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# REPORT

on a New Trade Policy for Europe under the Europe 2020 Strategy  
(2010/2152(INI))

Committee on International Trade

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## MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

### on a New Trade Policy for Europe under the Europe 2020 Strategy (2010/2152(INI))

*The European Parliament,*

- having regard to the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions entitled ‘Trade, Growth and World Affairs – Trade Policy as a core component of the EU’s 2020 strategy’ (COM(2010)0612),
- having regard to the Communication from the Commission entitled ‘EU 2020: a strategy for smart, sustainable and inclusive growth’ (COM(2010)2020),
- having regard to the Communication from the Commission entitled ‘Global Europe: competing in the world. A contribution to the EU’s Growth and Jobs Strategy’ (COM(2006)0567),
- having regard to its resolution of 17 February 2011 on Europe 2020<sup>1</sup>,
- having regard to its resolution of 11 May 2011 on the state of play in the EU-India Free Trade Agreement negotiations<sup>2</sup>,
- having regard to its resolution of 11 May 2011 on EU-Japan trade relations<sup>3</sup>,
- having regard to its resolution of 8 June 2011 on EU-Canada trade relations<sup>4</sup>,
- having regard to its resolution of 6 April 2011 on European international investment policy<sup>5</sup>,
- having regard to its resolution of 17 February 2011 on the Free trade agreement between the EU and the Republic of Korea<sup>6</sup>,
- having regard to the Communication from the Commission to the Council, the European Parliament and the European Economic and Social Committee entitled ‘Contributing to Sustainable Development: the role of Fair Trade and non-governmental trade-related sustainability assurance schemes’ of 5 May 2009 (COM(2009)0215),
- having regard to its resolution of 25 November 2010 on trade policy in the context of climate change imperatives<sup>7</sup>,

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<sup>1</sup> Texts adopted, P7\_TA(2011)0068.

<sup>2</sup> Texts adopted, P7\_TA-PROV(2011)0224.

<sup>3</sup> Texts adopted, P7\_TA-PROV(2011)0225.

<sup>4</sup> Texts adopted, P7\_TA-PROV(2011)0257.

<sup>5</sup> Texts adopted, P7\_TA-PROV(2011)0141.

<sup>6</sup> Texts adopted, P7\_TA-PROV(2011)0063.

<sup>7</sup> Texts adopted, P7\_TA(2010)0445.

- having regard its resolution of 25 November 2010 on human rights and social and environmental standards in international trade agreements<sup>1</sup>,
- having regard its resolution of 25 November 2010 on corporate social responsibility in international trade agreements<sup>2</sup>,
- having regard its resolution of 21 October 2010 on the European Union’s trade relations with Latin America<sup>3</sup> ,
- having regard its resolution of 21 September 2010 on trade and economic relations with Turkey<sup>4</sup>,
- having regard to its resolution of 16 June 2010 on EU 2020<sup>5</sup>,
- having regard to its resolution of 26 March 2009 on an EU-India Free Trade Agreement<sup>6</sup>,
- having regard to its resolution of 5 February 2009 on Trade and economic relations with China<sup>7</sup>,
- having regard to its resolution of 5 February 2009 on enhancing the role of European SMEs in international trade<sup>8</sup>,
- having regard to □its resolution of 18 December 2008 on the impact of counterfeiting on international trade<sup>9</sup>,
- having regard to the Commission communication of 17 October 2008 entitled ‘The outermost regions: an asset for Europe‘,
- having regard to its resolution of 4 September 2008 on Trade in services<sup>10</sup>,
- having regard to its resolution of 20 May 2008 on trade in raw materials and commodities<sup>11</sup>,
- having regard to its resolution of 24 April 2008 on ‘Towards a reform of the World Trade Organisation’<sup>12</sup>,
- having regard to □its resolution of 19 February 2008 on the EU’s Strategy to deliver

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<sup>1</sup> Texts adopted, P7\_TA(2010)0434.

<sup>2</sup> Texts adopted, P7\_TA(2010)0446.

<sup>3</sup> Texts adopted, P7\_TA(2010)0387.

<sup>4</sup> Texts adopted, P7\_TA(2010)0324.

<sup>5</sup> Texts adopted, P7\_TA(2010)0223.

<sup>6</sup> OJ C 117E, 6.5.2010, p. 166.

<sup>7</sup> OJ C 67E, 18.3.2010, p. 132.

<sup>8</sup> OJ C 67E, 18.3.2010, p. 101.

<sup>9</sup> OJ C 45E, 23.2.2010, p. 47.

<sup>10</sup> OJ C 295E, 4.12.2009, p. 67.

<sup>11</sup> OJ C 279E, 19.11.2009, p. 5.

<sup>12</sup> OJ C 259E, 29.10.2009, p. 77.

market access for European companies<sup>1</sup> ,

- having regard to its resolution of 13 December 2007 on the trade and economic relations with Korea<sup>2</sup> ,
- having regard to its resolution of 22 May 2007 on Global Europe - external aspects of competitiveness<sup>3</sup> ,
- having regard to its resolution of 12 October 2006 on economic and trade relations between the EU and Mercosur with a view to the conclusion of an Interregional Association Agreement<sup>4</sup> ,
- having regard to its resolution of 28 September 2006 on the EU's economic and trade relations with India<sup>5</sup> ,
- having regard to its resolution of 1 June 2006 on EU-US transatlantic economic relations<sup>6</sup>,
- having regard to the Presidency conclusions following the European Council meeting of 17-18 June 2010,
- having regard to Rules 48 of its Rules of Procedure,
- having regard to the report of the Committee on International Trade and the opinions of the Committee on Development, the Committee on Industry, Research and Energy and the Committee on the Internal market and consumer protection (A7-0255/2011),

**The Union's and the United States' share in the world's relative GDP<sup>7</sup> is declining while the emerging countries are rapidly increasing their performance**

- A. whereas, while the Union accounted for 25% of world GDP in the year 2000 (measured at purchasing power parity (PPP)) at the launch of the Lisbon Strategy, it is now estimated that it will account for only 18% of world GDP in 2020, signifying a decline of 28% in its relative economic performance,
- B. whereas, while the two biggest developed economies, the Union and the United States, accounted for 48% of world GDP in the year 2000 (at PPP), it is now estimated that they will account for 35% of world GDP in the year 2020, signifying a decline of 27% in their relative joint economic performance,
- C. whereas, while the two biggest emerging economies, China and India, accounted for 10% of world GDP in the year 2000 (at PPP), it is estimated that they will account for 25% of world GDP in the year 2020, signifying an increase of 150% in their relative economic performance,

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<sup>1</sup> OJ C 184E, 6.8.2009, p. 16.

<sup>2</sup> OJ C 323E, 18.12.2008, p. 520.

<sup>3</sup> OJ C 102E, 24.4.2008, p. 128.

<sup>4</sup> OJ C 308E, 16.12.2006, p. 182.

<sup>5</sup> OJ C 306E, 15.12.2006, p. 400.

