

ANNEX 30-A

LIST OF BILATERAL INVESTMENT TREATIES BETWEEN CANADA AND MEMBER STATES OF THE EUROPEAN UNION

Agreement between the Government of the Republic of Croatia and the Government of Canada for the Promotion and Protection of Investments, done at Ottawa on 3 February 1997.

Agreement between the Czech Republic and Canada for the Promotion and Protection of Investments, done at Prague on 6 May 2009.

Agreement between the Government of the Republic of Hungary and the Government of Canada for the Promotion and Reciprocal Protection of Investments, done at Ottawa on 3 October 1991.

Agreement between the Government of the Republic of Latvia and the Government of Canada for the Promotion and Protection of Investments, done at Riga on 5 May 2009.

Exchange of Notes between the Government of Canada and the Government of the Republic of Malta Constituting an Agreement Relating to Foreign Investment Insurance, done at Valletta on 24 May 1982.

Agreement between the Government of the Republic of Poland and the Government of Canada for the Promotion and Reciprocal Protection of Investments, done at Warsaw on 6 April 1990.

Agreement between the Government of Romania and the Government of Canada for the Promotion and Reciprocal Protection of Investments, done at Bucharest on 8 May 2009.

Agreement between the Slovak Republic and Canada for the Promotion and Protection of Investments, done at Bratislava on 20 July 2010.

ANNEX 30-B

AMENDMENTS TO THE 1989 ALCOHOLIC BEVERAGES AGREEMENT AND THE 2003 WINES AND SPIRIT DRINKS AGREEMENT

SECTION A

Article 1 of the 1989 Alcoholic Beverages Agreement, as amended by Annex VIII to the 2003 Wines and Spirit Drinks Agreement, shall have the following definition added:

“competent authority” means a government or commission, board or other governmental agency of a Party that is authorised by law to control the sale of wines and distilled spirits.’.

SECTION B

Article 2.2(b) of the 1989 Alcoholic Beverages Agreement, as amended by Annex VIII to the 2003 Wines and Spirit Drinks Agreement, is replaced with:

‘(b) requiring off site private wine store outlets in Ontario and British Columbia to sell only wines produced by Canadian wineries. The number of these off site private wine store outlets authorised to sell only wines produced by Canadian wineries in these provinces shall not exceed 292 in Ontario and 60 in British Columbia.’.

SECTION C

Article 4 of the 1989 Alcoholic Beverages Agreement, as amended by Annex VIII to the 2003 Wines and Spirit Drinks Agreement, is replaced with:

‘Article 4

Commercial Treatment

1. Competent authorities shall, in exercising their responsibilities for the purchase, distribution and retail sale of products of the other Party, adhere to the provisions of GATT Article XVII concerning State trading enterprises, in particular to make any such decisions solely in accordance with commercial considerations and shall afford the enterprises of the other Party adequate opportunity, in accordance with customary business practice, to compete for participation in such purchases.

2. Each Party shall take all possible measures to ensure that an enterprise that has been granted a monopoly in the trade and sale of wines and spirit drinks within its territory does not use its monopoly position to engage, either directly or indirectly, including through its dealings with its parent, subsidiaries or other enterprises with common ownership, in the sale of wine and spirit drinks in a market outside the territory where the enterprise has a monopoly position that causes an anti-competitive effect causing an appreciable restriction of competition in that market.’.

SECTION D

Article 4a of the 1989 Alcoholic Beverages Agreement, as amended by Annex VIII to the 2003 Wines and Spirit Drinks Agreement, is replaced with:

‘4a — Pricing

1. Competent authorities of the Parties shall ensure that any mark-up, cost of service or other pricing measure is non-discriminatory, applies to all retail sales and is in conformity with Article 2.

2. A cost of service differential may be applied to products of the other Party only in so far as it is no greater than the additional costs necessarily associated with the marketing of products of the other Party, taking into account additional costs resulting from, *inter alia*, delivery methods and frequency.

3. Each Party shall ensure that a cost of service is not applied to a product of the other Party on the basis of the value of the product.

