Basic information

2017/2057(INI) INI - Own-initiative procedure	Procedure completed
Negotiations of the modernisation of the trade pillar of the EU-Chile Association Agreement. Recommendations to the Council, the Commission and the EEAS **Subject** 6.20.03 Bilateral economic and trade agreements and relations **Geographical area** Chile	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
INTA International Trade	RODRÍGUEZ-PIÑERO Inma (S&D)	20/03/2017
	Shadow rapporteur MATO Gabriel (PPE) MCCLARKIN Emma (ECR) CHARANZOVÁ Dita (ALDE) FORENZA Eleonora (GUE/NGL) HAUTALA Heidi (Verts/ALE) BORRELLI David (EFDD)	

Key events

Date	Event	Reference	Summary
18/05/2017	Committee referral announced in Parliament		
11/07/2017	Vote in committee		
19/07/2017	Committee report tabled for plenary	A8-0267/2017	Summary
13/09/2017	Debate in Parliament		
14/09/2017	Decision by Parliament	T8-0354/2017	Summary
14/09/2017	Results of vote in Parliament		
14/09/2017	End of procedure in Parliament		

Technical information	
Procedure reference	2017/2057(INI)
Procedure type	INI - Own-initiative procedure
Legal basis	Rules of Procedure EP 117
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	INTA/8/09696

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE604.635	13/06/2017	
Amendments tabled in committee		PE606.261	27/06/2017	
Committee report tabled for plenary, single reading		A8-0267/2017	19/07/2017	Summary
Text adopted by Parliament, single reading		T8-0354/2017	14/09/2017	Summary

European Commission

Document type	Reference	Date	Summary
Commission response to text adopted in plenary	SP(2017)780	21/02/2018	

Negotiations of the modernisation of the trade pillar of the EU-Chile Association Agreement. Recommendations to the Council, the Commission and the EEAS

2017/2057(INI) - 19/07/2017 - Committee report tabled for plenary, single reading

The Committee on International Trade adopted an own-initiative report drawn up by Inmaculada RODRÍGUEZ-PIÑERO FERNÁNDEZ (S&D, ES) on a recommendation from the European Parliament to the Council, the Commission and the European External Action Service on the negotiations on the modernisation of the trade pillar of the EU-Chile Association Agreement (AA).

As a reminder, the current association agreement, including its trade pillar, was concluded in 2002. It has been greatly beneficial to both parties since it entered into force in 2003, having doubled trade in goods and contributed to increasing trade in services and investment.

However, the European Union and Chile have concluded more modern, ambitious and comprehensive trade agreements since the entry into force of their bilateral association agreement.

Members called on the Council, the Commission and the EEAS to **ensure that the European Parliament receives full, immediate** and accurate information throughout the negotiations for the purposes of its role of deciding whether or not to grant consent to the conclusion of the modernised AA with Chile, including the agreement's trade pillar.

The agreement should include a number of areas for fostering shared growth, equal opportunities, decent jobs and sustainable development, including the respect and promotion of labour and environmental standards and animal welfare and gender equality for the benefit of the citizens on both sides.

The report recommended, *inter alia*:

- placing common values at the heart of the modernisation process and continue to incorporate a **human rights clause**, as in all association agreements;
- maintaining the right of governments to regulate, in the **public interest**, such matters as the protection and promotion of public health, social services, social or consumer protection, public education, environment, public morality, protection of privacy and data, and the protection of cultural diversity;
- achieving a real improvement in market access in **respect of trade in goods**, while respecting that there are a number of sensitive agricultural, manufacturing and industrial products which should be given appropriate treatment, for example though tariff-rate quotas (TRQs);
- exploiting fully the potential of **trade in services**, audiovisual services should be excluded and explicit provision should be made for the modernisation of the agreement not to hinder the parties' ability to define, regulate, provide and support public services;
- including provisions on **good tax governance** and transparency standards that reaffirmed the parties' commitment to implementing international standards in the fight against tax fraud and evasion;
- including a chapter on **trade and sustainable development** that includes binding and enforceable obligations, subject to dispute settlement mechanisms. This chapter should cover, *inter alia*, the commitment of the parties to adopt in their national laws the principles enshrined in the core ILO conventions of the International Labour Organisation (ILO) as well as their commitment to implement the conventions on governance, the Decent Work Agenda, the Equal Opportunities Convention, labour standards for migrant workers and corporate social responsibility (CSR);
- ensuring that, as regards Chile's progress in bilateral trade negotiations with Uruguay and Canada, the parties include a specific chapter on trade and gender equality and women's empowerment;
- including a detailed chapter on **micro-enterprises and SMEs** foreseeing substantial progress in terms of trade facilitation, the elimination of trade barriers and unnecessary administrative burdens;
- including a chapter on **energy** that would cover, in particular, renewable energy and raw materials;
- accepting that negotiations should lead to binding provisions on the recognition and protection of all forms of **intellectual property rights**, including ambitious provisions on geographical indications.

