

CIVIL SOCIETY DIALOGUE MEETING ON TRADE POLICY REVIEW

Date: 13 July 2020 Time: 15:00-17:00 by video conference

The Commission (COM, TRADE Director General Sabine Weyand) opened the meeting by presenting the Trade Policy Review initiative that was launched on 16 June and for which an informal public consultation is open until 15 September. COM underlined the importance to have a broad public debate both at EU and at national Member States level with all those who are interested or affected by trade.

COM presented the reasons that had led to the launch of this review, with both the dramatic changes in recent years in the international environment in which trade policy operates, the internal evolution of the perception and the expectations of trade policy, and the considerable trade and economic impact of the Covid crisis. COM then outlined the main themes that the TRADE Policy Review will cover as described in the consultation note issued on 16 June and available in all EU official languages¹. COM mentioned in particular the importance to determine how can trade policy help building a stronger EU that is based on a model of “Open Strategic Autonomy, i.e. an EU that is capable of pursuing its own interests, independently, but not necessarily on its own, while at the same time being more assertive in pursuing its own interests and enforcing its rights.

Discussion Highlights / Questions and Replies

On resilience/contribution to the socio-economic recovery

COPA COGECA expressed its support for EU trade policy overall while noting the importance of taking into account the sensitivity of some agricultural products. Since exports are now of key importance for European producers, issues linked to TRQs implementation and to implementation and enforcement of FTAs in particular, are of particular importance. They also asked about the future of the Experts Group, underlined the importance of foreign partners respecting EU standards, and enquired about the next steps in the EU-Mercosur agreement. They emphasised the importance of reaching a trade agreement with the UK.

Eurogroup for animals welcomed the Trade Policy Review and noted that this represented a perfect opportunity to make more progress on the issue of animal welfare in trade. On the issue of level playing field they noted that many EU standards do not apply to imported products.

Orgalim underlined the importance that trade could play for the economic recovery and the importance for the EU to remain open. They expressed their support to the agreements with Mercosur and with the UK. They enquired about the future of the experts group.

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https://trade.ec.europa.eu/consultations/index.cfm?consul_id=266#:~:text=The%20Commission's%20objective%20is%20to,to%20the%20EU%20trade%20policy

European Services Forum expressed their hope that the agreement with Mercosur would soon be ratified and that progress would be made in the agreements with Australia, New-Zealand and China (Investment agreement). With the UK, an agreement needs to cover services given the importance of this sector for both economies. The current initiative on healthcare products also need to cover services.

Spirits Europe: reminded of the importance of trade for EU economy. The spirits sector has greatly benefited from EU trade policy which has generated growth and jobs in Europe. But this sector is severely affected by the Covid crisis and it is very important for the EU to keep pushing for open trade. They will soon send a contribution with concrete proposals including on issues going beyond tariffs. Preserving the WTO important. So are enforcement and trade barriers issues for which they hope that the creation of the CTEO will play an important role. They hope for a rapid ratification of the EU-Mercosur agreement and for a de-escalation of the trade tensions with the US.

International Federation for Human Rights/FIDH's main request was to ensure continuity with the line expressed in Trade for All. Trade policy should continue to be values-based and to defend human rights.

IFPI explained that in a post Covid world securing the enforcement of intellectual property rights was even more important. They welcomed the creation of the CTEO.

The Sugar Beet growers association: reminded that the constant opening of market is creating greater exposure and risk for their sector. There is a need to assess the impact of trade agreement which is not done sufficiently by SIA for some aspects, and to defend EU agricultural policy, possibly by adding waivers to our bilateral agreements.

The **Lithuanian Investor Association** noted the importance of services.

Wide plus (Women in Development Europe+) underlined the importance of trade policy to also address gender issues and the need to ensure that Covid vaccines would be available at affordable prices.

CNVE (Christelijk Nationaal Vakverbond/Dutch Christian Trade Union) mentioned that resilience should not only be considered from an EU perspective. Impact of EU trade policy on third countries should also be adequately taken into account, notably in terms of human rights.

Eurocommerce emphasized the need for the EU to continue with an open trade agenda, but also the importance of better aligning rules of origin, ideally at multilateral level.

On the green and digital transition

EESC workers group underlined the importance of enforcement of TSD provisions and the need to have stronger tools. DAGs have a particular role to play in this regard.

BSA/ the software alliance noted that with the digital transition accelerating the issue of digital trade was becoming even more important. The EU should continue with its ambitious digital trade agenda but also be more ambitious regarding its position on data flows.

Orgalim enquired about the state of play of e-commerce negotiations and mentioned that a new look at the question of data flows was needed.

Spirits Europe noted that the digital transition could help with the consequences of the covid crisis. They therefore hope that the COM can help with the barriers they are facing in some countries.

European Services Forum mentioned that the EU needs to be more ambitious on digital and especially on cross border data flows.

International Federation for Human Rights asked that algorithms used by big transnational companies are transparent and parts of the public domain.

Amfori expressed its support stronger enforcement of TSD chapter.

International Confederation of European Beet Growers underlined the importance of the enforcement of TSD chapters and the possibility to reinforce some of them in concluded agreements.

IFPI recalled the importance of IP rules for digital business and asked whether TRADE would update its digital trade provisions.

On level playing field

Euroalliages noted the problem created by the unbalanced competition with China.

ETUC asked how to improve the enforcement of TSD chapters and the possibility to look at sanctions and due diligence provisions (following the French example). The CTEO will have an important role to play.

Orgalim advised for caution against protectionist tendencies like for the recent safeguard measures on steel.

FIDH noted that it was important for human right due diligence to be introduced in future TSD chapters.

ESF underlined the importance to have rules allowing for fair competition globally. The notably support international rules on subsidies, on SOEs or on public procurement. Regarding the White paper on foreign subsidies we need to ensure that this initiative does not end up with making the EU less attractive for foreign investments.

COM first thanked all participants for a very rich and diverse discussion. On the issue of resilience there is a need to hear more from the business side on their perspective. All contributions on how to improve our impact assessments are welcome. On the issue of EU standards COM advised for caution: while it is perfectly legitimate for the EU to use FTAs to promote the use of international standards, the same could not be done with EU standards. Besides, one should avoid confusing the objectives of different policy measures, like environment and level playing field, if we want to avoid the risk of significantly weakening their legitimacy and effectiveness. COM then recognised the importance of services in trade and presented the various initiatives aimed at SMEs notably in the field of rules of origin. COM then gave the latest state of play as regards the Mercosur agreement and the negotiations on e-commerce. In terms of engagement with civil society, COM noted that the CTEO should be appointed soon and that a reflection on the different forms of engagement should be conducted on this occasion. COM concluded by encouraging all participants to send their contribution to the informal public consultation.