

**No. 17707**

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**CANADA  
and  
EUROPEAN ECONOMIC COMMUNITY and  
EUROPEAN ATOMIC ENERGY COMMUNITY**

**Framework Agreement for commercial and economic co-  
operation. Signed at Ottawa on 6 July 1976**

*Authentic texts: English, French, German, Dutch, Danish and Italian.  
Registered by Canada on 11 April 1979.*

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**CANADA  
et  
COMMUNAUTÉ ÉCONOMIQUE EUROPÉENNE et  
COMMUNAUTÉ EUROPÉENNE  
DE L'ÉNERGIE ATOMIQUE**

**Accord-cadre de coopération commerciale et économique.  
Signé à Ottawa le 6 juillet 1976**

*Textes authentiques : anglais, français, allemand, néerlandais, danois et  
italien.  
Enregistré par le Canada le 11 avril 1979.*

## FRAMEWORK AGREEMENT<sup>1</sup> FOR COMMERCIAL AND ECONOMIC COOPERATION BETWEEN CANADA AND THE EUROPEAN COMMUNITIES

The Council of the European Communities, on behalf of the European Economic Community, and the Commission of the European Communities, on behalf of the European Atomic Energy Community, of the one part, and the Government of Canada, of the other part,

Inspired by the common heritage, special affinity and shared aspirations which unite Canada and the countries of the European Communities,

Recognizing that Canada and the European Communities desire to establish a direct link with each other which will support, complement and extend co-operation between Canada and the Member States of the European Communities,

Resolved to consolidate, deepen and diversify their commercial and economic relations to the full extent of their growing capacity to meet each other's requirements on the basis of mutual benefit,

Conscious of the already substantial flow of trade between Canada and the European Communities,

Mindful that the more dynamic trade relationship which both Canada and the European Communities desire calls for close co-operation across the whole range of commercial and economic endeavour,

Persuaded that such co-operation should be realized in evolutionary and pragmatic fashion, as their policies develop,

Desiring furthermore to strengthen their relations and to contribute together to international economic co-operation,

Have decided to conclude a Framework Agreement for commercial and economic co-operation between Canada, of the one part, and the European Economic Community and the European Atomic Energy Community, of the other part, and to this end have designated as their plenipotentiaries:

The Council and the Commission of the European Communities: Mr. Max Van der Stoep, President of the Council of the European Communities; Sir Christopher Soames, Vice President of the Commission of the European Communities;

The Government of Canada: The Honourable Allan J. MacEachen, Secretary of State for External Affairs,

who, having exchanged their full powers, found in good and due form, have agreed as follows:

### *Article I.* MOST-FAVoured-NATION TREATMENT

In accordance with the rights and obligations under the General Agreement on Tariffs and Trade,<sup>2</sup> the Contracting Parties undertake to accord each other, on an equal and reciprocal basis, most-favoured-nation treatment.

<sup>1</sup> Came into force on 1 October 1976, i.e., the first day of the month following that during which the Contracting Parties notified each other of the completion of the necessary procedures, in accordance with article VIII.

<sup>2</sup> United Nations, *Treaty Series*, vol. 55, p. 187.

lateral activities with Canada in the field of economic co-operation and to conclude, where appropriate, new economic co-operation agreements with Canada.

*Article IV. JOINT CO-OPERATION COMMITTEE*

A Joint Co-operation Committee shall be set up to promote and keep under review the various commercial and economic co-operation activities envisaged between Canada and the Communities. Consultations shall be held in the Committee at an appropriate level in order to facilitate the implementation and to further the general aims of the present Agreement. The Committee will normally meet at least once a year. Special meetings of the Committee shall be held at the request of either party. Sub-committees shall be constituted where appropriate in order to assist the Committee in the performance of its tasks.

*Article V. OTHER AGREEMENTS*

1. Nothing in this Agreement shall affect or impair the rights and obligations of the Contracting Parties under the General Agreement on Tariffs and Trade.

2. To the extent that the provisions of the present Agreement are incompatible with the provisions of the Agreement between the European Atomic Energy Community and Canada of October 6, 1959,<sup>1</sup> the provisions of the present Agreement shall prevail.

