observation data sharing and collaboration between the EU and Canada. Within its scope, the Forum covered topics such as marine litter or underwater noise, with the Arctic and North Atlantic as a geographic link between the EU and Canada. Future meetings of the Forum are expected to take place in the coming years focusing on other areas of mutual interest such as the Arctic, the blue economy, or illegal, unreported and unregulated fishing.

## **Arctic**

42. The EU and Canada continued their close collaboration on the Arctic, in line with our shared goals to strengthen the region's resilience, address the impacts of climate change and foster inclusive and sustainable economic development to the benefit of all those living in the Arctic, including its Indigenous Peoples, underpinned by the principles of sovereignty and territorial integrity based on international law. In the EU's updated Arctic policy published in October 2021, Canada is clearly identified as one of the EU's key partners in the Arctic. More generally, the Arctic was covered in the above-mentioned EU-Canada High-Level Dialogues on Oceans and Fisheries and in the 2022 Ocean Partnership Forum, as a geographical connector between the EU and Canada. Following Russia's invasion of Ukraine, the EU supported the decision taken by the seven like-minded Arctic states, of which Canada is part, to pause participation in formal meetings of the Arctic Council, under the Russian chairmanship in 2021-2023, and to implement a limited resumption of work in the Council, in projects that do not involve the participation of the Russian Federation.

## **Transport**

43. Throughout the reporting period, EU-Canada cooperation in the field of transport continued, both bilaterally and in the relevant multilateral settings such as the International Maritime Organisation, the International Civil Aviation Organisation (ICAO), and the UN Economic Commission for Europe. The support to Ukraine in transport, notably through the EU-led Solidarity Lanes, has also become a key subject in EU-Canada exchanges since the beginning of the Russian war of aggression. In the rail sector, the Shift2Rail joint undertaking (succeeded in November 2021 by the Europe's Rail joint undertaking, (EU-Rail), signed a Memorandum of Understanding with the Canadian Urban Transit Research and Innovation Consortium in October 2020, which laid the ground work for ongoing and future cooperation. On 17 November 2022, at the Working Party on Rail Transport of the UN Economic

Commission for Europe's Inland Transport Committee, the European Commission, Canada and several EU Member States participated in a high-level workshop on the impact of climate change on railways. On aviation, the Joint Committee under the EU-Canada Agreement on Air Transport met on 21 January 2020 in Brussels. The next meeting is planned for the first half of 2023. The sixth Joint Committee under the EU-Canada bilateral Civil Aviation Safety Agreement took place on 5 October 2022 in the margins of the ICAO Assembly and discussed ongoing work on the implementation of the safety agreement in the areas of certification and maintenance. The EU and Canada continued to work closely with other partners to enhance and elevate aviation security within the ICAO, including through a meeting with the ICAO Council President and Secretary General during the recent ICAO Assembly.

### III. KNOWLEDGE, RESEARCH, INNOVATION AND DIGITAL TECHNOLOGY

#### Research and innovation

44. The EU and Canada are key partners in the field of research and innovation. Bilateral research and innovation cooperation is thriving and it is a success story in the overall EU-Canada relations, as recognised at the EU-Canada summit in June 2021 and the Joint Ministerial Committee meeting in May 2022.
45. Building on our long-standing and successful cooperation in the area of research and innovation, under the EU-Canada Scientific and Technological Cooperation Agreement, Canada formally expressed interest in joining **Horizon Europe as an associated country** in June 2021. Association to the EU's research and innovation framework programme is the closest form of cooperation with the EU in this area, and will create more opportunities for research cooperation to jointly address all areas covered by Pillar II of Horizon Europe, 'Global Challenges'. Following a formal announcement in November 2022, negotiations officially started in December and will continue in 2023. Canadian researchers and innovators are active participants in the EU's Horizon Europe, the world's largest research and innovation funding programme.
46. Since the last report, the Joint Science and Technology Cooperation Committee has met twice, in June 2020 and October 2022. The first meeting led to an agreement to increase research and innovation cooperation in the following key areas: health (including COVID-19), agriculture and agri-food, marine and Arctic, the bioeconomy, aviation, smart cities and information and communication technology. At the 18 October 2022 meeting both sides confirmed their willingness to further expand actual cooperation, in line with the global approach to research and innovation, in the fields of health, oceans and aviation, and other areas covering smart cities, raw materials, researchers' mobility and the bioeconomy. The prospect of Canada's association to Horizon Europe will move the already strong cooperation onto a higher, more strategic and systematic level.
47. Multilaterally, Canada is active in the recently launched dialogue on the principles and values underpinning international cooperation in research and innovation. Together with other partners, the European Commission and Canada co-designed and co-organised the dialogue session on ethics and research security in December 2022 and will participate in the next session on scientific excellence. This work will build on discussions on values and principles in the context of the G7.
48. Through the **Marie Skłodowska-Curie Actions**, the EU supports the training, mobility and career development of researchers under Horizon Europe. Canadian organisations have a remarkable involvement in the Marie Skłodowska Curie Actions, second only after the United States among third countries by the number of organisation participations. Under the Horizon 2020 programme, 64 Canadian organisations participated 241 times in 220 different projects. 411 European researchers have gone to Canada and 323 Canadian researchers have come to

Europe. Similar trends are continuing under Horizon Europe. There is an agreement to strengthen the co-funding arrangement with Mitacs – a Canadian non-profit research organisation – for staff exchanges to bolster more ambitious cooperative research initiatives and to continue exploring the expansion to doctoral networks to achieve more structural partnerships.

