

CETA spin unspun

A myth-busting Q&A on the EU-Canada trade deal

Resistance to the EU-Canada trade deal, CETA, in Belgium and on the streets of Europe has shone a spotlight on concerns over Europe's trade policy. In their efforts to promote CETA to the public, some politicians are resorting to half-truths, scaremongering and shameless spin.

Below we reveal the truth behind some common CETA myths.



They say: **“EU credibility depends on closing this deal”**

EU credibility depends on fulfilling the commitments to the peoples of Europe laid out in the [Treaty on the European Union](#), with “*decisions [...] taken as openly as possible and as closely as possible to the citizen*”. Principles of democracy, the rule of law, promotion of economic and social progress, sustainable development, and environmental protection are all key to EU credibility. And they are the best antidote to Euroscepticism, populism and extremism.

As the treaty says, economic and social progress should go hand in hand, and can't be separated from environmental protection. Coupled with mounting public concern over trade policy, this is a clear indication that EU credibility in fact depends on the rejection of CETA.

CETA prioritises trade above social, health and environmental concerns, and threatens the rule of law in the EU. It would allow multinationals to challenge governments over measures that they perceive as threats to their investments, even if the measures are in the public interest.

They say: **“If the EU can’t do a trade deal with Canada, it can’t do it with anyone”**

In the same way that US trade policy will not collapse if Congress does not ratify TPP, a trade agreement between the US and Pacific countries, the EU will continue to develop trade relations with countries all over the world even if CETA is rejected (the EU is currently involved in [around 20 trade negotiations](#)). The success of EU trade policy will depend on transparent negotiations and genuine involvement of civil society, with a clear goal to promote the public interest. Without this, public disapproval will continue to grow.

The rejection of CETA would not terminate ongoing negotiations with the likes of Japan, the Mercosur countries and Chile, but it could force a rethink of trade policy. The purpose of CETA and TTIP is to cement the supremacy of trade over other economic and social issues. They represent a new breed of trade agreement that would primarily benefit multinationals, at the expense of local businesses, citizens and the environment.

Instead, the EU should pursue trade agreements that put the welfare of its people and the environment first. New trade agreements with Canada and the US are an opportunity to shape progressive global standards, not a chance to strip away public protection and the hard-won rights that underpin Europe’s prosperity.

They say: **“Canadians and Europeans share the same values”**

Actually, this is not a myth. Europeans do have similar values to Canadians. Canadians are also really nice and make the world’s best maple syrup. But that is totally irrelevant to CETA. CETA prioritises corporate interests over the public interest, making this an issue of people versus corporate greed, not of Europeans versus Canadians.

Canadian companies have made extensive use of investor protection rules in Canada’s bilateral investment agreements. [Canada ranks fifth in the world for number of companies suing foreign states](#) through trade and investment deals, with Canadian companies using these privileged courts 42 times.

Successive Canadian governments have defended the narrow interests of corporations. Canada has challenged the EU’s regulation on toxic chemicals, REACH, at the World Trade Organisation [21 times](#). The Canadian government has pointedly criticised REACH’s precautionary approach, which places a greater responsibility on chemical producers to investigate and disclose the potentially harmful effects of their products.

CETA will make it harder for democratically elected representatives to make decisions that represent the will of their constituents. Canadian companies and the Canadian government have challenged European bans for asbestos (unsuccessfully), hormone treated beef (successfully) and GMOs (successfully), and have influenced and weakened EU measures to phase out polluting fuels (like Canadian tar sands), under the European fuel quality directive.

Rejecting CETA is not a rejection of Canadians. It's a rejection of the corporate capture of our democracies. In fact, [European and Canadian NGOs and trade unions stand shoulder to shoulder against CETA](#), drawing on the same values that sustain democracy, the rule of law, and social and environmental progress.

They say: **"CETA is the gold standard of trade agreements"**

The authors of the report "[Making Sense of CETA](#)" put it well: *"In fact, CETA is a 'gold-standard' agreement only in the sense that it goes further than previous free trade treaties in elevating the 'gold-plated' rights of corporations and foreign investors above the welfare of citizens and the broader public interest."*

CETA was negotiated between Canada's former conservative government, which notoriously had the most conservative agenda and policies in modern Canadian history, and the European Commission headed by José Manuel Barroso. Changes to CETA since then have been focussed mostly on rebranding – changing the name of the investor protection system, with few meaningful improvements – rather than actually turning CETA into a progressive agreement.

The agreement's main purpose goes well beyond that of a conventional trade deal, i.e. removing trade tariff barriers. In fact, its primary aim is to remove any obstacles to trade due to differences in laws and regulations between the two blocs. The problem is that this will result in an assault on public protection measures, threatening the right for governments to regulate to safeguard public health, the environment or social rights. CETA has also come under fire for setting up a system – known as ICS – allowing multinationals to sue governments in special arbitration panels.

Constructive dialogue with Canada's progressive government, under prime minister Justin Trudeau, offers an opportunity to develop a fairer and more sustainable trade agenda that puts people and planet first. The first step should be to reject CETA as it stands and start afresh.

They say: **"If you are against CETA, you are against trade"**

Trade agreements, as legally binding agreements that have a wide reach and a big influence on other policy areas, have great potential for good. Too bad CETA is a missed opportunity to set the highest standards of social and environmental protection on both sides of the Atlantic. Too bad CETA is more likely to start a race to the bottom.

And too bad that CETA has not created a public protection system that ensures that states can hold foreign investors to account for human rights abuses, illegal labour practices and environmental damage.

What a shame that negotiators did not expressly and unequivocally recognise the EU's right to use the precautionary principle in policy-making (as spelt out in EU treaties) to protect public health and the environment. Instead, CETA is likely to increase European imports of hormone beef and GM crops from Canada.

Greenpeace opposes CETA because it threatens democracy, and hard-won progress in environmental protection. We are not against trade or trade agreements. Indeed, we would

like to see more trade of fair trade products, solar panels, or other useful, needed and environmentally friendly products and services. Trade should be a tool, a means to an end, not an end in itself. The crucial point is how you use the tool.

They say: **“CETA is good for jobs”**

[Even the European Commission’s own assessment](#) predicts tiny GDP growth as a result of CETA: a 0.02 to 0.03 per cent long-term GDP increase for the EU, and a 0.18 to 0.36 per cent increase for Canada.

But this estimate doesn’t take into account a realistic number of jobs lost, or even ‘employment shifts’ – i.e. jobs lost in certain sectors if there are gains in others. The EU’s assessment also uses models that assume full employment – an unrealistic model, given the 20 million unemployed people across the EU.

[An independent study](#) found that CETA could cause the loss of 200,000 jobs across the EU. Policymakers know that jobs will be lost, and those that may be created will require different skills, yet there are no policies in place to retrain workers or prepare economies for this change.

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