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## **MOTION FOR A RESOLUTION**

to wind up the debate on the statement by the Commission

pursuant to Rule 103(2) of the Rules of Procedure

by Jonathan Evans, Elmar Brok, Corien Wortmann-Kool, Malcolm Harbour,  
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on behalf of the PPE-DE Group

on the Transatlantic Economic Council

**European Parliament resolution on the Transatlantic Economic Council**

*The European Parliament,*

- having regard in particular to its resolution of 25 April 2007 on transatlantic relations and its resolutions of 1 June 2006 on EU-US economic relations and on the EU-US Transatlantic Partnership Agreement,
  - having regard to its resolution of 26 September 2007 on the safety of products and particularly toys,
  - having regard to the outcome of the EU-US Summit held on 30 April 2007 in Washington DC, and in particular to its Framework for Advancing Transatlantic Economic Integration between the European Union and the United States of America,
  - having regard to the Joint Statement and progress report adopted at the first TEC meeting on 9 November 2007,
  - having regard to Rule 103(2) of its Rules of Procedure,
- A. whereas the European Parliament and the US Congress have both continuously advocated completing the transatlantic market by 2015,
1. Underlines that a close transatlantic partnership is the key instrument to shape globalisation in the interest of common values and towards an equitable political and economic global order; reiterates its view that a functioning and competitive transatlantic market is the base on which to firmly anchor the transatlantic partnership so as to enable the EU and the US to jointly tackle global political and economic challenges;
  2. Strongly supports the process of strengthening transatlantic economic integration started at the 2007 EU-US Summit by the adoption of the 'Framework for advancing transatlantic economic integration between the EU and the US' and by establishment of the Transatlantic Economic Council (TEC), which is to oversee and accelerate the efforts outlined in the framework;
  3. Expresses the need to draw up a short document to be circulated widely, setting out the essential reasons for completing the Transatlantic Market as soon as possible, with the ways in which it should be effectively implemented;
  4. Welcomes the fact that the Commission, on the recommendation of the European Parliament, has decided to have a study carried out on which obstacles need to be dismantled to complete the Transatlantic Market; believes that this document should be widely circulated on both sides of the Atlantic; urges that there should be a follow-up exercise carried out in more detail in which the US side should participate financially;
  5. Believes that a detailed roadmap should be drawn up by both administrations by the 2009

EU-US Summit showing how the long-term commitment to complete the Transatlantic Market should be achieved, sector by sector; considers that this should be in the form of a rolling programme looking three years ahead, e.g. running from 2009 to 2012 with a final date of 2015 being established;

6. Appreciates the progress achieved by the TEC so far in assuming political responsibility for identifying priorities and paving the way for agreements on removing barriers to trade and investment and on fostering competition on the transatlantic market;
7. Takes the view that the results achieved by the TEC since its establishment demonstrate that the transatlantic market cannot be built on administrative work only, but that in order to attain this goal, strong and continuous political guidance is needed; encourages the TEC to continue its efforts with resolve;
8. Stresses the urgent need to sustain the momentum of this process throughout the electoral years of 2008 and 2009, ensuring that both partners continue to move rapidly towards the attainment of common objectives and that executives on both sides remain committed to reaching the final goal;
9. Draws attention to the crucial role of the US Congress and the European Parliament in supporting this momentum and to the fact that any non-tariff barriers can only be removed by legislators;
10. Calls therefore upon the leadership of the EU and the US and the co-chairs of the TEC to take into account this crucial role of legislators for the long-term success of the process, and urges them to involve the representatives of the Transatlantic Legislators' Dialogue fully and directly in the work of the TEC; acknowledges at the same time the importance of business and consumer stakeholders in providing reflection on, and expert input into, the work of the TEC; is however of the view that their consultative role is to be differentiated from the legislative role of the US Congress and the European Parliament;
11. Notes the establishment of a Group of Advisors, consisting of representatives of the Transatlantic Legislators' Dialogue, the Transatlantic Business Dialogue and the Transatlantic Consumer Dialogue; commends the contribution of legislators and stakeholders to the success of the first TEC meeting in November 2007;
12. Reiterates its will to reinforce the dialogue between both parliaments and calls for their early involvement in particular as regards any future rules developed by global self-regulatory bodies in order to address, at an early stage, political accountability issues;
13. Underlines that achieving concrete progress in particular in the field of accounting standards, securities trading, reinsurance, import safety, suppliers' declarations of conformity and imports of poultry which has undergone pathogen reduction treatments constitute the priorities for the Spring 2008 TEC meeting; considers it important, however, to point in this resolution to several other relevant issues which need to be dealt with by the TEC in future;
14. Calls on the Commission to inform the European Parliament of the results of the study launched to identify the benefits of removing barriers to transatlantic trade and

investment, whose completion is expected in 2008; calls on the Commission to ensure that the outcome of studies on the realisation of the transatlantic market is discussed with the relevant parliamentary committees before any specific conclusions are drawn for future recommendations to the TEC;

