Exercise of the Union's rights for the application and enforcement of international trade rules

2012/0359(COD) - 02/04/2014 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 596 votes to 17, with 16 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council concerning the exercise of the Union's rights for the application and enforcement of international trade rules.

The report was referred back to the committee at the 23 October 2013 plenary session.

Parliament adopted its position at first reading under the ordinary legislative procedure. The amendments adopted in plenary are the result of an agreement reached between the European Parliament and the Council. They amended the proposal as follows:

Subject matter: it is stated that this Regulation should lay down rules and procedures to ensure an effective and timely exercise of the Union's rights to suspend or withdraw concessions or other obligations under international trade agreements, with the intention of responding to breaches by third countries of international trade rules which affect the Union's interests, **with a view to seeking a satisfactory solution that restores benefits for the Union’s economic operators**.

Public procurement: the Union should have the possibility to **enforce its rights** in the area of public procurement when a trade partner fails to respect its commitments under the WTO Agreement on Government Procurement (GPA) or other international trade agreements. The Union's action should be aimed at **ensuring the maintenance of a substantially equivalent level of concessions**, as laid down in the relevant international trade agreements.

Objective criteria: commercial policy measures adopted under this Regulation should be selected and designed on the basis of objective criteria, including: (i) the effectiveness of the measures in inducing compliance of third countries with international trade rules, (ii) their potential to provide relief to economic operators within the Union affected by third country measures, and: (iii) the aim of minimising negative economic impacts on the Union, including with regard to essential raw materials.

Review: the amended text provides that the Commission should review the scope, functioning and efficiency of this Regulation, including **possible measures in the sector of intellectual property rights and additional measures concerning services,** no later than **three years** after the first instance of its implementation or no later than **five years** from its date of entry into force, whichever is the earlier.

The Commission should report on its assessment to the European Parliament and the Council. The review may be followed up by appropriate legislative proposals.