<sup>6</sup> OJ C 298E, 8.12.2006, p. 235.

<sup>7</sup> 'Convergence, Catch Up and Overtaking', PwC, 2010.

### **This relative decline in the Union's GDP is mirrored in its trade performance<sup>1</sup>**

- D. whereas the Union accounted for 19% of world exports of goods in the year 1999 and whereas it accounted for 17.1% of world exports in 2009, signifying a decline of 10% in its relative export performance,
- E. whereas the Union accounted for 19.5% of world imports of goods in the year 1999 and whereas it accounted for 17.6% of world imports in 2009, signifying a decline of 10% in its relative imports,
- F. whereas the share of export of services increased from 26.7% to 30.2% in the Union's global export performance between 1999 and 2009<sup>2</sup>,
- G. whereas 50 countries (30 if the EU is counted as one entity) account for 80% of world trade,

### **Demographic changes<sup>3</sup> also have an influence on economic performance**

- H. whereas the Union's population is projected to increase by almost 5% by the year 2035, followed by a steady decline thereafter, and whereas the Union's working age population is expected to start declining from the year 2010 onwards,

### **The Union's economy is highly dependent on participating in external growth**

- I. whereas growth, prosperity, jobs and maintaining the European social model are all interlinked and underpin each other,
- J. whereas it is estimated by the Commission that, by 2015, 90% of world growth will be generated outside the Union,
- K. whereas trade opening leads to higher productivity, contributes to increased external competitiveness and could contribute immediately to more than 1.5% of direct economic growth and bring significant consumer benefits,
- L. whereas it is estimated by the Commission that 18% of the Union's labour force, or 36 million jobs, are dependent on the Union's trade performance and whereas the comparison between trade opening and employment over the past 10 years shows that trade opening goes together with employment and job creation,
- M. whereas, bearing in mind the Union's demographic estimates and their adverse effects on the growth potential, it is paramount to harness, and benefit from, the growth potential inherent in increasing productivity, and the growth potential inherent in external trade,

### **A future European Strategy on Trade Policy should take the specific features of EU industries, territories and dependence on external growth into account**

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<sup>1</sup> Eurostat data.

<sup>2</sup> Eurostat, UN Servicetrade.

<sup>3</sup> European Commission, Ageing Report 2009; Eurostat/UNECE Work Session 2010.

- N. whereas the Commission's Communication 'Trade, Growth and World Affairs' suggests proper short-term measures but fails to reflect on the Union's future role in a changed world,
- O. whereas the Commission proposed a regulation of the European Parliament and of the Council establishing transitional arrangements for bilateral investment agreements between Member States and third countries as part of the EU's investment policy,

**Parliament expected to receive a real future trade strategy, which took account of mid- and long-term developments and did not build on the false assumption of a continuing status quo on the world trade stage**

1. Welcomes in general the triple objectives of Europe 2020 of smart, inclusive and sustainable growth and the Commission's Communication 'Trade, Growth and World Affairs', and urges on the Commission to present a forward-looking and innovative future strategy on trade and investment taking into account the new challenges of the EU;
2. Regrets that many targeted goals of the Global Europe Strategy have not been reached as yet and would have expected a more critical analysis of the Strategy with a view to a better understanding of certain failures to achieve;
3. Insists that the Union needs a coherent long-term trade strategy in order to take account of the challenges ahead and in particular of the major emerging countries; insists that such a strategy should be based on a thorough analysis of the current trends in world trade, the Union's internal and external development as well as the diversity of European enterprises, their know-how and their technological advances; regrets that the Communication fails to deliver a profound forecast of how the 'world of trade' could look in a policy-planning perspective of 15 to 20 years; considers that this review should establish the Commission's ambitions for its bilateral trading relationships over this period including a distinct geographical strategy, for example through the creation of new agreements or targets for eliminating tariffs and non-tariff barriers with its major trading partners;
4. Asks the Commission to deliver such a forecast as a basis and to present a revised mid- and long-term trade strategy by summer 2012, as the Communication on Trade Growth and World affairs fails to do so;

**Parliament is aware that trade policy is not an end in itself**

5. Reminds all stakeholders that a modern trade policy is required to take into account other policy areas such as:
  - a) human rights,
  - b) securing and creation of jobs,
  - c) labour rights and ILO core labour standards,
  - d) corporate social responsibility,

- e) agricultural policy,
  - f) environmental policy,
  - g) climate change,
  - h) the fight against poverty within and beyond the EU,
  - i) development policy,
  - j) protection of consumer interests and rights,
  - k) security of raw materials and energy supply,
  - l) foreign policy,
  - m) neighbourhood policy,
  - n) industrial policy,
  - o) protection of property rights, including intellectual property rights,
  - p) promotion of the rule of law;
6. Emphasises that the principles expressed in the resolutions of 25 November 2010 adopted by the European Parliament by a large majority on human rights, social and environmental standards in international trade agreements<sup>1</sup>, on corporate social responsibility in international trade agreements<sup>2</sup> and on International trade policy in the context of climate change imperatives<sup>3</sup>, respectively should be horizontally taken into account, and the inclusion of social, environmental standards and human rights should be binding in all FTAs;
7. Is of the opinion that achieving climate goals is possible only by cooperation with the EU's main trade partners, who at the same time are the biggest CO<sub>2</sub> producers; is therefore convinced that only a global, multilateral climate agreement would allow European industry to sustain its competitiveness;
8. Emphasises that, while trade policy should not be unduly restrained with issues not directly related to international trade, it cannot be dealt with in a vacuum, and underlines the need to find a balance between the Union's commercial objectives and other aspects of its external policy, such as environmental strategy, humanitarian goals and the EU's earlier commitments to ensure Policy Coherence for Development; calls on the Commission to give high priority to the EU's trade interests vis-à-vis its trading partners when negotiating trade agreements and to achieve a better intra- and inter-institutional coordination when dealing with trade issues; encourages therefore other political

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<sup>1</sup> Texts adopted, P7\_TA(2010)0434.

<sup>2</sup> Texts adopted, P7\_TA(2010)0446.

