

RESOLUTION
on the Comprehensive Economic and Trade Agreement (CETA)

The Parliament of Wallonia,

- A. Given the text of the agreement concluded on September 26, 2014 between the EU and Canada;
- B. Given the joint statement of the European Commissioner for Trade and the Canadian Minister of International Trade on the Trade Agreement between Canada and the European Union of 29 February 2016;
- C. Considering the agreement published on February 29, 2016 after the legal scrubbing of the text;
- D. Considering the European Parliament resolution of 14 February 2006 on the clause relating to human rights and democracy in European Union agreements and the recommendation of the European Parliament in its resolution of 8 July 2015 on the TTIP to ensure "the systematic insertion of a clause on human rights suspensory and legally binding in trade agreements concluded by the EU with third countries";
- E. Considering the red lines mentioned, but not found in the text of the CETA, in the resolution of the European 8 July 2015 containing the European Parliament's recommendations to the European Commission concerning the negotiations of the transatlantic trade and investment partnership;
- F. Whereas international trade can promote economic growth and development, contribute to strengthening ties between the peoples but also increase inequalities;
- G. Considering that the Declaration of 2014-2019 regional policy commits the Walloon Government "to promote international trade respectful of human development" involving in particular respect for human rights, labour rights and human, social and environmental standards binding, protection and promotion of cultural diversity and the rejection of any arbitration clause that would undermine respect for national and regional sovereignties";
- H. Considering the need to preserve and strengthen the European social, economic, cultural and environmental model;
- I. Whereas the trade treaties and investment agreements are tools to enhance the social, environmental and health for human development, provided that their convergence is done in the best interest of consumers and workers and also considering these treaties must also be put to the service of broader climate and social objectives;
- J. Considering that CETA provides in its current form a dispute resolution mechanism between investors and states (ISDS) covering most areas of the agreement to take action against climate change and its impacts;
- K. Considering the need to strengthen the development and implementation of legislation and policies on working conditions to promote standards and fundamental criteria of the International Labour Organization (ILO), as well as decent work, and work for the protection of the environment and compliance with international environmental conventions;
- L. Whereas the liberalization of public procurement must ensure the implementation of non-discriminatory and predictable rules so that SMEs are not negatively impacted, and should not undermine the achievement of social and environmental objectives

and the right to include social and environmental clauses and encourage short circuits must be guaranteed;

- M. Considering the need to further regulate the banking and financial transactions in order in particular to avoid the occurrence and consequences of financial crises such as that of 2008, to ensure better international coordination in this field and the inclusion of these areas could have a significant positive impact on the growth and well-being;
- N. Whereas the scandals of tax evasion Offshore Leaks, LuxLeaks, swiss leaks and Panama papers succeed in the news and highlight the stark contrast: on one hand, the economic giant that make giant revenue and pay practically no taxes and the other, SMEs, small traders and European citizens, who do not benefit from the tax engineering, but bear the brunt of the budgetary difficulties of States;
- O. Considering that trade agreements should lead to enhanced cooperation between the EU and third countries to set stricter standards worldwide in the fight against fraud and tax evasion;
- P. Whereas the CETA provides a novel mechanism for the European Union and controversial liberalization of services by "negative lists";
- Q. Considering the sovereign right of Member States of the European Union to implement public policies, including public health, education and environmental protection, social protection and promotion of cultural diversity;
- R. Considering the public consultation that the European Commission has organized about ISDS clause in the negotiations of the transatlantic trade and investment partnership (TTIP) and the highly critical reactions of the majority of participants and the European Citizens' Initiative ;
- S. Considering also that this mechanism is controversial worldwide for its increased use by investors to challenge environmental protection measures, raising the minimum wage, protection of public health and other legislation of public interest;
- T. Whereas in the CETA, the controversial settlement of investor-State disputes (ISDS) Investor-state disputes settlement (ISDS) was replaced by a new system to provide, according to the European Commission, more transparency and stability, called investment Court System (ICS);
- U. Considering, however, that for the German Judges Association (Deutscher Richterbund), this new proposal from the Commission for dispute resolution alters the legal architecture of the EU and undermines the powers of national courts under European law ;
- V. Considering that the legality of the ISDS under European law, including in the form of an investment Court system, contained in the trade agreements of the European Union (EU) is a contentious issue in the Court of justice (ECJ), while in the opinion of 18 December 2014 its 2/13 opinion on EU accession to the Convention on human rights (ECHR) in which the ECJ says that EU could access the ECHR because it would enable the European Court of human rights to interpret EU law thus affecting the autonomy of the EU legal order;
- W. Considering that the strengthening of the multilateral system is a major goal, the World Trade Organization (WTO) currently represents the framework that remains the most appropriate to regulate trade and that it is therefore necessary to promote the multilateral approach;