### *Financial services*

15. Supports the approach outlined in Commission Regulation (EC) No 1569/2007 of 21 December 2007 establishing a mechanism for the determination of equivalence of accounting standards applied by third-country issuers of securities pursuant to Directives 2003/71/EC and 2004/109/EC of the European Parliament and of the Council and in the spirit of the letter of 26 September 2007 from the Commission to the US Securities and Exchange Commission (SEC) on 'Proposed Rules on acceptance from foreign private issuers of financial statements prepared in accordance with international financial reporting standards without reconciliation to US GAAP' as well as its resolution on the same issue underlining notably that 'A decision by the Commission will imply, in all cases, the right for EU issuers to use, in any third country, IFRS (International Financial Reporting Standards) as endorsed by the European Union';
16. Believes that mutual recognition of securities markets between the US and the EU would be an important step forward, which would improve the efficiency of the transatlantic market by facilitating the access of the EU and the US to a broader and deeper transatlantic market; underlines, however, that such a project must be a result of a bilateral agreement and that a Framework Agreement between the US and the EU which takes fully into account EU legislation on supervision of financial markets should be concluded and that the Commission should not allow bilateral agreements to be concluded between the Member States and the US, as this could endanger the level playing field adopted in the EU;
17. Stresses that safeguarding financial stability is of the utmost importance; recalls the role of the IMF in this respect and, having regard to the shortcomings highlighted by the financial turmoil, believes that strengthening cooperation between supervisory authorities in the US and in the EU is vital;
18. Welcomes the approach of the Financial Stability Forum (FSF) and of the IMF to establish a common diagnosis of the financial turmoil and looks forward to conclusions and policy recommendations from the FSF Working Group on Market and Institutional Resilience; is of the view however that such work should only be complementary and should not replace reflections and decisions about appropriate policy responses of the EU and of the US;
19. Calls on the US to keep the EU informed about the progress of the implementation of the Basel II framework in the US; recalls the importance of a coordinated approach when developing or modifying global rules for internationally active financial market players; in this respect believes that implementation of Basel II in the US is vital to preserve a level playing field globally;

## *EU-US trade, regulatory cooperation*

20. Stresses that the safety of imported products should also become a priority within the TEC; is of the view that general confidence in an open trading environment will only be supported by the population if their health and safety is respected; proposes that the TEC work on a binding cooperation instrument which would structure and facilitate the sharing of information on product safety and the development of a common programme of cooperative actions; calls on the Commission and the Council to strengthen the cooperation between EU and US customs and market surveillance authorities, in order to ensure that controls at external borders are adequate to prevent dangerous products, in particular dangerous toys, from reaching consumers; calls on the US and EU Member States to ensure strict enforcement of product, and particularly toy, safety laws and stronger national inspections; underlines the need for close EU-US cooperation to ensure that China and other third countries raise their production standards to meet EU/US safety requirements, in particular for toys;
21. Notes that secure trade is particularly important in an ever more integrated global economy; urges the Commission to continue its efforts to ensure that the US regulation to scan 100% of US-bound cargo is modified towards cooperation based on the mutual recognition of 'authorised economic operators' and of security standards agreed by the World Customs Organisation (C-TPAT, SAFE framework), and calls on the Commission to support a strategy which recognises the important role of European Shipping Owners and Agents on the world scale; calls on the Commission to evaluate the potential costs of the measure regarding the 100% scanning of US-bound maritime cargo containers to business and to the EU economy, as well as the potential impact on customs operations;
22. Calls on the Commission to negotiate within the framework of the TEC, where feasible, common global standards; believes that the enforcement of common automobile safety standards (UN-ECE Global Technical Regulation) would considerably reduce costs for the automobile industry which is a major employer in both the EU and US;
23. Calls on the Commission to pursue the formal adoption of procedures for the mutual recognition of declarations of conformity for products subject to mandatory third-party testing, in particular for ICT and electrical equipment;
24. Continues to support the Commission in its efforts to arrive at a mutual agreement for imported products to be labelled with both Imperial and Metric measurements and insists on the need for acceptance of units of measurement agreed under international standards, in particular of metric-only labelled products by the US; considers that this effort will increase economies of scale for European, US and third-country companies and will, in particular, be of benefit to SMEs;
25. Supports the Commission in its efforts to negotiate Mutual Recognition Agreements with a view to reducing barriers to trade; believes that MRAs will benefit both sides by creating a more predictable and common regulatory environment;
26. Calls on the Commission and the Council to strengthen cooperation between the EU and US on the globally harmonised system for classification and labelling of substances and mixtures (GHS) in relation to the implementation of the international criteria agreed by

the United Nations Economic and Social Council; considers that an important aim of the system is to facilitate trade, and accordingly insists that the GHS be implemented at the same time and in a compatible way in the EU and the US;

