Free trade regional areas and commercial strategy in the European Union

2002/2044(INI) - 03/06/2003 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution based on the own-initiative report drafted by Erika MANN (PES, Germany) on regional free trade areas and trade strategy within the EU. (Please see the summary dated 25/03/03.) Parliament stressed the need for a more integrated trade and development policy. It called on the Council and the Commission to clarify the EU's position on FTAs. The establishment of an Euro-Mediterranean FTA by 2010, in line with the commitments laid down in the Barcelona Declaration, is a priority objective of the EU's trade strategy. The EU must establish a long-term vision that pursues with flexibility a combination of bilateral and regional agreements, which are compliant with and go beyond WTO rules, taking into account the fact that such initiatives can be beneficial in preventing political and economic isolation. Regionalism, including FTAs, should not be envisaged only as a tool for tariff elimination, but should be considered more as a regional integration and development instrument in the economic, social, cultural and environmental fields. WTO rules on regional trade liberalisation must represent a general, flexible framework for the development of FTAs, which make it possible to take more account of the complexity and specific nature of the problems to be solved in the various regions, especially those relating to development and the environment. Parliament felt that there must be consistency between the WTO rules on the liberalisation of regional trade and the evolution of FTAs, including the proliferation of agreements between countries and regions at vastly different levels of development. Parliament commended the establishment of a unique Dispute Settlement Procedure (DSP) within the EU-Chile Association Agreement, which is based on the one set up by the WTO and contains two annexes regarding model rules of procedure and the code of conduct for panellists. Such a mechanism should serve in the future as a model in bilateral trade conflicts with other EU trading partners. Finally, Parliament asked for clarification on whether the common European economic space (CEES) with Russia will eventually evolve into an FTA (once Russia becomes a WTO member), on how a truly CEES can be created if it differs from agreements with other neighbouring countries. It asked whether logic dictates the creation of a single CEES/FTA for all countries not included in the enlargement process instead.