<sup>3</sup> Texts adopted, P7\_TA(2010)0445.



disciplines to take into consideration more often how other policy areas could on the one hand negatively affect, and on the other hand positively contribute to, trade policy;

9. Urges that future multilateral and bilateral trade agreements must be part and parcel of a long-term EU industrial strategy in particular for the sustainable renewal and strengthening of the industrial fabric, and the jobs it provides, in the European Union;
10. Emphasises that trade policy is an important element of the Union's new industrial policy and that trade should be based on fair global competition and full reciprocity to maintain a healthy manufacturing base in Europe;

#### **We should do more to take citizens on board**

11. Regrets that many Union citizens equate globalisation with falling European output and job losses; calls therefore on the Commission and the Member States to adopt a better communication strategy on the Union's trade policy and the advantages and disadvantages of international trade;

#### **Parliament strongly prefers a multilateral approach within the WTO**

12. Reiterates that the multilateral trading system, embodied in the WTO, remains by far the best framework for achieving free and fair trade on a global basis; considers, however, that the WTO system, in particular the Dispute Settlement Body, should be reformed in order to increase its effectiveness and that the EU should develop proposals to strengthen the WTO and to extend its rulemaking capacity to new areas of trade policy including by ensuring that WTO rules are interpreted and developed in such a way as to support commitments made in multilateral environmental agreements (MEAs);
13. Reiterates its strong support for a successful conclusion of the Doha Development Round, bearing in mind that a good conclusion should reflect the shifts in the world's trading patterns and distribution of the benefits of world trade since the launch of the Round, bearing in mind also the need for a balanced NAMA text to guarantee access to emerging markets such as India, China and ASEAN countries while preventing emerging economies from using NAMA flexibilities to shelter specific key sectors by maintaining peak tariffs;

#### **Parliament sees Free Trade Agreements (FTAs) as important instruments for market access**

14. Reiterates that all new FTAs concluded by the EU should be WTO-compatible, comprehensive, ambitious including with regard to sustainable development, balanced and lead to real reciprocal market access and go beyond both existing multilateral commitments and those expected to result from a successful conclusion of the DDA; welcomes the progress made in some negotiations; at the same time regrets that most of the negotiations have not yet been concluded; asks the Commission to analyse what could be done or changed in order to conclude outstanding FTA negotiations better and faster, though never at the expense of sacrificing European interests as content should always take precedence over timing; asks the Commission to analyse the possible impact in terms of jobs, in particular, in order to adjust its mandates to be able to conclude FTAs with long-term benefits for EU growth; asks the Commission to analyse the possibility of

including WTO dispute settlement mechanisms in bilateral Free Trade Agreements; asks the Commission to reduce the Spaghetti-Bowl Effect, e.g. by negotiating multilateral rules of origin; calls for the integration of a sustainability chapter, which is connected to safeguard clauses, to cover areas such as trade, environment, production and processing within FTAs;

15. Reminds the Commission to carry out – within a framework defining trade priorities in terms of timetables and strategic geographical areas – a thorough, impartial and unprejudiced ex-ante evaluation of European interests before deciding on future FTA partners and negotiation mandates; emphasises that FTAs should only be negotiated with countries of economic interest and should respect key principles such as reciprocity, zero for zero tariff dismantling, removal of non-tariff barriers, prohibition of duty drawback regimes, and uniform application of a high rules-of-origin threshold; reminds the Commission and the Council to take seriously into account Parliament's views when deciding about the mandates; calls on the Commission to carry out extensive impact assessments, in particular with regard to the impact on the various EU industries and sectors by in-depth consultations with all the parties concerned, before the conclusions of negotiations and regularly during the duration of the agreement; points out to the Commission and the Council that if they want Parliament to exercise its assent powers responsibly, they must involve Parliament at every stage from the agreement of the negotiating mandate and through each round of negotiations;

**Parliament demands more and better results from high-level dialogues with major trading partners such as the US, China, Japan and Russia**

16. Stresses the importance of making progress in our commercial relations with major trading partners such as the US, China, Japan and Russia aimed at eliminating tariff and non-tariff barriers, in particular in respect of technical standards, intellectual property rights, market access, public procurement and supply of raw materials; regrets, however, that insufficient progress has been made so far in these areas; therefore urges the Commission to conduct more proactive negotiations with a view to successful progress in our trade relations with these countries, and encourages our trading partners to do the same;
17. Stresses the importance of continuing with the strengthening of transatlantic economic relations but without threatening the EU policies in fields such as environmental standards, cultural diversity, social rights and public services; emphasises in particular the importance of achieving more progress in the world's biggest trade relationship, in particular in respect of standards and technical barriers to trade; welcomes the relaunching of the TEC and encourages the parties to the TEC to strive for an integrated transatlantic marketplace in the very near future but considers that, to be successful, this dialogue needs to be further intensified at all levels and that high-level meetings of the Commission, the European Parliament and their US counterparts should occur on a more regular basis;
18. Calls for the Commission to carry out a comprehensive impact assessment of the benefits and drawbacks for Europe's various industrial sectors and job sector so as to be able to make progress with the High-Level Economic and Trade Dialogue (HED) with China;

states that the EU's strategy on trade with China must be based on taking account of European interests, especially as regards intellectual property rights, market access, public procurement and raw materials, and on respect for the principle of reciprocity; states that China, if it wants to avoid recourse to trade defence instruments, must meet its WTO obligations; stresses that the Union should make more systematic use of appropriate legal instruments whenever China does not abide by its obligations;

19. Welcomes the resolution of outstanding bilateral issues in the accession of Russia to the WTO and regards a quick accession to the WTO as key priority; also welcomes the bilateral negotiations on a comprehensive EU-Russia agreement and urges Russia to improve the trading environment for Union operators in Russia;
20. Notes that Parliament is interested in improving the EU-Japan trade relationship by removing non-tariff barriers to trade and investment as a first step; is not satisfied with the negligible progress in this area during recent years; asks the Commission to present Parliament in due course with a comprehensive impact assessment with the possible advantages and disadvantages of an EU-Japan FTA before making any commitments;

#### **Open markets and market access are still the main focus**

21. Acknowledges the achievements of the Market Access Strategy and the prevention of protectionist measures during the financial crisis; welcomes, therefore, the Market Access Strategy and the close cooperation between the Commission, the Member States and the stakeholders; calls, nevertheless, on the Commission and Member States to do more to promote and encourage the use of existing initiatives and tools available such as the 'market access database' and the 'export helpdesk', so that citizens and SMEs can take full advantage of the EU's trading relations;
22. Emphasises that the main reason for the EU's economic success is the activity of various economic operators, including both SMEs and multinationals; therefore urges the Commission to reflect in all trade negotiations and new internal regulations the specific needs and interests of different economic operators;

#### **But on the other hand the Union as a relatively open economy needs effective trade defence instruments**

23. Reiterates that the pursuit of further trade liberalisation still requires an ability to protect European producers against unfair trading practices; regards Trade Defence Instruments (TDIs) therefore as an indispensable component of the EU's strategy even though they should never be used in bad faith for protectionist reasons; welcomes all efforts to streamline and speed up these instruments, including by improving transparency, predictability, and to improve their accessibility for Union industry, in particular for SMEs (e.g. the market access helpdesk complaint tool);

#### **EU competitiveness and economic success cannot exist without services and well-protected foreign direct investments**

24. Emphasises the strongly increased potential of goods and services in international trade, but reiterates that market access and the abolition of trade barriers at WTO level and in

FTA negotiations has not been able to keep pace with these developments; is aware that many barriers to trade in goods and services may be caused in particular by national regulations; recalls that any further liberalisation in this area must not undermine the ability to develop existing and future services of general interest that are a key element of sustainable development in all countries;