### **Digital cooperation**

49. The EU-Canada bilateral engagement on digital policies has advanced considerably since the launch of the 2019 EU-Canada digital dialogue. Our collaboration grew to become more strategic, covering key priorities from emerging technologies such as block chain, quantum and artificial intelligence, to COVID-19 tracing apps, the green and digital transitions, e-ID and digital credentials, data governance, and online safety, including disinformation. The EU and Canada continue to align their positions within the UN and other international fora. We see eye to eye on many issues in the digital domain, and continue to take up leadership roles in securing human-centred digital governance that is grounded in democratic principles, benefits societies and the creation of economic opportunities. This is exemplified by our shared commitment to promote the responsible and human-centric development and adoption of artificial intelligence and our continued support for the Global Partnership on Artificial Intelligence. Equally, the EU and Canada support a future for the internet that is open, free, global, interoperable, reliable and secure. We are committed to protecting and respecting human rights online and across the digital world, as reflected in our joint endorsement of the Declaration for the Future of the Internet and of the OECD Declaration on Government Access to Personal Data Held by Private Sector Entities. Canada and the EU also work in close collaboration on digital economy issues in the G7, where over the years agreements have been reached notably on cyber resilience of critical digital infrastructure, and international digital policy issues related to digitalisation and the environment, standardisation, data free flow with trust, digital competition policy, online safety, and electronic transferable records.

### **Space**

50. Bilateral space cooperation has developed since 2020 and efforts are underway to further reinforce it, in line with the June 2021 EU-Canada Summit Joint Statement. In May 2022, a high-level meeting took place between representatives of Canada, led by the President of the Canadian Space Agency, and the European Commission. The meeting provided an opportunity to take stock of the strong cooperation and to discuss areas of mutual interest including Copernicus collaboration, the Arctic, space sustainability and debris mitigation, space-related research, secure communications and Galileo. The Commission and the European External Action Service also briefed Canadian counterparts on the most recent developments in the area of space traffic management. On 16 May 2022, the Commission and the Canadian Space Agency also signed a Copernicus Cooperation Arrangement enabling reciprocal access to satellite Earth observation data, which will help tackle global challenges such as safeguarding the Arctic and fighting climate change. To deepen space cooperation further, the EU and Canada are considering to organise a Space Dialogue in 2023.
51. EU-Canada space cooperation also covers **search and rescue** (via the international COSPAS-SARSAT programme), Canadian participation in the European Commission-led Copernicus Polar Expert Working Group and discussions in the radio frequency regulatory domain.

## **IV. HUMAN RIGHTS, DEMOCRACY AND THE RULE OF LAW**

### **Human rights**

52. Against the backdrop of global backsliding on human rights, the EU and Canada continued to take joint action over the past three years to defend fundamental rights and freedoms, gender equality, the rule of law, and the rules-based international order, including by coordinating bilaterally and in multilateral fora. In the context of COVID-19, cooperation focused on the

impact of the pandemic on the most vulnerable populations. At the EU-Canada human rights consultations on 30 June 2020, discussions included the preservation of citizens' privacy and the effect of governments' health measures on democracy and the rule of law. We have also been engaging within key multilateral institutions such as the UN, the Council of Europe and the Office for Democratic Institutions and Human Rights in the Organization for Security and Cooperation in Europe (OSCE) to address human rights, democracy and the rule of law.

53. Following the start of Russia's war of aggression against Ukraine, the EU and Canada coordinated efforts to address its impacts on the protection of human rights. In the OSCE, for example, the EU, Canada and other like-minded states joined together to invoke the OSCE's Human Dimension Moscow Mechanism to examine human rights and international humanitarian law violations in Ukraine and human rights violations inside Russia. During the human rights consultations on 19 May 2022, the EU and Canada agreed to continue to coordinate our respective responses to the human rights implications of the war and, in particular, accountability for grave violations of human rights. Both sides actively supported the UN General Assembly Resolution in April 2022 to suspend Russia from the UN Human Rights Council, and supported efforts to create the UN HRC Commission of Inquiry on the 'Situation on human rights in Ukraine stemming from the Russian aggression' (HRC 49) and more recently (HRC 51). Additionally, Canada participates as an active member of the Group of Friends for the accountability following the aggression against Ukraine, which is predominately led by EU Member States.
54. Over the past three years, EU-Canada cooperation on **gender equality and the empowerment of women and girls** has continued to deepen further in order to advance this shared priority. The EU and Canada have continuously engaged in multilateral fora, including the Global Partnership for Education (GPE), Education Cannot Wait (ECW), the G7 and the G20. In October 2022, Canada's Ambassador for Women, Peace, and Security and the EU Ambassador for Gender and Diversity met in Brussels in the margins of a Panel on Women at the nexus of recovery and democracy, hosted by Canada and the International Institute for Democracy and Electoral Assistance. The Canadian Task Force Commander of Operation UNIFIER also met with the EU Military Staff Gender Focal points network, which led to further cooperation between the two in the area of Women, Peace, and Security. At the EU-Canada 2022 Development Dialogue that took place in July 2022, the EU and Canada agreed to cooperate further to improve access to education for girls and to advance the goals of the Charlevoix declaration on quality education for girls, adolescent girls and women in developing countries. The EU and Canada have also continued to advance their agenda on trade and gender equality, including through significant efforts made in implementing the CETA recommendation to advance women's economic empowerment and gender equality, notably through the adoption and implementation of a detailed trade and gender work plan in 2019. Ten activities have been implemented to date on a bilateral basis.
55. In the **UN General Assembly Third Committee**, the EU supported the Canada-led resolution on the human rights situation in Iran. Canada supported the EU-led resolution on the Democratic People's Republic of Korea (DPRK) and Myanmar. The EU and Canada have acted in concert on country-specific resolutions in the Human Rights Council, such as EU-led resolutions on Afghanistan, Belarus, DPRK, Eritrea, Ethiopia/Tigray, and Myanmar. The EU and Canada supported a number of thematic human rights resolutions, including on the safety of journalists and human rights defenders, civil society space, sexual orientation and gender identity, and freedom of religion, and actively cooperated on the resolution on freedom of expression.
56. The EU fully supported Canada's initiative against **Arbitrary Detention in State-to-State Relations**, by endorsing the Declaration against Arbitrary Detention on 15 February 2021. The initiative concerns the unacceptable practice of unlawful detention by third countries of our citizens who are living or travelling abroad and who are used as leverage in bilateral relations.

