

Implementation of the common commercial policy. Annual report

2017/2070(INI) - 30/05/2018 - Text adopted by Parliament, single reading

The European Parliament adopted by 499 votes to 91, with 54 abstentions, a resolution on the annual report on the implementation of the common commercial policy.

Members recalled that the common commercial policy comprises a body of trade agreements and legislative measures to safeguard the Union's offensive and defensive trade interests. The Union is the world's leading commercial power and the biggest single market in the world, and it is also the world's leading exporter of goods and services, sustaining 31 million jobs in Europe, 67% more than in the mid-1990s.

Changing context: Parliament pointed out that the international context has changed profoundly since the Trade for All strategy was published in 2015 and that new trade challenges and concrete tasks now need to be addressed. It is concerned to see the rise of some **protectionist practices** that are incompatible with WTO rules, around the world and reiterated support for an open, fair, balanced, sustainable, and rules-based trading system.

With regard to the growing economic importance of Asia and of the USA's gradual withdrawal on the trade front, generating uncertainty for trade internationally, the Commission is called on to adapt its trade policy to address these developments and to be more responsive and responsible, while at the same time establishing a longer-term strategy.

The **United Kingdom's departure from the EU** will have consequences for internal and external trade and called on the Commission to take immediate steps to **anticipate the impact of Brexit** on the Union's trade policy and to present in a timely manner an impact assessment that includes different options for future trade relations so as to ensure continuity in the implementation of EU trade policy and relations with third countries and also ways of finding a solution as regards common commitments in the WTO.

Parliament stressed that **reciprocity** must be a pillar of Union trade policy while taking into account the need for asymmetries with developing countries when it is relevant and preferential treatment provisions for least-developed nations.

State of play of the Union's trade negotiation agenda: stressing the paramount political and economic importance of the multilateral system, Parliament called on the Union to be a proponent in the definition of modernised multilateral rules. It called for renewed efforts to advance negotiations on the Comprehensive Investment Agreement with China.

Members considered that, in the framework of the Union's ongoing and forthcoming bilateral negotiations, **EU rules and standards** must be secured, preventing threats to the EU's social model and the environment, and that public services, including services of general interest and services of general economic interest, as well as audiovisual services, must be excluded.

Recalling the need to ensure that EU investors abroad are protected, Parliament called on the Commission to pursue its work on the new **multilateral system for ruling on investment disputes**, which must be based, *inter alia*, on a guarantee of states' right to regulate and on transparency, and provide for an appeal mechanism, strict rules on conflict of interest and a code of conduct.

Cross-cutting measures to implement a trade policy that benefits everyone: Members called for trade policy implementation to become an integral component of the Union's trade strategy. They called on the Commission to take stock of the human and financial resources currently available, with a view to improving the preparation of trade agreements for adoption by the co-legislators and the way that trade policy is implemented, and asked that a **special trade policy implementation monitoring and continuous evaluation service** be set up within the Commission, reporting also to Parliament.

Members welcomed the publication by the Commission of the first report on implementation of FTAs and asked the Commission to continue publishing the report annually. They welcomed the announced introduction of **implementation roadmaps** for all trade agreements and called on the Commission to involve all relevant stakeholders.

Specific Common Commercial Policy provisions for SMEs: Parliament called on Commission to evaluate the entire toolkit for SMEs, with a view to developing a more integrated overall approach and a real SME internationalisation strategy, supporting them in becoming exporters. Members asked for more legal and administrative support to be made available for SMEs thinking of exporting to foreign markets.

Public procurement market access and of the protection of geographical indications: Members noted that the protection of geographical indications is one of the Union's offensive points in trade agreement negotiations.

The report on implementation of FTAs showed that certain partners are **not complying** with provisions on the protection of geographical indications. Given that the Union's public procurement markets are the most open in the world, Members are concerned at certain partners' non-compliance with EU FTAs' provisions on public procurement market access, to the detriment of EU companies, and at the very limited access to public procurement markets in certain third countries. The Commission is asked to work to secure greater access to third countries' public procurement markets.

Promotion of EU values: Parliament recalled that the common commercial policy must contribute to the promotion of the values for which the Union stands and to the pursuit of the aims listed in Article 21 of the Treaty on European Union, including the consolidation of democracy and the rule of law, respect for human rights, as well as fundamental rights and freedoms, equality, respect for human dignity and the protection of the environment and of social rights. It also reaffirmed their support for the inclusion in all future trade agreements of ambitious provisions on combating **corruption** within the Union's exclusive competence.

Transparency and access to information: Members took note of the Commission's work on transparency and called on the Commission to conduct negotiations as transparently as possible, fully respecting best practice as established in other negotiations.

Lastly, they called on the Commission and Member States to develop a proper strategy for communication about trade policy and about each agreement and to publish all negotiating mandates.