4. The cost of service differential shall be justified in line with standard accounting procedures by independent auditors on the basis of an audit completed on the request of the other Party within one year of the entry into force of the 2003 Wines and Spirit Drinks Agreement and thereafter on request of that Party at intervals of not less than four years. The audits shall be made available to either Party within one year of a request being made.
5. Competent authorities shall update cost of service differential charges, as required, to reflect the commitment made in subparagraph 4a(2).
6. Competent authorities shall make available applicable cost of service differential charges through publicly accessible means, such as their official website.
7. Competent authorities shall establish a contact point for questions and concerns originating from the other Party with respect to cost of service differential charges. A Party will respond to a request from the other Party in writing within 60 days of the receipt of the request.’.

SECTION E

The 1989 Alcoholic Beverages Agreement, as amended by Annex VIII to the 2003 Wines and Spirit Drinks Agreement, is modified by adding Article 4b:

‘Article 4b

Blending Requirements

Neither Party may adopt or maintain any measure requiring that distilled spirits imported from the territory of the other Party for bottling be blended with any distilled spirits of the importing Party.’.

SECTION F

The 2003 Wines and Spirit Drinks Agreement shall be amended as follows:

- (a) Article 27.3 (Joint Committee), first indent, is replaced with ‘adopting amendments to the Annexes of this Agreement by means of a decision by the Joint Committee.’.
- (b) Title VIII (Dispute settlement) is deleted;
- (c) The last two sentences of Article 8.1 (Objection procedure) are replaced with ‘A Contracting Party may seek consultations as provided under Article 29.4 (Consultations) of the Canada-European Union Comprehensive Economic and Trade Agreement (“CETA”). If the consultations fail to resolve the matter, a Contracting Party may notify, in writing, the other Contracting Party of its decision to refer the issue to arbitration under Articles 29.6 through 29.10 of CETA.’.
- (d) The introductory wording (*chapeau*) of Article 9.2 (Modification of Annex I), is replaced with: ‘By way of derogation from paragraph 1, if a Contracting Party has invoked the objection procedure provided for in Article 8 (Objection procedure), the Contracting Parties shall act in accordance with the outcome of the consultations, unless the matter is referred to the arbitration procedure under Articles 29.6 through 29.10 of CETA, in which case’.
- (e) A third paragraph is added to Article 9 (Modification of Annex I): ‘3. When Articles 29.6 through 29.10 of CETA are applied in the course of the procedure referred to in paragraph 2, they shall apply *mutatis mutandis*.’.

ANNEX 30-C

JOINT DECLARATION ON WINES AND SPIRITS

The Parties acknowledge the effort and progress that has been made on Wines and Spirits in the context of the negotiations of this Agreement. These efforts have led to mutually agreed solutions on a number of issues of high importance.

The Parties agree to discuss through the appropriate mechanisms, without delay and in view to find mutually agreed solutions, any other issue of concern related to Wines and Spirits, and notably the desire of the European Union to seek the elimination of the differentiation of provincial mark-ups applied on domestic wines and wines bottled in Canada in private wine outlets.

At the end of the fifth year following the entry into force of this Agreement, the Parties agree to review the progress made on the elimination of the differentiation referred to in the previous paragraph, based on the examination of all developments in the sector, including the consequences of any granting to third countries of a more favourable treatment in the framework of other trade negotiations involving Canada.

ANNEX 30-D

**JOINT DECLARATION OF THE PARTIES ON COUNTRIES THAT HAVE ESTABLISHED A CUSTOMS UNION
WITH THE EUROPEAN UNION**

1. The European Union recalls the obligations of the countries that have established a customs union with the European Union to align their trade regime to that of the European Union, and for certain of them, to conclude preferential agreements with countries that have preferential agreements with the European Union.
2. In this context, Canada shall endeavour to start negotiations with the countries which,
 - (a) have established a customs union with the European Union, and
 - (b) whose goods do not benefit from the tariff concessions under this Agreement,

with a view to conclude a comprehensive bilateral agreement establishing a free trade area in accordance with the relevant WTO Agreement provisions on goods and services, provided that those countries agree to negotiate an ambitious and comprehensive agreement comparable to this Agreement in scope and ambition. Canada shall endeavour to start negotiations as soon as possible with a view to have such an agreement enter into force as soon as possible after the entry into force of this Agreement.