25. Demands that the Commission does its utmost to ensure that our trading partners grant better market access to our service providers in industrialised countries or major emerging economies, bearing in mind that the EU internal market is already quite open to foreign service providers; notes, however, that some public services have to remain excluded on the basis of national or regional cultural diversities;
26. Puts the protection of investors as the first priority in the light of the future European investment policy and considers that public regulation capacity must also be guaranteed and safeguarded; asks the Commission, therefore, to secure the legal certainty of the protection for EU investors; calls on the Council to give its mandates for future investment agreements to the Commission taking into account Parliament's views and positions as set out in the resolution of 6 April 2011 on the future European international investment policy<sup>1</sup>;
27. Points out that the EU has historic ties with Africa, Latin America and Asia and that an appropriate investment policy should therefore be conducted there, with a view to sustainable development;
28. Recognises that the temporary movement of natural persons (Mode IV) has an important role to play within the EU's bilateral negotiations; believes that it is important that Mode IV does not undermine the principle of collective bargaining and minimum wage legislation;

#### **Parliament asks for positive reciprocity in international public procurement markets**

29. Regrets that the large degree of openness of EU public procurement markets at all levels of government are in many cases not matched by commensurate access for EU suppliers abroad; points out that some public services have to remain excluded on the basis of national or regional cultural diversities;
30. Asks that the Commission work towards positive reciprocal access in that important economic sector, bearing in mind that the clear priority in reciprocal access is not to close our markets, but to open up foreign public procurement markets;

#### **Parliament asks for an ambitious attempt to tackle regulatory barriers - within and outside Europe**

31. Stresses the increasing relevance of regulatory issues to international trade and therefore calls for greater consistency between EU rules and practices and those of our main trading partners, bearing firmly in mind that this should not bring down EU standards, but lead to a better acceptance of existing multilateral standards;

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<sup>1</sup> Texts adopted, P7\_T7(2011)0141.

32. Stresses that the harmonisation in international standards and certification practices with third countries cannot be carried out at the price of lower technical, health and safety and consumer protection standards; calls on the Commission to protect EU standards and to effectively enforce them vis-à-vis importers and economic operators who market their products in Europe;
33. Supports the Single Market Act proposal on regulatory convergence with the EU's major trading partners, in particular in the areas of consumer and environmental protection, animal welfare, health and labour standards; underlines the importance of adopting international standards at a high level in these crucial areas; confirms that standardisation policies, mutual recognition, licences, services and access to public procurement should be at the heart of FTA negotiations;
34. Asks the Commission to assess systematically the impact of the EU's internal policies and regulations on global competitiveness and to give preference in its proposals to those options that are least likely to negatively affect the competitive position of EU enterprises within and outside Europe;
35. Asks the Commission to include the aspect of international competitiveness in all impact assessments related to new legislative proposals;
36. Reminds the Commission to pay particular attention to the 'non-tariff barriers' and regulatory barriers used by many countries, including WTO members, vis-à-vis EU exports, not least with a view to future trade partnership agreements; points out that, during negotiations, provision should be made for intervention instruments aimed at restoring reciprocity and conditions of equilibrium between the parties in the event of unilateral measures ('non-tariff barriers') being taken, including merely administrative measures (certification, inspection), which may place EU businesses at a competitive disadvantage and give rise to asymmetrical operating conditions; calls on the EU to take steps at international level in favour of regulatory cooperation with a view to promoting equivalence and convergence of international standards and thereby limiting disputes and the associated trade costs;

### **Parliament is engaged in the fight against poverty within and outside the EU**

37. Recalls that Parliament is committed to free and fair trade – not only the Member States but also the Union as a whole have a social responsibility; both the EU cohesion funds and the Globalisation Adjustment Fund have to be used and further developed in the interest of the people and to support the continued creation of new competitive jobs within the Union;
38. Recalls that micro-enterprises and small and medium-sized enterprises represent 99 % of all enterprises in the EU and have great potential to create new jobs and innovation; considers, therefore, that internal and external policies should better address their specific needs to enhance their competitiveness, and that a special focus has to be laid on the improvement of the EU cohesion funds in terms of accessibility and transparency in order to boost the competitiveness of SMEs;
39. Notes that, with regard to external policy, Parliament supports the Commission in its goal

to promote – inter alia – sustainable development, free and fair trade, international labour standards and decent work, for example by negotiating EPAs, which combine European and ACP interests; points out that trade policy must promote development, permit better regional cooperation, encourage investment and improve economic governance, reminding all stakeholders that other regions of the globe have shown how trade can contribute to welfare; asks the Commission for an integrated approach on trade, foreign, development, social, agricultural and environmental policies; reiterates its earlier call on the Commission to ensure coordinated policies in support of Fair Trade;

40. Points out that, as part of its new trade strategy, the EU has a particular interest in supporting the endogenous development of the outermost regions, given their biodiversity and geographical location, which provides the EU with access to the sea, to tropical forests and to a space testing and research range;
41. Calls on the Commission, with regard to EPAs, to respect Parliament's past resolutions on the need to show flexibility in the negotiations with our partners and honour the commitment to special and differential treatment with developing countries;
42. Notes that Parliament intends to adopt a future GSP System which should include an improved focus on how the countries most in need and meeting our 'Trade and' requirements can benefit from the GSP;
43. Calls on the Commission to look into the possibility of taking emergency trade aid measures for countries hit by natural disasters and conflicts to rebuild their economies; asks the Commission to present concrete examples of measures which could bring relief to an emergency in the short term as well as measures that could have an impact on mid- and long-term development before asking Parliament's consent for such measures;
44. Emphasises that external trade policy must safeguard the EU's ability to maintain a strong agricultural sector in order to guarantee food security and food sovereignty for 500 million consumers in the EU;

#### **Parliament demands a sustainable and undistorted supply of raw materials**

45. Calls on the Commission to pursue a consistent, sustainable, comprehensive and cross-policy strategy concerning raw materials with the aim of preventing and eliminating unfair trade practices such as export restrictions, export taxes and so-called dual pricing mechanisms at multilateral and bilateral level, while recognising that under certain circumstances export restrictions may be seen as important for the support of development objectives, the protection of the environment or the sustainable exploitation of natural resources in poorer developing countries such as LDCs and SIDs; calls on the Commission to diversify its raw material suppliers and to conclude long-term bilateral agreements in this area; considers that this policy has to take into account EU development policy and the development objectives of the economic partnership agreements (EPAs);
46. Highlights the importance of involvement of civil society within FTAs; supports the initiative taken by the Commission within the EU Korea FTA to convene a Domestic Advisory Group to allow civil society input; asks the Commission to develop this

initiative within future FTAs;

47. Urges the Commission to stay firm on the elimination of export restrictions, export taxes and so-called dual pricing mechanisms in all future bilateral free trade agreements; asks the Commission to engage in the context of the WTO to negotiate on clear multilateral rules;
48. Urges the Commission not only to complain about the unacceptable behaviour of some trading partners but also to react in a strict and proper way in this regard; reminds the Commission of the fact that, besides trade policy, there are other policies such as agriculture, environment, development, research and foreign affairs that have to support a joint policy on raw materials supply; stresses the need to support and develop research, in particular as regards bio-vegetal chemistry, and recycling of chemical substances, in order to lessen the EU's dependence on countries supplying raw materials and rare earths;

