Basic information

2007/2185(INI) INI - Own-initiative procedure	Procedure completed
EU's strategy to deliver market access for European companies **Subject** 2.60 Competition 3.40.14 Industrial competitiveness 5.03 Global economy and globalisation 6.20 Common commercial policy in general 6.20.01 Agreements and relations in the context of the World Trade Organization (WTO)	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
INTA International Trade	GUARDANS CAMBÓ Ignasi (ALDE)	07/05/2007

Committee for opinion	Rapporteur for opinion	Appointed
ECON Economic and Monetary Affairs	The committee decided not to give an opinion.	
ENVI Environment, Public Health and Food Safety	The committee decided not to give an opinion.	
ITRE Industry, Research and Energy	HERCZOG Edit (PSE)	26/06/2007
IMCO Internal Market and Consumer Protection	The committee decided not to give an opinion.	
JURI Legal Affairs	The committee decided not to give an opinion.	

European Commission

Commission DG	Commissioner
Trade and Economic Security	MANDELSON Peter

Key events

Date	Event	Reference	Summary
18/04/2007	Non-legislative basic document published	COM(2007)0183	Summary
27/09/2007	Committee referral announced in Parliament		
18/12/2007	Vote in committee		Summary
08/01/2008	Committee report tabled for plenary	A6-0002/2008	
18/02/2008	Debate in Parliament		
19/02/2008	Decision by Parliament	T6-0053/2008	Summary
19/02/2008	Results of vote in Parliament		
19/02/2008	End of procedure in Parliament		

Technical information

Procedure reference	2007/2185(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Strategic initiative
Legal basis	Rules of Procedure EP 55
Stage reached in procedure	Procedure completed
Committee dossier	INTA/6/53035

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee opinion	ITRE	PE394.209	27/11/2007	
Amendments tabled in committee		PE398.406	27/11/2007	
Committee report tabled for plenary, single reading		A6-0002/2008	08/01/2008	
Text adopted by Parliament, single reading		T6-0053/2008	19/02/2008	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2007)0183	18/04/2007	Summary
Document attached to the procedure	SEC(2007)0452	18/04/2007	
Document attached to the procedure	SEC(2007)0453	18/04/2007	
Commission response to text adopted in plenary	SP(2008)1857	16/04/2008	

EU's strategy to deliver market access for European companies

2007/2185(INI) - 19/02/2008 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution based on the own-initiative report drawn up by Mr Ignasi **GUARDANS CAMBÓ** (ALDE, ES) on the EU's Strategy to deliver market access for European companies and in response to the Commission communication entitled 'Global Europe: a stronger partnership to deliver market access for European exporters'. It stressed that the successful implementation of a revised, more ambitious market access strategy, intended to open new world markets to European products and services, is likely not only to expand the EU's global role , but also to protect existing jobs and create new jobs in Europe. Analysing the reasons why the EU's performance in exports to both developed and emerging economies is often hindered, Members consider this is due to i) a lack of reciprocity as regards market access conditions, ii) an insufficient degree of compliance with international trade rules and iii) the proliferation of unfair trading practices. The Commission needs to ensure that the EU's legitimate trade interests are defended against the abusive or unfair trade practices of third countries and when third countries unjustifiably restrict access to their markets by EU companies, the EU should react rapidly and firmly.

The EU's trade partners are called upon to dismantle any barriers restricting market access for goods and services and, instead, to optimize mutual commercial opportunities on the basis of reciprocity, including through satisfactory implementation of market opening measures resulting from bilateral, regional and multilateral negotiations. Third countries are urged to lift foreign ownership restrictions on European companies and to remove discriminatory rules.

Overall, Members welcomes the Commission's proposals for establishing a stronger partnership between the Commission, the Member States, and EU businesses with a view to directly helping economic operators overcome the concrete difficulties they encounter in accessing third-country markets in a manner and time frame that is compatible with business reality.