Lastly, the report called for the European Parliament's calls for mandates for trade negotiations to be made accessible to the public and to publish the negotiating directives for the modernisation of the AA immediately after their adoption.

Negotiations of the modernisation of the trade pillar of the EU-Chile Association Agreement. Recommendations to the Council, the Commission and the EEAS

2017/2057(INI) - 14/09/2017 - Text adopted by Parliament, single reading

The European Parliament adopted by 488 votes to 67, with 83 abstentions, a recommendation from the European Parliament to the Council, the Commission and the European External Action Service on the negotiations on the modernisation of the trade pillar of the EU-Chile Association Agreement (AA).

As a reminder, the current association agreement, including its trade pillar, was concluded in 2002. It has been greatly beneficial to both parties since it entered into force in 2003, having doubled trade in goods and contributed to increasing trade in services and investment. In 2016, the EU exported goods to Chile to a value of more than EUR 8.6 billion, while Chile exported goods to the EU to a value of EUR 7.4 billion.

Parliament called on the EU and Chile to conclude a modern and ambitious trade agreement. This agreement should include a number of areas for fostering shared growth, equal opportunities, decent jobs and sustainable development, including the respect and promotion of labour and environmental standards and animal welfare and gender equality for the benefit of the citizens on both sides.

The resolution recommended, *inter alia*:

- placing common values at the heart of the modernisation process and continue to incorporate a **human rights clause**, as in all association agreements;
- maintaining the right of governments to regulate, in the **public interest**, such matters as the protection and promotion of public health, social services, social or consumer protection, public education, environment, public morality, protection of privacy and data, and the protection of cultural diversity;
- achieving a real improvement in market access in respect of **trade in goods**, while respecting that there are a number of sensitive agricultural, manufacturing and industrial products which should be given appropriate treatment, for example though tariff-rate quotas (TRQs);
- exploiting fully the potential of **trade in services**, audiovisual services should be excluded and explicit provision should be made for the modernisation of the agreement not to hinder the parties' ability to define, regulate, provide and support public services;
- including provisions on **good tax governance** and transparency standards that reaffirmed the parties' commitment to implementing international standards in the fight against tax fraud and evasion;
- making progress towards a necessary international reform of the **dispute settlement regime**; to seek a commitment by all parties to prioritise recourse to competent courts and replace investor-to-state dispute settlement (ISDS) with a public investment court system (ICS) with an appeal mechanism;
- including a chapter on trade and **sustainable development** that includes binding and enforceable obligations, subject to dispute settlement mechanisms. This chapter should cover, *inter alia*, the commitment of the parties to adopt in their national laws the principles enshrined in the core ILO conventions of the International Labour Organisation (ILO) as well as their commitment to implement the conventions on governance, the Decent Work Agenda, the Equal Opportunities Convention, labour standards for migrant workers and corporate social responsibility (CSR);
-

ensuring that, as regards Chile's progress in bilateral trade negotiations with Uruguay and Canada, the parties include a specific chapter on trade and **gender equality and women's empowerment**;

- including a detailed chapter on **micro-enterprises and SMEs** foreseeing substantial progress in terms of trade facilitation, the elimination of trade barriers and unnecessary administrative burdens;
- including a chapter on energy that would cover, in particular, renewable energy and raw materials;
- accepting that negotiations should lead to binding provisions on the recognition and protection of all forms of **intellectual property rights**, including ambitious provisions on geographical indications.

Lastly, Members called on the Council, the Commission and the EEAS to ensure that the **European Parliament receives full, immediate and accurate information throughout the negotiations** for the purposes of its role of deciding whether or not to grant consent to the conclusion of the modernised AA with Chile, including the agreement's trade pillar.