The EU intends to support Canada's partnership action plan on the matter, on a voluntary basis, by jointly conducting research on key aspects of arbitrary detention to facilitate further work in this important area.

### **Election observation missions**

57. The EU and Canada remained committed to the protection and support of democracy worldwide. Over the last three years, Canada has participated in a number of EU elections observation missions with 17 local short-term observers, including in Ghana, the Gambia, Honduras, Iraq, East Timor and Kenya. EU-Canada cooperation has contributed to supporting democracy globally through the promotion of inclusive, credible and transparent elections. In 2022, Canada put in place a mechanism to allow for further participation in EU election observation missions through CANADEM - a Canadian non-governmental organisation that is internationally recognised for its deployment of election observation missions.

### **Foreign information manipulation and interference**

58. The EU has been working closely with Canada both bilaterally and in the framework of the G7 Rapid Response Mechanism (G7 RRM), which Canada chairs as the permanent secretariat (Global Affairs Canada). This has become particularly critical in the context of Russia's invasion of Ukraine. The European External Action Service and Canada also have committed to leading the exploration of potential international principles to tackle foreign information manipulation and interference in the framework of the G7 RRM, and organised successful webinars in 2022 to discuss this specific work strand. In addition, the European External Action Service continues to chair one of the working groups of the G7 RRM.

## **V. INTERNATIONAL PEACE AND SECURITY AND EFFECTIVE MULTILATERALISM**

### **Cooperation on security and defence, including EU-NATO**

59. In the new volatile and unstable security environment, the EU and Canada continued to reinforce security and defence cooperation. In December 2021, Canada joined the EU's Permanent Structured Cooperation (PESCO) Military Mobility project (together with the United States, Norway and soon the UK) and is in the process of joining the PESCO project Network of Logistic Hubs in Europe support to operations following the positive Council Decision of 20 February 2023, demonstrating deepened security dimension of our partnership. Canada has also continued to participate in the EU's civilian missions, such as in the EU Coordinating Office for Palestinian Police Support (EUPOL COPPS) in the West Bank and in the EU Advisory Mission for Civilian Security Sector Reform (EUAM) in Ukraine by deploying Canadian police officers. The EU and Canada have also been coordinating efforts for military support to Ukraine via the EU Military Staff Clearing House Cell and have undertaken informal coordination between the Canadian and EU training missions, Op Unifier and EUMAM respectively.
60. The fifth, sixth, and seventh iterations of the EU-Canada Security and Defence Dialogue under the SPA took place in January 2020, November 2021 and February 2023 respectively, reaffirming both sides' readiness to further engage and strengthen cooperation. The seventh European Security and Defence Symposium in Ottawa in June 2022 focused on cooperative solutions to address a set of challenges and threats such as cyber security and hybrid threats, and discussed new areas of cooperation such as conflict prevention and mediation, women peace and security, climate and defence. Both partners support the strengthening and deepening of the mutually reinforcing and beneficial EU-NATO partnership on the basis of the agreed principles, and welcome the signature of the third Joint Declaration on EU-NATO cooperation in January 2023.

## Sanctions

61. In 2020-2022, Canada and the EU continued their consultations and coordination on restrictive measures (sanctions), including listings, and worked together to avoid and, where unavoidable, mitigate to the maximum extent any potential unintended negative impacts. Since 2020, Canada and the EU have acted jointly on numerous occasions, announcing for example restrictive measures targeting Myanmar military officials who were involved in atrocities and human rights violations, individuals and entities responsible for serious human rights violations in Iran and taking unprecedented swift and coordinated sanctions in response to Russia's aggression against Ukraine in the framework of the G7 and beyond to send a strong political message of unity. Canada and the EU also held a joint open-source intelligence training under the EU's Policy Dialogue Support Facility in October 2021 to improve research capacities, and closely exchanged on differences, similarities, and opportunities for further collaboration on legal frameworks for our respective human rights sanctions.