Parliament calls on Member States to create networks of national or, if appropriate, regional help desks to centralise information and claims, with special attention being paid to the interests and needs of SMEs.

The Commission is asked to consider the following when implementing its market access strategy:

-appointing more Brussels-based staff to the unit dealing with market access issues;

-creating an effective complaints register within DG Trade;

-developing structured guidelines for dealing with each category of non-tariff barrier;

-creating a help-desk for Member States and companies (with a section dedicated to SMEs) within DG Trade;

-revising and enhancing the communication policy relating to market access services provided by the Commission, with particular emphasis on SMEs;

-increasing the number of potential users by offering basic information (e.g. brochures and leaflets) in all the official languages of the European Union;

-improving the Market Access Database (MADB) to better meet business needs and make it more user-friendly;

-improving internal cooperation, coherence and communication among those Commission services which deal with market access issues;

-ensuring the participation of representatives of the business community in the MAAC;

-developing structured guidelines for priorities, including which markets, sectors and barriers should be focused on; and

-strengthening its position in international standardisation bodies, such as the International Organization for Standardization (ISO).

In parallel, Members call on the Commission to consider 'serious and systematic breaches' of the WTO agreements and rules and other international trade laws as requiring a prompt remedy, and to ensure that the enforcement of such rules is not subordinated to political and economic considerations 'other than those relevant to the case in hand'. More generally, they call on the Commission and the Member States to adopt a long-term approach to structural distortions that, by their nature, are likely to continue or recur.

Members believe that Free Trade Agreements (FTAs) with the European Union's target countries will be meaningless unless they secure significant market access and real progress in reducing and eventually eliminating non-tariff barriers which are often more trade-distorting than tariff barriers.

Other proposals made to the Commission to improve market access for European exporters include measures to exchange information and good practices, as well as enhanced dialogue between European stakeholders. Technical measures, such as improved coordination of policies between the Commission and Member States in respect to third countries, giving an ambitious mandate to European Union delegations and to the newly created Market Access Teams are also foreseen to improve market access in third countries, in particular, in key delegations such as Beijing, New Delhi, Moscow and Brasilia;

Lastly, Members stress the need to create synergies with the European Union's major trade partners (such as the US, Canada and Japan) with a view to defining a common market access strategy and to paving the way to a much needed multilateral agreement on market access.

EU's strategy to deliver market access for European companies

2007/2185(INI) - 18/04/2007 - Non-legislative basic document

PURPOSE: to launch a strong partnership that delivers market access to European exporters.

BACKGROUND: in today's globalised markets, European companies are becoming more and more dependent on effective access to third-country markets. European companies are making capital-intensive investments in third countries and creating supply chains that are both complex and global. Indeed, the 2006 "Global Europe" framework argued that trade policy can make a key contribution to growth and jobs in Europe by ensuring that European companies remain competitive and that they have genuine access to the export markets they need. Europe's first and clearest priority in maintaining open global markets is through its commitment to the WTO. However, a renewed policy on market access that focuses on particular problems or markets is an essential part of the EU's wider strategy.

CONTENT: the purpose of this Communication is to propose a stronger "Partnership to deliver market access". This partnership should be between the Commission, the Member States and businesses and it should be based on extensive public consultation. The Communication sets out a clearer, more result-oriented approach, focusing on the concrete problems faced by EU businesses in third country market and it identifies both the weaknesses of the current system and the extent to which EU policy has to change to reflect a changing global economy.

Firstly, it foresees a greater decentralisation of the current system and secondly, better use of local knowledge and initiative through the development of locally based "EU Market Access Teams" drawn from Commission delegations, Member State Embassies and business organisations. It also asks if the EU could better priorities the use of its capacities better to ensure that, while all market access complaints are properly considered, the EU targets the most pressing problems. In short, the paper assesses what the EU can do to make the current system more efficient and transparent for EU businesses.