#### **Better customs cooperation inside and outside the EU is needed**

49. Supports the Commission's initiative to strengthen the international customs cooperation within the World Customs Organisation and on a bilateral level to make customs procedures more efficient, to reduce costs for traders and to better address security, safety and IPR challenges;
50. Invites the Commission and the Member States to give serious consideration to the idea of setting up a unified EU customs service for a more effective application of custom rules and procedures throughout the customs territory of the EU;

#### **Parliament asks for adequate IPR protection which also bears in mind the interests of the poorest**

51. Stresses that counterfeiting results in job losses and undermines innovation, and stresses that adequate IPR protection and effective enforcement are the bedrock of a global economy; regards the appropriate protection of IPRs, especially trademarks and geographical indications by our main trading partners as an indispensable requirement for preserving and improving the EU's competitiveness; welcomes the Commission's commitment to the enforcement of existing commitments;
52. Reminds the Commission that European IPR policy towards the least developed and poor developing countries, as well as the main producers of generics, notably India and Brazil, should remain within the TRIPS Agreement obligations and must fully respect the 2001 Doha Declaration on the TRIPS Agreement and Public Health, especially in the field of generic medicines and public health;

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53. Instructs its President to forward this resolution to the Council, the Commission, the European Economic and Social Committee, and the Committee of the Regions.

## **EXPLANATORY STATEMENT**

### **The Commission Communication sets us on the right track for the coming months, but does not offer a genuine strategy for the future**

On 9 November 2010 the Commission published its Communication on ‘Trade, Growth and World Affairs’ on the European Union’s future trade strategy. This paper, which is supposed to set out the external aspects of the EU’s 2020 strategy, is basically a continuation of the 2006 ‘Global Europe’ strategy.

In 2007, in a report also drafted by the present rapporteur, the European Parliament took a position on the Global Europe strategy, which it welcomed in principle. In 2010, the Commission and Parliament embarked on an evaluation of the strategy. Their assessment clearly indicates that it has not yet proved possible to achieve a number of the stated objectives of the Global Europe strategy. The rapporteur therefore calls on the Commission, the Member States and all concerned to investigate why it has proved impossible to achieve many of these objectives and to draw the necessary conclusions. As the Commission’s most recent publication indicates, most of the objectives set at the time have yet to be carried into effect. The arguments in favour of the measures specified in the Commission document at that time are set out in the justification to the report on ‘Global Europe - External Aspects of Competitiveness’ (2006/2292(INI)) adopted in 2007; they still apply, and therefore your rapporteur will not repeat them here.

### **The rapporteur draws attention to the content of the explanatory statement which accompanied his 2007 report on the external aspects of competitiveness**

The rapporteur welcomes in principle the Commission’s Communication on Trade, Growth and World Affairs, published at a time when the EU has secured additional powers, in the field of investment policy for example, with the entry into force of the Treaty of Lisbon. Your rapporteur particularly welcomes the fact that the Commission also recognises that our prosperity and growth depend on a functioning international trade system.

Your rapporteur criticises the fact, however, that although the Communication raises many relevant issues, it misses the opportunity to present a forward-looking trade and investment strategy. In your rapporteur’s opinion, the Communication on Trade, Growth and World Affairs offers guidance for the policy to be pursued over the next few months rather than a comprehensive trade strategy for the EU as it confronts the challenges of a rapidly changing world economy and a dramatic shift in the economic balance of power.

### **The world has changed dramatically in recent years ...**

Thanks to the WTO and many multilateral and bilateral initiatives, world trade has increased hugely. Although the European Union accounted for 25% of world GDP when the Lisbon Strategy was introduced in 2000, it is now estimated that the EU will account for only 18% of world GDP in 2020. Conversely, the two most populous countries, China and India, accounted for just 10% of world economic output in 2000, but it is forecast in various quarters that they will account for 25% in 2020. This change alone shows that any such developments



are bound to have an impact on EU policies too.

Since the 1990s, an increasing number of emerging and developing countries have become integrated into the world trading system and become drivers of the world economy. This became particularly apparent in the crisis years of 2008 and 2009, when the emerging economies played a leading role in stabilising the world economy.

EU and US exports accounted for barely 29% of all exports worldwide in 2009, compared to around 37% in 1999. The BRIC countries, by contrast, increased their share of world exports from 9.3% in 1999 to 20.4% in 2009, and that upward trend is continuing. Many emerging economy countries have trade surpluses, their exports and economies are showing strong growth, and their debts are shrinking. South-South trade, in particular, is booming, resulting in a steep decline in their dependency on demand from industrialised countries.

The EU must also take account of the fact that population growth is declining steeply inside the EU, at the same time as the population of developing countries, in particular, is continuing to increase dramatically. This will have an impact on countries' economic situation.

If we consider that 18% of jobs inside the EU, in other words 36 million jobs, are dependent on external trade at present, and 90% of world-wide economic growth will probably be generated outside the European Union by 2015, we see how important it is to formulate and implement a long-term external trade strategy which takes account of the EU's changing role in the world economy.

**... and so the Commission should act fast to produce a genuinely long-term external trade strategy**

In the light of these developments the rapporteur calls on the Commission to draw up a forward-looking study which takes into account the current realities of the world economy and the current situation of the European Union in addition to probable future developments. This should provide a basis on which the Commission can draw up a long-term strategy which fully addresses the needs of the European Union and of its citizens.

4.3.2011

## **OPINION OF THE COMMITTEE ON DEVELOPMENT**

for the Committee on International Trade

on a New Trade Policy for Europe under the EUROPE2020 Strategy  
(2010/2152(INI))

Rapporteur: Birgit Schnieber-Jastram

### **SUGGESTIONS**

The Committee on Development calls on the Committee on International Trade, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Recalls that the EU's external trade policy is a cross-cutting policy and essential to policy coherence for development and that as such, the Trade Strategy for EU 2020 must be based on an assessment of its contribution towards the goals set out in Article 208 of the Treaty on the Functioning of the European Union (TFEU);
2. Is therefore concerned that the Commission's communication on 'Trade, Growth and World Affairs' focuses almost exclusively on the BRIC countries and other 'growth markets', whilst paying little attention to the Least Developed Countries (LDCs); cautions that dividing trade policy between separate communications on 'growth' and 'development' could undermine the policy coherence of the Union as enshrined in the Treaty;
3. Notes that the New Trade Strategy aims to strengthen an economic model based on exports and, hence, on increased transportation; recalls that the ongoing increase in CO<sub>2</sub> emissions linked to transport and international trade is in danger of undermining the effectiveness of the EU's climate change strategy; also recalls that emissions from transport are only one component of the impact of trade and trade expansion on emissions; therefore asks the Commission to outline a strategy that considers all the effects relevant to the net emissions balance, e.g. differences in emissions according to the place of production and the production technologies and raw materials used, or differences in emissions reduction cost between countries and sectors, and the effect that the further dissemination of emissions-reducing technology could have; takes the view that, in line with the principle of policy coherence, a trade strategy should be designed primarily to

strengthen endogenous development, consumption and production patterns;

