

Canada-EU CETA Proposed Municipal Resolution

WHEREAS the Canadian government is close to concluding negotiations with the European Union (EU) on a Comprehensive Economic and Trade Agreement (CETA), with participation from provinces and territories; and

WHEREAS (*the Municipality*) recognizes the importance of trade to local, provincial/territorial and national economies but also the impact that trade agreements can have on the powers of local governments; and

WHEREAS in the CETA, Canada has exchanged an initial procurement offer with the EU (listing sub-federal entities that will be bound by the rules of the procurement chapter) that may include (*the Municipality*) and that would explicitly tie the (*the Municipality*) to the terms and conditions of an international trade agreement; and

WHEREAS the EU is insisting on full access to procurement by municipalities, school boards, universities, hospitals, utilities and other provincial agencies, which could significantly reduce the freedom of these bodies to hire or source locally on public contracts, or to use public spending as a tool for economic development, environmental protection and support for local farmers and small businesses; and

WHEREAS procurement rules in the CETA combined with investment protections related to transit, water, electricity and other public services delivered locally may lock in privatization and make it prohibitively expensive to apply new regulations, to re-municipalize services, or create new municipal programs; and

WHEREAS (*the Municipality*) already has an open and fair procurement policy, and that it is not the international norm for municipal governments to be covered by procurement agreements such as the one proposed in the CETA; and

WHEREAS disputes by private firms against local policy decisions could be taken before private trade tribunals that lack transparency and have the authority to impose fines;

THEREFORE be it resolved that Council requests:

- that (*the Province/Territory*) issue a clear, permanent exemption for (*the Municipality*) from the Canada-EU CETA, and that it otherwise protect the powers of municipalities, hospitals, school boards, utilities, universities and other sub-federal agencies to use public procurement, services and investment as tools to create local jobs, protect the environment, and support local development; and that
- the (*Province/Territory*) disclose its initial procurement, services and investment offers to the EU, explain the impacts CETA would have on municipal governance, and give M.U.S.H sector entities the freedom to decide whether or not they will be bound by the procurement, investment and regulatory rules in the agreement; and that
- this resolution be sent to the Provincial/Territorial Municipal Association and the Federation of Canadian Municipalities, the (*Provincial/Territorial*) Hospital Association, the (*Provincial/Territorial*) University Association and the (*Provincial/Territorial*) School Board Association and any other relevant bodies for consideration and circulation.

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