



**RCN Policy, International and Parliamentary  
Department  
Policy briefing 07/16  
June 2016**

# **RCN Briefing on CETA**

**(Comprehensive economic and trade agreement  
between the EU and Canada)**

RCN Policy, International and  
Parliamentary Department  
020 7647 3454  
[international@rcn.org.uk](mailto:international@rcn.org.uk)

## Introduction

With a membership of around 435,000 registered nurses, midwives, health visitors, nursing students, health care assistants and nurse cadets, the Royal College of Nursing (RCN) is the voice of nursing across the UK and the largest professional union of nursing staff in the world. RCN members work in a variety of hospital and community settings in the NHS and the independent sector. The RCN promotes patient and nursing interests on a wide range of issues by working closely with the Government, the UK parliaments and other national and European political institutions, trade unions, professional bodies and voluntary organisations.

## The RCN and EU Trade agreements

The RCN already has an established position on the Transatlantic Trade and investment Partnership (TTIP). This followed a RCN congress resolution in 2014 which called on the RCN to lobby against the inclusion of health services in TTIP.

In its European election manifesto in 2014 the RCN called on UK MEPs in the European Parliament to ensure that future EU trade agreements do not have an adverse impact on access to health services.

The RCN has become increasingly aware of concerns relating to another trade deal known as CETA. This briefing provides more information about our concerns around CETA and sets out next steps.

## What is CETA?

CETA (Comprehensive Economic and Trade Agreement) is a free trade agreement between the EU and Canada which has as its stated aim the removal of the vast majority of trade barriers/tariffs between the two entities. It was subject to extensive negotiations from 2009 onwards, up until 2014 when negotiations then concluded. The deal was subject to legal 'scrubbing' which is a process where the text is checked by legal teams and clarified as required. A 'final' version was published on 29 February 2016. During this process, a more substantive change was made to the agreement whereby the existing ISDS (Investor State Dispute Settlement) mechanism, potentially allowing Canadian corporations to sue the governments of EU member states if they introduced policies that would affect company profits was replaced by the Investor Court System – echoing new proposals made in relation to the controversial TTIP (Transatlantic Trade and Investment Partnership). The RCN still has concerns about the revised proposals in relation to the arbitration process.

In terms of detail, negotiations on CETA have now concluded, and the next stage is ratification. What is still unclear is whether or not CETA is a 'mixed agreement' – that is, whether it falls under the exclusive competence of the European Union and so can be ratified by the European Parliament alone, or whether it also falls under the competence of EU member states and so needs to be ratified by their Parliaments as well.

## Why is it important?

CETA has not attracted the same level of interest as TTIP to date, but the potential impact could be considerable for health and public services. As Public Citizen, a campaigning organisation in Canada has identified 'Four out of every five U.S.-owned firms operating in EU member states could gain new rights to attack European Union and EU member state policies using CETA's ISDS mechanism at the stroke of a pen from their parent corporations'.

There are a number of specific concerns relating to CETA as follows:

- The chapter on labour rights is not enforceable, setting a precedent for TTIP and potentially impacting on the rights of workers in public services.
- Whilst the existing exemptions do appear to cover health services, there is concern that the definition of public services including health is too narrow and will result in future challenge.
- CETA embeds the ratchet clause, which locks in current and future privatisation of services and does not enable services to return to their pre-CETA position.
- CETA is subject to the negative list approach meaning that services are only excluded if they are listed in the agreement. This means that new services or structures of services that might emerge in the future are not covered by the agreement.

As the detail of the text cannot be changed, the RCN will highlight concerns and urge the UK Government and MEPS to consider the impact on the health services and the NHS if the deal is ratified.

## Next steps

The RCN is a member of EPSU (European Public Service Unions) who is actively campaigning on CETA. The RCN will be working closely with EPSU to highlight concerns around CETA to both members of the European Parliament and UK Parliamentarians. The first step in raising awareness will be when CETA is formally put to the European Council (expected during summer 2016). In the case of mixed agreement, this step must take place before national parliaments are able to ratify the deal on an individual basis. Our current understanding is that the European Parliament will be voting on CETA during autumn/Winter of 2016/17. It will be important for UK MEPs and UK Government to be targeted to highlight the RCN concerns and to ask them to take action if health services cannot be protected.

The RCN will continue to monitor CETA and will engage directly with members in lobbying activity once the timetable for ratification is clear.

**Royal College of Nursing**  
**Policy, International and Parliamentary Department**  
**June 2016**