4. Reaffirms that Economic Partnership Agreements (EPAs) should be designed as pro-development tools and not regarded simply as international trade instruments;
5. Underlines, in that connection, the extreme importance of designing a trade policy which leads to the fulfilment of MDG 8 (Develop a Global Partnership for Development), whilst taking into account the differences between Middle Income Countries, Low Income Countries and fragile states;
6. Urges the Commission to review its communication entitled 'Trade, Growth and World Affairs: Trade Policy as a core component of the EU's 2020 strategy', in an effort to use the potential of international trade for job creation, poverty eradication and sustainable development worldwide; stresses that the trade strategy should give priority to multilateral trade talks over bilateral free trade agreements; stresses that an equitable outcome to the Doha Development Agenda entails taking account of the concerns of poorer WTO members regarding the achievement of the Millennium Development Goals;
7. Recalls that, in order to foster inclusive and pro-poor economic growth, the EU, in its trade policy, must strive to secure the conclusion within two years of a development-friendly Doha Round and give additional support to South-South trade and regional integration;
8. Considers that changes in the WTO rules are needed to ensure coherence and consistency with the commitments under the Kyoto Protocol and multilateral environmental agreements (MEAs);
9. Furthermore, urges the Commission to promote in the Doha negotiations a more transparent and effective system for the transfer of technology from developed countries to the LDCs, with particular emphasis on green technology;
10. Urges the EU to refrain from imposing its agenda on TRIPS+ and 'Singapore issues' negotiations, given that many developing countries have long made it clear that they are opposed to negotiating enhanced patent protection and investment agreements both at the WTO and in other free trade agreements with the EU; recalls that trade-related assistance should help developing countries to diversify their economies and to reduce their dependence on raw materials exports;
11. Recalls that the Aid for Trade strategy is designed to help developing countries to negotiate, implement and benefit from trade agreements, to expand their trade and to speed up poverty eradication;
12. Calls on the Commission to present annually to Parliament detailed information on the budget lines which are used to finance trade-related assistance and Aid for Trade and comprehensive figures for all Aid for Trade financing from the EU budget; asks the Commission, further, to inform Parliament how European Development Fund (EDF) monies are used to promote trade-related assistance and Aid for Trade, as the EDF is still not included in the EU budget, despite repeated calls by Parliament;

13. Points out that the introduction of the reciprocity principle in the area of public procurement may be damaging to developing countries, as it might, inter alia, hamper the development of infant industries and processing; urges the EU, therefore, to define its new trade strategy in a manner entirely consistent with the ‘special and differential treatment’ granted to developing countries;
14. Urges the EU to refrain from exerting undue pressure on developing countries to conclude investment agreements that limit their ability to regulate in favour of social development objectives;
15. Stresses the need to foster sustainable development and for social and environmental standards to be systematically taken into account when negotiating trade agreements and investment treaties, in order to pursue the goal of making trade a catalyst for development that allows partner countries sufficient policy space to ensure food security, and build local and regional markets; takes the view, in this context, that the implementation of the ‘national treatment’ principle in investment treaties, whereby foreign investors are accorded the same rights as domestic investors, will curb the LDCs’ ability to give preferential treatment to domestic investors, such as small or infant enterprises; calls on the Commission to formulate a coherent strategy on the extraction of raw materials; considers that such a strategy should ensure that the extractive process is environmentally and socially sustainable, by making compliance with international standards mandatory, and is economically sustainable by securing for the countries a fair level of revenue; points out that, if appropriate, this strategy could also make it possible to preserve commodities for later use;
16. Asks the EU to support private sector initiatives calling for transparency and corporate social responsibility in the resource extraction sector; asks the Commission also to support initiatives by pharmaceutical companies on the basis of which certain patents are granted to producers of generic medicinal products exclusively for use in the world’s least developed markets;
17. Calls on the Commission – when negotiating and implementing trade agreements – to strengthen EU policy coherence for development and, inter alia, the promotion of decent work, wealth and job creation and to ensure that trade commitments contain adequate provisions on asymmetry and transitional periods and that each country’s priorities are respected and that key actors and civil society are properly consulted;
18. Calls on the EU to honour the agreement reached under the Swedish Presidency to come up with a concrete plan to implement the United Nations’ Protect, Respect and Remedy Framework;
19. Asks the Commission to consider introducing a permanent mechanism to help developing countries to rebuild their economies after events such as earthquakes or flooding; points out that one option could be time-limited initiatives in the area of rules of origin to incentivise the use of products or goods from the country hit by such an event;
20. Calls on the Commission to ensure that policies in support of Fair Trade are coordinated

and reiterates its earlier call<sup>1</sup> to the Commission to establish a contact point to provide regular coordination of Fair Trade issues between its services.

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<sup>1</sup> Paragraph 18 of the resolution on Fair Trade and development (2005/2245(INI)), A6-0207/2006. Rapporteur: Frithjof Schmidt.

## RESULT OF FINAL VOTE IN COMMITTEE

<b>Date adopted</b>	3.3.2011
<b>Result of final vote</b>	+: 19 -: 0 0: 0
<b>Members present for the final vote</b>	Thijs Berman, Ricardo Cortés Lastra, Nirj Deva, Leonidas Donskis, Charles Goerens, András Gyürk, Eva Joly, Franziska Keller, Gay Mitchell, Norbert Neuser, Birgit Schnieber-Jastram, Michèle Striffler, Alf Svensson, Eleni Theocharous, Iva Zanicchi, Gabriele Zimmer
<b>Substitute(s) present for the final vote</b>	Fiona Hall, Cristian Dan Preda
<b>Substitute(s) under Rule 187(2) present for the final vote</b>	Jolanta Emilia Hibner

28.4.2011

## **OPINION OF THE COMMITTEE ON INDUSTRY, RESEARCH AND ENERGY**

for the Committee on International Trade

on a new trade policy for Europe under the EUROPE2020 strategy  
(2010/2152(INI))

Rapporteur: Andrzej Grzyb

### **SUGGESTIONS**

The Committee on Industry, Research and Energy calls on the Committee on International Trade, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Welcomes a strengthened commitment and a more proactive approach towards opening access to new markets as a means to promote economic growth and enterprise competitiveness; stresses the need, where necessary, for the effective use of trade defence instruments aimed at combating unfair commercial practices and for the provision of reciprocal access to foreign public procurement markets, which constitute business opportunities in sectors where European industries are highly competitive;
2. Stresses that trade is one of the cornerstones of a successful European industrial policy; further stresses that an enhanced emphasis on international market access for service providers should not work to the detriment of trade in industrial goods; believes, therefore, that trade agreements should be so designed as to strengthen the manufacturing base in Europe; calls, therefore, for future multilateral and bilateral trade agreements to form a coherent part of an industrial strategy which is based upon an ambitious innovation effort, fair global competition, transparency and full reciprocity regarding, primarily, rules, standards and certification mechanism and which thus promotes competitiveness and sustainability; reiterates the importance of concluding trade negotiations, especially with countries and regions that are of economic interest to EU businesses and that could offer significant new export opportunities to all EU sectors;
3. Takes the view that differing legislative rules and regulations and the lack or non-application of common standards prevent EU undertakings – owing to the high cost of doing business abroad – from fully exploiting their potential;