## Counterterrorism

62. Canada and the EU remain close and like-minded partners in the global fight against terrorism. The EU took over the co-chair position of the Global Counterterrorism Forum (GCTF) from Canada following the September 2022 GCTF Ministerial Plenary reflecting a common interest in and approach towards international counterterrorism cooperation. Multilaterally, both Canada and the EU participate in the G7 Roma-Lyon Group where they regularly exchange policy and operational practices on countering terrorism and violent extremism, as well as work closely in the UN to advance shared priorities on human rights, civil society, inclusion and gender-based approaches. Both Canada and the EU also contribute to the framework of the Global Coalition against Daesh. The next EU-Canada Counterterrorism Dialogue will be planned for the second half of 2023. As part of the external dimension of the European Programme for Critical Infrastructure Protection, Canada and the EU exchange information and good practices.

## Multilateral cooperation

63. The EU and Canada remained committed to the international rules-based order, holding a firm belief that it can best be protected through multilateralism and the tools that it provides. We are closely aligned on our ambition to advance sustainable development and leading international partners in efforts to achieve the UN Sustainable Development Goals. The EU and Canada worked intensively with international partners to address the COVID-19 pandemic and its aftermath, advancing global access to vaccines and supporting partners across the global south to advance a green, sustainable and inclusive post-pandemic recovery. We joined forces to reform and expand the multilateral system of global governance to ensure its effectiveness and efficiency. We discussed concrete proposals on how to reform the UN to be able to meet 21st century challenges, for example how to make the Peace Building Commission's agenda more efficient and inclusive while increasing its advisory role to the UN Security Council. Furthermore, the EU and Canada actively discuss and share information ahead of elections to multilateral bodies.

## Transatlantic relations

64. In the wider transatlantic space, the **EU, Canada and the United States** engaged closely on key foreign policy issues and global challenges, notably in the context of the G7, the UN, EU-NATO cooperation, and other multilateral fora. The transatlantic partners have taken a leading role in the international response to Russia's war against Ukraine, closely coordinating their respective sanctions against Russia and their financial, humanitarian and military support to Ukraine. They have also engaged with partners across the globe to counter Russian information manipulation and interference, including disinformation and to address the global impacts of the war.

65. The EU, Canada and the US jointly addressed the COVID-19 pandemic, including by collaborating to procure and distribute vaccines, with a focus on low and lower middle-income countries. As leading economies, the EU, Canada and the US continued to push for ambitious global climate action, including through close coordination in the UN climate negotiations during COP 26 in 2021 and COP 27 in 2022.

## VI. KEY GEOPOLITICAL ISSUES

### Russia/Ukraine

66. Russia's unprovoked and unjustified military aggression against Ukraine in February 2022 has been at the centre of the EU and Canadian foreign policy. Both the EU and Canada have imposed several rounds of unprecedented sanctions aimed at crippling Russia's ability to finance its illegal invasion of Ukraine. Since the beginning of the war, the EU and Canada have imposed, respectively, sanctions against 1 355 and over 1 500 individuals and entities for their role in undermining Ukraine's territorial integrity and sovereignty. Sanctions have been prepared and implemented in close coordination with a broad range of international partners, notably G7 members, to ensure maximum impact and limit to the extent possible sanctions evasion through other jurisdiction. The EU and Canada also supported the OSCE's special monitoring mission in Ukraine, the mandate of which expired on 31 March 2022, in its vital role to facilitate the implementation of the Minsk Agreements.
67. Beyond providing substantive financial assistance to address acute development and humanitarian needs, the EU mobilised more than EUR 12 billion and Canada more than CAD1 billion of military equipment, and played an active role in training the Ukrainian armed forces to help Ukraine to defend its territorial integrity and its population. In addition, in 2022 the EU launched a military assistance mission, and recently agreed to increase the training target to train initially 30 000 troops, across Europe, in 2023. The EU and Canada have also taken extraordinary immigration measures to mobilise resources for displaced Ukrainians, while also ensuring protection and facilitating travel to their respective territories. In April 2022, the European Commission and the Government of Canada, in partnership with the international advocacy organisation Global Citizen, raised up to EUR 9.1 billion for Ukrainians fleeing their country. The EU granted temporary protection to Ukrainians fleeing the war and Canada granted displaced Ukrainians a temporary visa authorising their stay for up to 3 years, with access to the labour market and basic income support. By the end of December, around 4 million Ukrainian refugees had been granted temporary protection in Europe. Since 1 January 2022, over 158 000 Ukrainian citizens and returning Canadian permanent residents of Ukrainian origin arrived in Canada. Over 540 000 applications for temporary residence by Ukrainian nationals and their family members have been approved since 17 March 2022.
68. The EU and Canada took bilateral and multilateral action to address the **global impact of Russia's war on food and energy security**, including by working with international partners through the UN Global Crisis Response Group on Food, Energy and Finance, the G7 Global Alliance for Food Security, the Roadmap for Global Food Security – Call to Action, and the EU-led Solidarity Lanes. They also expressed strong support for the UN-brokered Black Sea Grain Initiative. Both sides also aligned efforts to isolate Russia internationally, contributing to exclude Russia from key multilateral fora and organisations, while reaching out to partners across the world to counter Russian information manipulation and interference, including disinformation on the war. The efforts of the EU, Canada and other G7 members were instrumental for the overwhelming support for the UN General Assembly resolutions condemning Russia's war against Ukraine adopted in March and for condemning illegal referenda in regions within Ukraine's internationally recognised borders, adopted in October 2022.