### ***Agricultural issues***

27. Calls for an urgent solution with regard to the ongoing discussions on the ban on imports of US poultry which has undergone pathogen reduction treatments into the EU; acknowledges the need for proper scientific advice, taking into account consumer protection and information aspects;
28. Believes that the Community's decision to prohibit the import of hormone-treated beef has been fully justified by scientific studies and calls on the US to lift its sanctions on European goods without further delay;
29. Emphasises the importance of the single authorisation procedure for all food and feed containing GMOs in accordance with the precautionary principle and the importance of the labelling and traceability of GMO, enabling consumers to make an informed choice;
30. Calls for dialogue on changes which are appearing in the conditions of agricultural markets, underlining price fluctuations, the US Farm Bill, anti-cyclical payments, the growing importance of rural development and the cross-compliance instrument;

### ***Cooperation in energy, industry and science policies***

31. Calls for strategic transatlantic cooperation over energy, industry and science policies to be stepped up; stresses the importance of the energy issue, supporting the diversification of energy sources and supply routes, ensuring secure energy and infrastructure, promoting market-based energy security policies and accelerating investment in cleaner and more efficient use of fossil energy sources;
32. Underlines the need for enhanced EU-US regulatory and scientific cooperation on bio-fuels and biomass, promoting alternative and sustainable fuel sources for the transportation sector on a joint basis; encourages the TEC to continue its work to identify common biofuel standards with Brazil; points out however the major issue of tension between biofuel, biomass (energy) production and food production, and hence food security;

### ***WTO, Doha Development Agenda***

33. Calls on the Commission to work to ensure that the TEC is helpful in achieving a positive conclusion of the Doha Development Agenda; regards the dominance of the EU and US in world trade (currently 60% of the total) as an asset for the global trading system and its common framework;
34. Recommends that the Commission evaluate whether a bilateral trade dispute settlement procedure could become a topic of interest for the TEC; notes, in this regard, that while trade disputes have involved only around 2% of trade between the EU and US, some of these disputes are highly disruptive and costly;

35. Recommends that the Commission discuss within the TEC how greater coherence between bilateral trade agreements and the WTO multilateral rules can be found, in order to guarantee a more harmonious and simpler international trading system for all; urges the Commission to discuss how greater alignment can be reached between the EU and the US in signing bilateral agreements with third countries on so-called soft economic topics, such as trade and environment, trade and social standards, and trade and labour laws;
36. Stresses that a WTO Doha agreement must include an agreement on intellectual property covering geographical indications and recognition of non-trade concerns as important criteria;
37. Considers that should the Doha Development Agenda not be completed by the end of this year, the Transatlantic Market model for dealing with regulatory cooperation for the gradual removal of non-tariff barriers could be vital to ensure continued momentum to generate global economic growth;
38. Calls on the Commission to develop as a matter of urgency a comprehensive approach to European non-trade concerns in world trade talks, in particular on the issue of the recognition and protection of geographical indications, animal welfare and the state of health of imported animal and plant products, so as to prevent unfair competition against European producers;
39. Calls on the Commission to request that the TEC issue a progress report on IPR enforcement cooperation activities, including an announcement of future steps to be taken to strengthen cooperation in combating counterfeiting and piracy; requests a clear roadmap to identify efforts to facilitate international mutual recognition of patent law; requests the TEC to support the outcome of the TRIPS Agreement for those countries which have no production capacity for pharmaceutical products;

### ***Regional development***

40. Stresses the positive impact that further progress in transatlantic economic integration is likely to have on sustainable regional development and is of the opinion that this progress contributes to our efforts to implement the Lisbon Strategy and to move towards social, economic and territorial cohesion; in this context calls on the EU bodies responsible to ensure that this progress contributes to harmonious and balanced development of all EU territories and to take account of the European principle of universal access to services of general interest;
41. Notes that the TEC is beginning to discuss issues relating to third countries indirectly; suggests that a common approach dealing with specific issues for selected third countries should be formulated;
42. In this context, believes that it is time to begin to formulate a joint approach to security strategy on both sides of the Atlantic, not least in the light of NATO's reshaping its own strategy concept;

***Future TLD agenda***

43. Calls on the Transatlantic Legislators' Dialogue to include in the agendas for its upcoming meetings discussion of the US cargo scanning regulation, ensuring that greater mutual understanding develops between the EP and the US Congress on this subject; also stresses the need to reflect within the TLD on a WTO post-Doha agenda, and to discuss human rights and environmental and social rights clauses in bilateral trade agreements, drawing lessons, inter alia, from the most recent US bilateral agreement with Peru, which contains detailed and enforceable provisions on labour standards;
44. Instructs its President to forward this resolution to the Council and Commission.