4. Considers that the EU should take the lead in pursuing international trade agreements on environmental goods and services (EGSA) focused on renewable energy technologies; underlines the importance of requesting full tariff dismantling from its trading partners and a full removal of non-tariff barriers to trade, avoiding the weakening of rules of origin and the use of duty drawback;
5. Believes there is a need for a new European trade policy which recognises the need for both knowledge enterprises and manufacturing enterprises in Europe and which accordingly promotes further manufacturing in Europe and does not incentivise business to delocalise outside of the single market; is of the opinion that trade agreements with external partners should:
  - take into account all the factors affecting the competitiveness of European industry, SMEs, the agricultural sector and the food production industry , bearing in mind the growing trade deficit in agricultural goods and the high standards that must be observed by EU industry;
  - seek mutually beneficial cooperation with developing countries;
  - seek to combat third countries' trade-distorting measures, such as export duties and unfair public support to domestic production;
6. Stresses the importance of concluding bilateral free trade agreements between the EU and – in particular – South American and Asian growth economies in the context of increased growth and freedom to compete on an international stage under mutually recognised, transparent and fair conditions; recognises that free trade agreements not only enable each of the parties to benefit from economies of scale but also create the opportunity for the EU to focus on the knowledge and manufacturing industries in which it has a competitive advantage on the world market; considers that these free trade agreements can help boost both the quantity and quality of products and services on the world market, and that this is specially necessary in the light of Europe's demographic challenges;
7. Notes the pace of the ongoing negotiations on bilateral free trade agreements, which cover only part of the EU's overall international trade; stresses that greater and more pressing attention should be paid to emerging markets of strategic importance; stresses the need to reduce the existing trade deficit with China and to win increased access to this expanding market;
8. Underlines the importance of conducting impact assessments before starting trade negotiations and before concluding the negotiations; considers that conducting ex-post evaluations after the ratification of trade agreements could be of high relevance for future decision-making;
9. Takes the view that the development of European trade policy must include an increase in the number of jobs;
10. Considers that the coherence of internal and external dimensions of industrial policy must be continually strengthened in order to ensure regulatory predictability, simplicity, stability and a level playing field for European industry on both the internal and external



markets;

11. Highlights the importance of promoting convergence or equivalence in international standards and certification practices with third countries; calls for a strengthened link between external and single-market regulations to reduce unnecessary costs for enterprises and to eliminate regulatory barriers and speed up innovation and access to trade;
12. Stresses that such harmonisation cannot be carried out at the price of lower technical, health and safety and consumer protection standards; calls on the Commission to protect EU standards and to effectively enforce them vis-à-vis importers and economic operators who market their products in Europe;
13. Calls on the Member States and the Commission to develop a favourable environment stimulating the start-up and growth of enterprises and the exchange of young entrepreneurs, to create the conditions for the internationalisation of European SMEs, to strengthen their access to international trade funding and credit insurance, their innovative capacity, particularly with regard to creating a low-carbon economy, and their competitiveness and development, in order to protect their position against unfair or distorted competition; calls on the Commission to address the trade obstacles, such as tariff and non-tariff barriers to trade, faced by SMEs, given their importance for the European economy;
14. Stresses the importance of developing and protecting the EU's competitive advantages in the area of innovative products;
15. Emphasises the strategic importance of a sustainable and undisrupted supply of raw materials for the eco-efficient development and greater competitiveness of European industry; calls, therefore, on the Commission to present an ambitious and comprehensive raw materials policy strategy for Europe, with concrete measures designed to improve fair access to raw materials on both internal and external markets and to achieve effective resource efficiency through recycling, substitution, waste management, research and data sharing on raw materials; warns European industry against relying on monopolistic suppliers of raw materials, as is the case, for example, with suppliers of rare earth metals;
16. Underlines the significance of multilateral rules in energy trade which guarantee fair and equal access conditions to sustainable and safe sources of energy;
17. Notes that the Commission foresees further use of extraordinary unilateral commercial concessions in the event of natural disasters; stresses that the burden of such measures is not evenly borne by all Member States, affecting preferentially specific countries, regions, industry sectors and jobs; calls on the Commission to undertake a careful ex-ante evaluation of the impact of such instruments;
18. Calls for action to underpin and promote ecological growth, efficient use of resources and the protection of biodiversity, accompanied by fair and sustainable competition;
19. Highlights the fact that, in the context of globalisation, a more open international trade system produces differential impacts across European countries, affecting internal cohesion; points to the need to expand and simplify the European Globalisation

Adjustment Fund as an instrument that helps fight the negative effects of globalisation; in addition, calls for the mobilisation of the relevant EU internal policies, such as support for innovation and SMEs, to accelerate restructuring and adaptation to new trade conditions in disadvantaged regions;

20. Is of the opinion that achieving climate goals is possible only by cooperation with the EU's main trade partners, who at the same time are the biggest CO<sub>2</sub> producers; is therefore convinced that only a global, multilateral climate agreement would allow European industry to sustain its competitiveness; is furthermore convinced that trade agreements should include symmetrical requirements for production of imported goods to the EU in terms of greenhouse gases emissions.

## RESULT OF FINAL VOTE IN COMMITTEE

<b>Date adopted</b>	12.4.2011
<b>Result of final vote</b>	+:           44 -:            2 0:            1
<b>Members present for the final vote</b>	Jean-Pierre Audy, Zigmantas Balčytis, Bendt Bendtsen, Jan Březina, Reinhard Bütikofer, Maria Da Graça Carvalho, Giles Chichester, Pilar del Castillo Vera, Christian Ehler, Lena Ek, Ioan Enciu, Adam Gierek, Robert Goebbels, Jacky Hénin, Romana Jordan Cizelj, Krišjānis Kariņš, Lena Kolarska-Bobińska, Bogdan Kazimierz Marcinkiewicz, Judith A. Merkies, Angelika Niebler, Jaroslav Paška, Aldo Patriciello, Anni Podimata, Miloslav Ransdorf, Herbert Reul, Amalia Sartori, Francisco Sosa Wagner, Konrad Szymański, Patrizia Toia, Evžen Tošenovský, Claude Turmes, Niki Tzavela, Alejo Vidal-Quadras
<b>Substitute(s) present for the final vote</b>	Antonio Cancian, António Fernando Correia De Campos, Francesco De Angelis, Ilda Figueiredo, Matthias Groote, Andrzej Grzyb, Satu Hassi, Yannick Jadot, Silvana Koch-Mehrin, Bernd Lange, Werner Langen, Mario Pirillo, Algirdas Saudargas, Catherine Trautmann