69. The EU and Canada are committed to **supporting Ukraine throughout the recovery and reconstruction process**, in line with principles adopted in the Lugano Declaration of the Ukraine Recovery Conference in July 2022. The EU and Canada, along with other G7 members, Ukraine and international financial institutions, have established the G7 Multi-Agency Donor Coordination Platform, to facilitate coordination and cooperation in addressing both immediate needs in Ukraine, and longer-term needs. Canada welcomed the EU's decision to grant the status of candidate country to Ukraine in June 2022, which opened up a pathway for access to the EU and is a key driver pushing Ukraine's reform agenda forward. Alongside the EU, Canada has also strongly advocated for successful reform progress in Ukraine, notably in the judiciary and anti-corruption areas.
70. The EU and Canada reaffirmed their commitment to support neighbouring countries affected by the Russian war of aggression against Ukraine, including the Republic of Moldova. While the Republic of Moldova's economy and energy security have been particularly impacted, the country has made generous humanitarian efforts to assist refugees from Ukraine. The EU and Canada stand in full solidarity with the Republic of Moldova and will continue to cooperate to support its stability, security, resilience, territorial integrity and sovereignty.

## China

71. The EU and Canada have maintained close contact to address common concerns and challenges in relation to **China**, including with respect to the rules-based international trade and economic coercion, while also exploring ways to engage with China on key global challenges such as climate change and global health, in line with their respective interests and policy approaches vis-à-vis the country. This included discussions during the EU-Canada summit in 2021, the EU-Canada Joint Ministerial Committee in May 2022, multiple contacts between the EU High Representative and Canada's foreign ministers and engagement within the context of the G7.
72. **Human rights concerns** were to the fore in the EU's and Canada's engagements on China in 2020-2022. The Joint Ministerial Committee in 2022 reiterated the importance of China respecting human rights, fundamental freedoms and the international rules-based order, including global trade rules. The EU consistently maintained its support for Canada on the arbitrary detention of two Canadian citizens, Michael Spavor and Michael Kovrig, until their release in September 2021, including by raising the issue at the EU-China Summit in June 2020.
73. The EU and Canada responded firmly to the crackdown on democracy and the deteriorating human rights situation in **Hong Kong** since the imposition of the National Security Law in June 2020, conveying their strong concerns in a series of leaders' and foreign ministers' statements as well as to Chinese authorities. On 22 March 2021, the EU and Canada both imposed sanctions against four Chinese individuals and one entity, responsible for serious human rights violations against Uyghurs and other persons belonging to Muslim ethnic minorities on the basis of religious and ethnic grounds in the Xinjiang Uyghur Autonomous Region. The EU and Canada also pursued close coordination with other like-minded partners on the issue, including in the G7 and the UN Human Rights Council, following the publication of the Office of the UN High Commissioner for Human Rights (OHCHR) assessment in August 2022, which documented widespread human rights violations in the Xinjiang Uyghur Autonomous Region.
74. The EU and Canada maintained their engagement and cooperation with **Taiwan** in the framework of their respective 'One-China'-policies, amidst China's increasing pressure on Taiwan and military activity in the Taiwan Strait. Based on their mutual interest in preserving the status quo in the Taiwan Strait, both sides continued to voice their concerns in contacts with China and stepped up coordination with like-minded partners, including in the G7. In this

context, a G7 statement released in August 2022, expressing concerns about China's aggressive military activity in the Taiwan Strait following the visit of the Speaker of the United States House of Representatives.

## **The Indo-Pacific**

75. Both parties continued their close engagement on the **Indo-Pacific region**, in recognition that a free, open, inclusive and resilient Indo-Pacific is vital to address common global challenges. The Joint Ministerial Committee in May 2022 affirmed the importance of working together on the region and recommended identifying future areas for EU-Canada cooperation through regular exchanges on topics such as sustainable development and prosperity, climate change and biodiversity, ocean governance, digital governance, connectivity and security and defence. Our shared interest in stepping up cooperation in and with the Indo-Pacific was reflected in the release of the EU's and Canada's Indo-Pacific strategies in September 2021 and November 2022 respectively.

## **DPRK**

76. The EU and Canada share the same goals as regards the denuclearisation of the Korean peninsula, improving the implementation of UN sanctions against the Democratic People's Republic of Korea (DPRK), diminishing tensions in the region and improving the human rights situation. The EU and Canada issued statements condemning the DPRK's launches of ballistic missiles, including the intermediate-range ballistic missile that flew over the territory of Japan in October 2022, urging the DPRK to take concrete action on denuclearisation, in line with UN Security Council Resolutions and its obligations under the Treaty on the Non-Proliferation of Nuclear Weapons. Canada continued to participate alongside a number of European partners in a multinational maritime surveillance operation to counter the DPRK's evasion of sanctions, and actively contributed to efforts to strengthen UNSC sanctions implementation and counter North Korea's illicit networks. The EU and Canada continued to participate in joint demarches on the implementation of UN sanctions against the DPRK.