Market access in a changing global economy

In 1996, the EU launched the "Market Access Strategy", the purpose of which was to enforce multilateral and bilateral trade agreements. It also serves as an instrument to ensure that third country markets are open to EU exports. One consequence of the Market Access Strategy was the establishment of the Market Access Database. It acts as a free, on-line service, for EU exporters that includes information on market access conditions in around 100 countries. Currently, around 500 market access barriers are reported via this database. Indeed, the information sections of the database are well utilised and is very popular with users.

The Commission paper does, however, note that the nature of barriers to trade in the global economy have changed. The new types of barriers are more complicated, technically challenging and time consuming to detect, analyse and remove. Many market access problems now arise because existing rules are not implemented correctly. Further, whilst GATT and the WTO have been effective in removing tariff barriers to trade much remains to be done in order to address non-tariff barriers challenges. A list of ten trade barriers in the modern global economy has been drawn up by the Commission. They are:

1) Tariff barriers. In spite of progress high tariffs still pose problems to EU exporters.

2) Complicated customs procedures for import, export and transit as well as discriminatory tax rules.

3) Technical regulations, standards and conformity assessment procedures that are not in line with WTO rules on Technical Barriers to Trade (TBT Agreement).

4) Misuse of sanitary and phytosanitary measures: i.e. those that are not justified on health and safety grounds within existing WTO rules.

5) Restrictions on access to raw materials, particular restrictive export practices such as export taxes.

6) Poor protection of intellectual property rights, including geographical indications and the lack of proper implementation and enforcement.

7) Barriers to trade in services and foreign direct investment such as unjustified foreign ownership caps, joint venture obligations and discriminatory treatment.

8) Restrictive government procurement rules and practices that prevent EU companies from bidding effectively for public contracts in third countries.

9) Abusive and/or WTO incompatible use of trade defence instruments by third countries.

10) Unfair use of state aids and other subsidies by third countries in a way that constitutes market access barriers.

Proposals for a stronger Partnership to deliver market access

The Commission reports that the reasons for focusing on market access are as valid today as they were in 1996 – if not more so. As a result, one of the Commission's main tasks is to strengthen and adapt the existing framework and improve the concrete tools. The WTO system and multilateral cooperation remains the single most important mechanism for securing and guaranteeing market access in the global trading system. The paper gives warning, however, that the EU can not rely on a single avenue or mechanism to tackle trade barriers. Indeed the EU must use multilateral and bilateral, as well as both formal and informal, instruments if it is to open market access in third countries.

Conclusions: in its conclusions the Commission notes that a strong market access policy is a key function of the common commercial policy, and a key area in which the EU can deliver real economic benefits for its Member States and European citizens. The EU's 1996 policy needs to be strengthened

and adapted to a changing global economy in which both the markets to which access is sought and the barriers that prevent it are changing. As such, the Commission proposes:

- A reinforced commitment to using multilateral institutions, such as the WTO as well as bilateral channels such as the new generation FTAs to encourage progressive – and enforceable – liberalisation, market opening and approximation of standards and norms between the EU and its trading partners.
- Establishing a stronger relationship between the Commission, Member States and EU businesses, to support economic operators in overcoming the concrete difficulties they encounter in accessing third country markets and in a manner and timeframe that is compatible with business reality.
- Decentralising the current system and encouraging local initiative in third countries through the development of locally based EU Market Access Teams involving Commission Delegations, Member State embassies and business organisations.
- Closer technical cooperation in Brussels between Member State officials and the Commission on market access issues, and intensified consultation with a wide range of industry representatives.
- Stronger prioritisation in choosing which barriers to focus on to make best use of EU resources in certain target markets (but excluding the least developed countries), key sectors, and/or key areas such as intellectual property rights.
- An overhaul of the European Commission's Market Access Database.
- Improved efficiency and transparency in the Commission's analysis of trade barrier complaints, including a new streamlined system for registering complaints.