- X. Considering the possibility raised by the European Commission for the creation of a multilateral investment Court globally to promote multilateral rules while ensuring protection of investments;
- Y. Whereas the European Union and Canada have effective national legal frameworks and are governed by the rule of law while the CETA will enable companies based in the United States to attack European public decisions, Belgian and Walloon through their Canadian subsidiaries as well as the CETA will enable companies based in Canada, under the TTIP, to sue against European governments, national or regional;
- Z. Whereas the CETA is a mixed comprehensive agreement covering national and regional competencies, and it is therefore essential for a democratic debate to take place in the national and regional parliaments so that they can participate in the process of ratification;
- AA. Considering also that the efforts of EU policy today should primarily focus not on the conclusion of a challenged and questionable trade agreement but more on deepening European integration and the need to formulate urgent responses to the multiple crises now threatening the European project.

Asks the Walloon Government,

1. to act towards the Federal Government to:
 - Solicit the opinion of the European Court of Justice (ECJ) on the compatibility of the agreement with the European Treaties on the basis of Article 218 (11) TFEU to prevent that an agreement incompatible with the European Treaties would be concluded and not to ratify the agreement as long as the ECJ has not given this opinion;
 - To argue in the Council for the CETA be qualified as a mixed agreement, which implies that Member States must agree;
 - To refuse any provisional implementation of the CETA but wait that all national ratification procedures be conducted in order to hear the voice of European citizens, before a possible entry into force of the Agreement;
 - To give priority, in the CETA, to a dispute resolution mechanism from state to state based on existing public courts;
2. **not to grant full powers to the Federal Government for signing the CETA between the European Union and Canada; [this means 'to refuse the signature of CETA']**
3. act towards the European institutions to ensure that all trade agreements concluded by the EU with third countries require compliance with the following red lines, which unfortunately are not complied with in CETA:
 - The inclusion of a clause on human rights, and legally binding and suspensory, to ensure the full respect of EU standards in the field of fundamental rights;
 - The addition of a legally binding general clause applicable to all agreements to ensure the full respect and without ambiguity of the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions;
 - The establishment in the agreement of a principle "agricultural exception" like that of cultural exception - which may be invoked if the increase in imports of a product may

cause significant harm to the achieving the following objectives: food security, protection of life and rural societies, the protection of nature and biodiversity;

- The inclusion of binding standards on sustainable development to support efforts in the fight against climate change by ensuring that no trade agreement leads to an increase in greenhouse gas emissions and can have "carbon neutral, or positive";
- The adoption of "positive lists" in the field of liberalization of services specifically mentioning which services are open to foreign companies and excluding services of general interest and services of current and future general economic interest so that national authorities and , if any, local authorities retain the full right to execute, organize, finance and deliver public services to ensure that European citizens universal access to public services;
- The possibility of including social and environmental clauses in public procurement and to focus on short circuits;
- The inclusion of cooperation mechanisms for strengthening financial and banking regulations, exchange of data and the fight against fraud and tax evasion;
- The inclusion of a specific chapter for small and medium enterprises, including provisions to facilitate their access to trade;
- Conducting independent detailed impact studies for each Member State and an assessment of the competitiveness of sectors with a focus on economic and regulatory effects of these agreements on SMEs;
- The opening of these agreements to other partners who could join a plurilateral negotiation on the basis of clear and predefined conditions to gradually reach a multilateral framework within the World Trade Organization;
- The implementation and compliance with binding provisions of labour rights;
- The inclusion of labour environmental standards that are not restricted to the chapters on trade and sustainable development, but also found in other parts of the agreements, such as those devoted to investment, trade in services, regulatory cooperation and public procurement;
- Respect of the precautionary principle as enshrined in Article 191 of the Treaty of Rome as a fundamental principle of the European Environment Protection Policy, Health and Consumers;
- Transparency in the negotiations of future free trade agreements, given the stakes, must always give rise to the necessary information to democratic control.