## **Iran**

77. Iran was a central foreign policy concern for both sides during the reporting period. The EU and Canada cooperated on coordinating diplomatic action and sharing information with respect to sanctions against Iran. Since October 2022, the EU and Canada imposed sanctions against Iranian individuals and entities who have been complicit in gross and systematic human rights violations at home, threats to international peace and security, including Iran's supply of lethal drones to Russia for use in its illegal war against Ukraine. Additionally, Canada has designated Iran as a special regime under the Immigration and Refugee Protection Act.
78. The EU expressed its appreciation for Canada's diplomatic support for its efforts to preserve the Joint Comprehensive Plan of Action (JCPOA), which aimed to ensure the exclusively peaceful nature of Iran's nuclear activities. The EU High Representative plays a key coordination role as Chair of the Joint Commission overseeing the implementation of the JCPOA. Both the EU and Canada expressed strong concerns that Iran was advancing activities inconsistent with its nuclear commitments under the JCPOA. In June 2022, the G7 leaders expressed their regret that Iran had not yet seized the opportunity to conclude a deal, despite intense diplomatic efforts to restore the JCPOA, and urged Iran to cooperate with the International Atomic Energy Agency (IAEA) in relation to nuclear safeguards. Both the EU and Canada continued to support the IAEA's verification of Iran's nuclear commitments in Iran. Canada is a leading contributor to the IAEA's efforts in this regard, providing C\$21 million since 2014.

## **Afghanistan**

79. Both sides continued to coordinate efforts to address the severe humanitarian, human rights and economic crisis in Afghanistan following the Taliban's takeover of power in August 2021. In coordination with international partners, the EU and Canada pressed the Taliban regime to respect international humanitarian law and uphold human rights, in particular the human rights of women, girls and persons belonging to minorities, and ensure their full participation in all spheres of public life. They have called for the establishment of an inclusive and representative government, reiterated demands that Afghan territory not be used to threaten or attack any country, shelter or train terrorists, or plan or finance terrorist acts, while ensuring unfettered access to humanitarian assistance.
80. Immediately following the Taliban takeover, the G7 Leaders meeting in August 2021 set out the priorities for a joint international response to the situation, including in terms of ensuring the safe evacuation of citizens and those Afghans who had assisted the efforts of partners and allies, and advancing a coordinated approach to safe and legal routes for the resettlement of Afghan refugees. Canada committed to welcoming at least 40 000 Afghan refugees, and EU Member States committed to admitting 36 000 Afghans. The EU and Canada also mobilised considerable humanitarian support, channelled through UN agencies and civil society organisations. The EU and Canada have continued their counterterrorism cooperation under the framework of the Global Coalition Against Daesh.

## **Latin America and the Caribbean**

81. The EU and Canada have also cooperated closely on Latin America and the Caribbean, including in terms of responding to the economic challenges following the COVID-19 pandemic and the impact on food and energy security following Russia's illegal war on Ukraine.

## **Venezuela**

82. The EU and Canada support Venezuelan-led efforts to find a peaceful and democratic solution to the protracted crisis. Both the EU and Canada have consistently called for the holding of comprehensive negotiations in the context of the Mexico Process, leading to the restoration of democratic institutions, through free, inclusive and credible elections, and to an end to the humanitarian crisis. Joint efforts have also taken place in the promotion of human rights and fundamental freedoms in Venezuela, notably in the context of the UN Human Rights Council, through different statements and resolutions. The EU and Canada provided significant humanitarian and development assistance to support the people of Venezuela, both inside Venezuela and across the region, with the EU providing around EUR 466million in 2018-2022 and Canada disbursing over CAD180 million in humanitarian, development and stabilisation assistance since 2019. In addition to participating in the donors' coordination group in Venezuela and the Group of Friends of the Quito Process, the EU and Canada have worked together to mobilise international assistance to Venezuelan refugees and migrants and their host countries and communities, including by organising pledging conferences in 2020 and 2021. The EU and Canada are currently working together to co-organise the next International Conference in Solidarity with Venezuelan Refugees and Migrants and their host countries and communities, which will take place in Brussels on 16-17 March 2023.

## **Haiti**

83. Both sides also continued efforts to address the grave situation in Haiti, where the rising violence by armed gangs and the continuing political and economic stalemate have triggered a major humanitarian crisis. The EU and Canada have delivered much-needed humanitarian assistance to the country, worked together through the Core Group to support Haitian institutions and welcomed the UN Secretary-General's call for enhanced support for security and the UN Security Council's resolution on sanctions against gang leaders and their financiers.

## **Cuba**

84. The EU and Canada are like-minded on Cuba, pursuing similar policies of critical but constructive engagement, and engage on priorities such as sustainable agriculture, food security and renewable energies, and support efforts to open up the economy through new economic actors and local authorities with a focus on youth and women. Canada was invited to the regular EU+ cooperation meetings in Havana (EU countries plus Switzerland and Norway) to explore avenues of joint action notably within the upcoming EU-funded programme on sustainable municipalities.

## **Nicaragua**

85. The EU and Canada continued to work for a lasting resolution to the situation in Nicaragua, calling for a peaceful solution that includes a resumption of political dialogue, democratic reforms, respect for human rights and the immediate release of political prisoners. Since 2019, Canada has imposed sanctions on a total of 35 individuals who are associated with the Ortega regime under the Special Economic Measures (Nicaragua) Regulations. Similarly, the EU's restrictive measures currently in place apply to 21 persons and three entities.