14.4.2011

## **OPINION OF THE COMMITTEE ON THE INTERNAL MARKET AND CONSUMER PROTECTION**

for the Committee on International Trade

on a New Trade Policy for Europe under the EUROPE2020 Strategy  
(2010/2152(INI))

Rapporteur: Malcolm Harbour

### **SUGGESTIONS**

The Committee on the Internal Market and Consumer Protection calls on the Committee on International Trade, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Supports the Single Market Act proposal on regulatory convergence with the EU's major trading partners, in particular in the areas of consumer and environmental protection, animal welfare, health and labour standards; underlines the importance of adopting international standards at a high level in these crucial areas; confirms that standardisation policies, mutual recognition, licences, services and access to public procurement should be at the heart of FTA negotiations;
2. Stresses, again, the need for balanced trade agreements between the European Union and its trading partners, in a spirit of reciprocity and mutual benefit;
3. Supports the Commission's desire to carry out a complete analysis of the impact which free trade agreements would have on the internal market and other internal policies of the European Union when negotiating such agreements; calls for such impact analyses to be forwarded to the European Parliament and the Council so that they can consider them before such agreements are signed;
4. Underlines the significant importance of relations with the USA; welcomes the Commission strategy of relaunching the Transatlantic Economic Council, focusing on the evolution of future technologies and the development of standards in key areas such as low-carbon and energy-efficient technologies and also welcomes the growing importance given to legislative and regulatory issues within the framework of the Transatlantic Legislative Dialogue;

5. Calls on the Commission and Council to promote international standardisation and the removal of non-tariff and technical barriers to trade, and to further engage with major trading partners, particularly with China on consumer product safety, enforcement of intellectual property rights, health and safety standards and production conditions, in particular in relation to the exploitation of women and children; and with Japan, paying special attention to removing unjustified non-tariff barriers;
6. Recalls that the opening of the European market should not be at the expense of consumer safety; stresses the importance of cooperation between customs authorities and market supervisory authorities on the external borders in order to carry out adequate checks on products entering the Union and desires the Commission's role to be strengthened in this respect; welcomes the excellent cooperation between the European Parliament, the Commission and the U.S. Consumer Product Safety Commission in the field of product safety; welcomes the cooperation which is gradually being set up between the IMCO Committee and countries such as India and China on this issue; considers that such cooperation should be strengthened and extended to other partners while negotiating trade agreements;
7. Believes that trade policy is one of the main tools at the EU's disposal to support the recent developments towards reform and democratisation in North Africa and the Mediterranean region, and, in this light, considers that the EU should further improve the openness of its market, starting with Egypt and Tunisia;
8. Takes the view that the EU should at the same time consider engaging in a dialogue to encourage these countries to strengthen their regional trade relations, with the ultimate goal of establishing a customs union among themselves;
9. Calls on the Council to adopt, without any further delays, the Convention on Pan-Euro-Mediterranean rules of origin, that should be urgently followed by Commission proposals for modernisation of the rules of origin in a manner that facilitates trade and economic integration in the region;
10. Calls on free and fair trade on agricultural products to increase and develop mutual exchange of goods and technologies between EU and Developing Countries (DC) and Least Developing Countries (LDC); underlines the benefits for consumers in respective countries from such trade relations between the concerned parts,
11. Takes the view that EU trade in services is a major source of growth and jobs and that the EU's potential competitiveness as the world's number one services market is far from achieved and should be strengthened;
12. Takes the view that with an ageing population the older workforce are a valuable resource in trade and barriers should be removed to encourage and incentivise them to remain working.
13. Notes that public procurement accounts for a significant and growing share of global GDP, and furthermore offers untapped new growth opportunities for innovative businesses; regrets that the public procurement markets of the EU's major trading partners are particularly closed, and calls on the Commission to promote the symmetric access to

the public procurement markets of our trading partners for EU companies; urges the Commission to provide data regarding the level of openness of public procurement and to ensure reciprocity with other industrialised countries and major emerging economies;

14. Considers that innovation and identifying competitive advantage are crucial to the EU in a global economy where competitiveness is often based on cheap labour costs; stresses the role that the EU's trade policy can play for sustainable development and the creation of more and better jobs by exploiting green technologies and accordingly urges the Commission to propose initiatives to support the development of hi-tech and green technologies, products, and services;
15. Recalls the importance of direct foreign investment for the European economy; suggests, nevertheless, that it would be desirable to launch a debate at European level on the advisability of, and need for, evaluation of the impact of such investments in the single market in order to avoid, if necessary, the damaging consequences of such investments on European innovation and know-how;
16. Calls on the Commission and Member States to take due account of the importance of innovation for strong and sustainable growth by ensuring that innovation is properly financed, namely through the creation of EU project bonds and through a legislative framework to allow venture capital funds to invest freely throughout the EU.

## RESULT OF FINAL VOTE IN COMMITTEE

<b>Date adopted</b>	13.4.2011
<b>Result of final vote</b>	+:           33 -:            0 0:            3
<b>Members present for the final vote</b>	Pablo Arias Echeverría, Adam Bielan, Lara Comi, Anna Maria Corazza Bildt, António Fernando Correia De Campos, Jürgen Creutzmann, Christian Engström, Evelyne Gebhardt, Louis Grech, Małgorzata Handzlik, Iliana Ivanova, Philippe Juvin, Sandra Kalniete, Eija-Riitta Korhola, Edvard Kožušník, Kurt Lechner, Toine Manders, Mitro Repo, Robert Rochefort, Zuzana Roithová, Heide Rühle, Matteo Salvini, Christel Schaldemose, Andreas Schwab, Eva-Britt Svensson, Róza Gräfin von Thun und Hohenstein, Kyriacos Triantaphyllides, Emilie Turunen, Bernadette Vergnaud, Barbara Weiler
<b>Substitute(s) present for the final vote</b>	Ashley Fox, María Irigoyen Pérez, Constance Le Grip, Konstantinos Poupakis, Olle Schmidt, Marc Tarabella

## RESULT OF FINAL VOTE IN COMMITTEE

<b>Date adopted</b>	21.6.2011
<b>Result of final vote</b>	+: 23 -: 4 0: 1
<b>Members present for the final vote</b>	William (The Earl of) Dartmouth, Laima Liucija Andrikienė, Kader Arif, David Campbell Bannerman, Daniel Caspary, Marielle De Sarnez, Christofer Fjellner, Yannick Jadot, Metin Kazak, Bernd Lange, David Martin, Emilio Menéndez del Valle, Vital Moreira, Paul Murphy, Cristiana Muscardini, Godelieve Quisthoudt-Rowohl, Niccolò Rinaldi, Tokia Saïfi, Helmut Scholz, Peter Šťastný, Robert Sturdy, Keith Taylor, Iuliu Winkler, Pablo Zalba Bidegain, Paweł Zalewski
<b>Substitute(s) present for the final vote</b>	Catherine Bearder, George Sabin Cutaş, Mário David, Syed Kamall, Maria Eleni Koppa, Elisabeth Köstinger, Jörg Leichtfried, Inese Vaidere, Jarosław Leszek Wałęsa