3. Subject to the provisions concerning economic co-operation in article III, paragraph 4, the provisions of this Agreement shall be substituted for provisions of agreements concluded between Member States of the Communities and Canada to the extent to which the latter provisions are either incompatible with or identical to the former.

*Article VI. EUROPEAN COAL AND STEEL COMMUNITY*

A separate protocol is agreed between the European Coal and Steel Community and its Member States on the one hand and Canada on the other hand.

*Article VII. TERRITORIAL APPLICATION*

This Agreement shall apply to the territory of Canada and to the territories to which the Treaties establishing the Communities apply, on the conditions laid down in those Treaties.

*Article VIII. DURATION*

This Agreement shall enter into force on the first day of the month following that during which the Contracting Parties have notified each other of the completion of the procedures necessary for this purpose. It shall be of indefinite duration and may be terminated by either Contracting Party after five years from its entry into force, subject to one year's notice.

*Article IX. AUTHENTIC LANGUAGES*

This Agreement is drawn up in two copies in the Danish, Dutch, English, French, German and Italian languages, each of these texts being equally authentic.

<sup>1</sup> United Nations, *Treaty Series*, vol. 475, p. 187.

*Article II. COMMERCIAL CO-OPERATION*

1. The Contracting Parties undertake to promote the development and diversification of their reciprocal commercial exchanges to the highest possible level.

To this end, they shall, in accordance with their respective policies and objectives:

- (a) Co-operate at the international level and bilaterally in the solution of commercial problems of common interest;
- (b) Use their best endeavours to grant each other the widest facilities for commercial transactions in which one or the other has an interest;
- (c) Take fully into account their respective interests and needs regarding access to and further processing of resources.

2. The Contracting Parties shall use their best endeavours to discourage, in conformity with their legislation, restrictions of competition by enterprises of their respective industries, including pricing practices distorting competition.

3. The Contracting Parties agree, upon request, to consult and review these matters in the Joint Co-operation Committee referred to in article IV.

*Article III. ECONOMIC CO-OPERATION*

1. The Contracting Parties, in the light of the complementarity of their economies and of their capabilities and long-term economic aspirations, shall foster mutual economic cooperation in all fields deemed suitable by the Contracting Parties. Among the objectives of such co-operation shall be:

- The development and prosperity of their respective industries;
- The encouragement of technological and scientific progress;
- The opening up of new sources of supply and new markets;
- The creation of new employment opportunities;
- The reduction of regional disparities;
- The protection and improvement of the environment;
- Generally to contribute to the development of their respective economies and standards of living.

2. As means to such ends, the Contracting Parties shall as appropriate encourage and facilitate *inter alia*:

- Broader inter-corporate links between their respective industries, especially in the form of joint ventures;
- Greater participation by their respective firms in the industrial development of the Contracting Parties on mutually advantageous terms;
- Increased and mutually beneficial investment;
- Technological and scientific exchanges;
- Joint operations by their respective firms and organisations in third countries.

3. The Contracting Parties will, as appropriate, encourage the regular exchange of industrial, agricultural and other information relevant to commercial economic co-operation as well as the development of contacts and promotion activities between firms and organizations in these areas in the Communities and Canada.

4. Without prejudice to the relevant provision of the Treaties establishing the Communities, the present Agreement and any action taken thereunder shall in no way affect the powers of the Member States of the Communities to undertake bi-

IN WITNESS WHEREOF, the undersigned Plenipotentiaries have affixed their signatures below this Framework Agreement.

DONE at Ottawa on the sixth day of July in the year one thousand nine hundred and seventy-six.

EN FOI DE QUOI, les plénipotentiaires soussignés ont apposé leurs signatures au bas du présent Accord-Cadre.

FAIT à Ottawa, le six juillet mil neuf cent soixante-seize.

ALLAN J. MACEachEN

For the Government of Canada  
Pour le Gouvernement du Canada

M. VAN DER STOEL

CHRISTOPHER SOAMES

For the Council and the Commission  
of the European Communities  
Pour le Conseil et la Commission  
des Communautés européennes

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