## **The Sahel**

86. The EU and Canada continued to coordinate their actions in the Sahel, alongside other international and regional partners and countries in the region, to improve security, foster the protection of human rights and contribute to sustainable development. The EU and Canada shared their concern about the presence of the Wagner Group associated with the Russian government fuelling the cycle of violence and highlighting the nefarious impacts for the population in terms of human rights abuses. Both the EU and Canada are active members of the Coalition for the Sahel, in recognition of the need for enhanced coordination between international partners in the region. Both sides continued to support the region with considerable funds, with allocations for the Sahel countries (Burkina Faso, Chad, Mali, Mauritania and Niger) totalling over EUR 4.8 billion in 2014-2020 and EUR 1.665 billion in 2021-2024 for the EU and CAD 1.853 billion in 2014-2021 for Canada. In 2022, Canada joined the Sahel Alliance, launched by France, Germany and the EU in 2017 to enhance coordination and accelerate implementation of development assistance, responding to the needs as expressed by the Sahel beneficiary countries. The EU and Canada have also worked together to train civilian security actors in the region. Since 2014, Canada has been a third-party contributor to EUCAP Sahel. In addition, to support African partners' response to the expanding terrorist threat from the Sahel towards coastal West African countries, the EU and Canada have contributed EUR 10 million and CAD 1.5 million respectively to the International Academy for the Fight Against Terrorism in Côte d'Ivoire.

## **VII. DEVELOPMENT COOPERATION, DISASTER RESILIENCE AND EMERGENCY MANAGEMENT**

### **Development cooperation**

87. The EU and Canada are closely aligned in their ambition to advance sustainable development and to lead with international partners in efforts to achieve the UN Sustainable Development Goals. The EU and Canada have worked intensively with international partners to advance global access to vaccines and are supporting partners across the Global South to advance a green, sustainable and inclusive post-pandemic recovery. The EU and Canada held their second and third Development Policy Dialogues in 2021 and 2022, discussing issues such as financing for a green and inclusive recovery, China's role in international development, access to COVID-19 vaccines, food security and the impact of the Ukraine war on vulnerable states, education and global infrastructure.

### **Responding to disasters and international humanitarian crises**

88. The EU and Canada are like-minded humanitarian donors. Cooperation has intensified since the beginning of Russia's war in Ukraine, notably through DG ECHO's regular donor coordination calls on Ukraine. In addition, the European Commission's Emergency Response Coordination Centre (ERCC) maintains operational exchanges and coordination with the Canadian emergency services on the delivery of in-kind assistance to Ukraine, notably on shelter. The ERCC also shared information about the functioning of the UCPM logistics hubs set up in Poland, Romania and Slovakia, and modalities of their use by third countries like Canada to channel assistance into Ukraine. The EU also stands ready to support Canada, if requested for any emergency, by mobilising response capacities through the Civil Protection Mechanism, such as providing emergency mapping in the same way that the EU has already supported partners such as Australia and the United States.

## **VII. EDUCATION, YOUTH, AND PEOPLE-TO-PEOPLE CONTACTS**

### **Education**

89. EU and Canada cooperate extensively in the area of higher education under Erasmus+. This includes supporting short-term student and staff exchanges between the EU and Canada, which are open to all academic fields. Eight new Jean Monnet grants were awarded under Erasmus+ in the 2020-2022 period to Centres of Excellence, Jean Monnet Chairs and for teaching modules. These projects promote policy debate with the academic world and excellence of research on topics of common interest. Through Canada's Outbound Student Mobility Pilot, also known as Global Skills Opportunity, Canada is supporting students to study or work abroad, including in most EU countries.

## **IX. CITIZENS' WELL-BEING**

### **Health**

90. The EU and Canada cooperation on health has been strengthened in the last three years at all levels and notably within multilateral frameworks such as the World Health Organization, the G7 and G20, and has focused mainly on the COVID-19 pandemic. The EU-Canada high-level bilateral policy dialogue on health under the Strategic Partnership Agreement was agreed by EU – Canada leaders at the 2021 Summit, with the overall purpose to address broader health issues and to encourage cooperation and information exchange, such as pandemic preparedness and response to public health emergencies, antimicrobial resistance and mental

health. The first senior officials' meeting of the EU-Canada Health Dialogue took place on 8 April 2022. Both parties agreed to continue bilateral cooperation on health, particularly on areas of priority collaboration including antimicrobial resistance, mental health, and cancer /non-communicable diseases.

91. The EU and Canada continue to cooperate on the Global Health Security Initiative to strengthen global public health preparedness and response to health threats (e.g. pandemic influenza and chemical, biological, or radio-nuclear threats). Coordinated efforts are undertaken in the Transatlantic Taskforce on Antimicrobial Resistance and in supporting the revision of the 2015 global action plan on antimicrobial resistance with further ongoing bilateral cooperation supporting the efforts to strengthen cooperation and advocacy in the co-financing of the Antimicrobial Resistance Multi-Partner Trust Fund and the inclusion of measures on antimicrobial resistance in the potential future global pandemic agreement. The EU and Canada seek to support the World Health Organization, the OECD, and other multilateral initiatives on mental health and substance use priorities, particularly concerning the impact of the pandemic and long-COVID as well as the effects of climate change on the mental health and well-being of populations. On COVID-19, the EU and Canada are sharing the lessons learned from the pandemic and continue bilateral conversations about vaccine exports and trade, and on the mutual recognition of Canadian and EU COVID-19 proof of vaccination credentials.

### **Employment, social affairs and decent work**

92. The third annual meeting of the EU-Canada Dialogue on Employment, Social Affairs and Decent Work took place in Brussels on 19-20 February 2020. The two overarching themes were the new world of work and inclusive growth. Three crosscutting themes were also addressed in several sessions: the implementation of the 2030 Agenda for Sustainable Development, gender, and data, analysis and impact assessment. The event included a site visit to the digital skills provider MolenGeek.
93. Following the revision of the EU-Canada workplan for 2021-2023, four workshops were held in 2021-2022 which allowed for an exchange of views and sharing of expertise and lessons learned on key issues affecting today's work. The workshops discussed: short-time work measures, which were of particular relevance during the pandemic (7 June 2021); Canadian and EU occupational health and safety policy and legal frameworks (7 October 2021); skills for jobs shaping the future and skills provision for the green and digital transitions (28 April 2022); and a fourth workshop on income support for self-employed and how social protection can be provided to those in non-standard forms of work (21 November 2022). Under the CETA agreement, a Trade and Sustainable Development Committee took place in February 2022 whereby the EU and Canada have been looking at exploring options to cooperate in third countries on child labour and forced labour.

## **X. JUSTICE, FREEDOM AND SECURITY**

### **Visas**

94. All EU citizens were able to travel to Canada visa-free in the reporting period. Canada, the EU and its Member States are committed to continue to engage on visa issues on an as-needed basis to help ensure the sustainability of this reciprocal visa-free access.

### **Passenger Name Record Agreement**

95. At the 2021 EU-Canada Summit as well as at the third EU-Canada Joint Ministerial Meeting on 16 May 2022, the EU and Canada reaffirmed their commitment to conclude the new EU-Canada Passenger Name Record (PNR) Agreement as soon as possible. Both parties recognised the importance of this agreement in providing a solid basis for the transfer and use

of PNR data to prevent and fight terrorism and serious transnational crime, while respecting privacy and protecting personal data. The parties continue to collaboratively advance and seek a mutually acceptable agreement.

## **Migration and asylum**

96. In January 2020, the European Commission and the Canadian Department of Immigration, Refugees and Citizenship Canada (IRCC) held their regular joint consultations on asylum and migration. The discussions covered key recent developments in the area of asylum, migration, refugees and resettlement, visa policies, international migration governance, economic legal migration pathways, integration and readmission. The next JCM is expected to take place in Canada in 2023. Canada and the EU continued their engagement in the UN processes related to migration and support to refugees. At a technical level, the EU and Canada continue their expert discussions on their respective policy developments including integration, labour migration and discussions on their respective actions to support persons fleeing the war in Ukraine and Afghan refugees.
97. An expert seminar under the umbrella of the EU-Canada Migration Platform in 2020 focused on the issue of the integration of migrant women. The Platform was composed of three webinars on 1) social integration, 2) labour market integration, and 3) equity in the health of migrant women. The webinars culminated in a high-level panel on 18 December, (International Migrants Day), with the participation of European Commissioner for Home Affairs Johansson and then Immigration, Refugees and Citizenship Canada Minister Mendicino of Canada. As an outcome, a number of policy recommendations were made including on the need to change the narrative on migrant women from burdens to assets, and the development of solid datasets, which will allow the assessment of the intersectionality of gender, migration, and ethnicity and its impacts in all the areas of integration.
98. In July 2021, former IRCC Minister Mendicino was invited to the EU High Level Resettlement Forum, which led to a joint statement with the EU, the US and UNHCR. In 2022, IRCC Parliamentary Secretary Lalonde attended a follow-up High Level Forum on legal pathways to protection hosted by European Commissioner Johansson.

## **Justice cooperation**

99. On 4 May 2022, the first EU-Canada informal dialogue on justice issues was held. The meeting focused on criminal matters and notably cooperation on Russian aggression against Ukraine, environmental crime and digital justice. Discussions also covered cybercrime, where both parties noted the need to work closely together in the negotiations for a UN cybercrime convention and to fight online child sexual abuse. Both sides agreed to follow up at the technical level and further engage in the future. The European Commissioner for Justice and, the Canadian Minister of Justice, met on the margins of the Ukraine Accountability Conference, held on 14 July 2022, organised by the Netherlands and Canada. Both sides emphasised the importance of shared values and principles and agreed that there is still room to strengthen judicial cooperation between Canada, the EU and its Member States.

## **Consular protection**

100. Canada and the EU cooperate closely in field of consular protection, for example through common demarches or joint outreach vis-à-vis third countries on issues affecting our citizens. This was the case during the COVID-19 pandemic on issues related to repatriation, quarantine or entry or exit restrictions for our citizens. More broadly, such demarches have covered issues of international parental child abductions, forced marriage or detentions affecting our citizens. Canada joined an EU-led demarche on exit procedures in case of crisis and on overstays in Nepal in 2022, while the EU supported Canada with advocacy regarding the two Canadians arbitrarily detained in China and released in 2021.

101. Canada and the EU maintain a dialogue on consular issues, which is organised twice a year. The most recent meeting took place on 17 November 2022 in Ottawa, allowing for updates on recent consular crises. Worldwide, Canadian missions, EU delegations and Member State embassies cooperate closely at local level, notably in the framework of local consular cooperation initiatives. EU and Canadian experts also collaborate on consular crisis management. Canada and the EU are respectively members and observers of the Non-Combatant Evacuations/NEO Coordination Group, which last met in Bern, Switzerland in July 2022. The EU and Canada also participate in the yearly Argonaut Exercise held in Cyprus. Multilaterally, the EU and Canada are working to advance the role of the Global Consular Forum and look forward to the resumption of its meetings, suspended during the COVID-19 pandemic.