Basic information

2018/2005(INI) INI - Own-initiative procedure	Procedure completed
Harnessing globalisation: trade aspects **Subject** 5.03 Global economy and globalisation 6.20.05 Multilateral and plurilateral economic and trade agreements and relations	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
INTA International Trade	SCHUSTER Joachim (S&D)	11/10/2017
	Shadow rapporteur ANDRIKIENĖ Laima Liucija (PPE) MCCLARKIN Emma (ECR) SCHAAKE Marietje (ALDE) SCHOLZ Helmut (GUE/NGL) HAUTALA Heidi (Verts/ALE)	

Committee for opinion	Rapporteur for opinion	Appointed
AFET Foreign Affairs	The committee decided not to give an opinion.	
DEVE Development	PREDA Cristian Dan (PPE)	09/04/2018
BUDG Budgets	The committee decided not to give an opinion.	
ECON Economic and Monetary Affairs	The committee decided not to give an opinion.	
EMPL Employment and Social 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	The committee decided not to give an opinion.	
TRAN Transport and Tourism	The committee decided not to give an opinion.	
REGI Regional Development	The committee decided not to give an opinion.	
AGRI Agriculture and Rural Development	KADENBACH Karin (S&D)	23/01/2018
CULT Culture and Education	ZAMMIT DIMECH Francis (PPE)	07/02/2018
JURI Legal Affairs	LEBRETON Gilles (ENF)	21/02/2018
LIBE Civil Liberties, Justice and Home Affairs	The committee decided not to give an opinion.	

European Commission

Commission DG	Commissioner
Trade and Economic Security	MALMSTRÖM Cecilia

Key events

Date	Event	Reference	Summary
18/01/2018	Committee referral announced in Parliament		
27/09/2018	Vote in committee		
12/10/2018	Committee report tabled for plenary	A8-0319/2018	Summary
25/10/2018	Decision by Parliament	T8-0439/2018	Summary
25/10/2018	Results of vote in Parliament		
25/10/2018	Debate in Parliament		
25/10/2018	End of procedure in Parliament		

Technical information

Procedure reference	2018/2005(INI)
Procedure type	INI - Own-initiative procedure

Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 55
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	INTA/8/11987

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE622.206	29/05/2018	
Committee opinion	AGRI	PE619.357	22/06/2018	
Committee opinion	CULT	PE620.759	26/06/2018	
Amendments tabled in committee		PE623.890	02/07/2018	
Committee opinion	DEVE	PE619.291	03/09/2018	
Committee opinion	JURI	PE622.118	05/09/2018	
Committee report tabled for plenary, single reading		A8-0319/2018	12/10/2018	Summary
Text adopted by Parliament, single reading		T8-0439/2018	25/10/2018	Summary

European Commission

Document type	Reference	Date	Summary
Commission response to text adopted in plenary	SP(2019)4	14/03/2019	

Harnessing globalisation: trade aspects

2018/2005(INI) - 12/10/2018 - Committee report tabled for plenary, single reading

The Committee on International Trade adopted an own-initiative report by Joachim SCHUSTER (S&D, DE) on harnessing globalisation: trade aspects.

Global trade openness and globalisation have had positive effects, lifting millions of people out of poverty and as such can contribute to the economic growth, prosperity and competitiveness of countries. However, globalisation also poses challenges and its benefits are spread unequally among people and regions.

Although Members welcomed the Commission reflection paper on the same issue and its focus on easing access to the positive effects of globalisation, they stressed the need to **counter the negative effects**. They recognised the growing responsibility of the EU to contribute to answering these challenges in its global trade and external relations.

European policy: Members noted that the EU is presented with the challenge of functioning successfully in a changing global economic setting, meaning that it needs to assure its competitiveness while preserving social and environmental standards, increase its cooperation with the rising economies in Southeast Asia as well as India, China and Latin America, and address the increasing arbitrary protectionism of the United States. They stressed that the aims of fulfilling the Sustainable Development Goals (SDGs) and implementing the Paris Agreement must serve as the overarching framework for pursuing this engagement, with policy coherence for development being of utmost importance. Public finance, official development assistance and domestic resource mobilisation are necessary tools for achieving the SDGs.

The report stressed the importance of flanking policies to support the positive effects and opportunities provided by globalisation and the need for **structured, well-balanced free trade agreements**.

In general, Members considered that the European Union offers an **appropriate support framework** for elaborating progressive rules on trade and investment, encouraging economic cooperation, solidarity between peoples and the fight against climate change. However, they encouraged the Union to **further develop** its initiatives in order to better regulate globalisation through effective support measures.

Noting the difficulties encountered by Member States in dealing on their own with transnational challenges such as migration flows, financial crises, tax evasion, terrorism and climate change, Members emphasised the **shared responsibility** and role of regions and cities in harnessing globalisation.

Europe's internal and external response: Members welcomed the further strengthening of the EU's internal market as well as the consolidation of the economic union through the harmonisation of standards on social protection, wages and standards of living. They considered that such harmonisation is vital, as a solid internal market is a prerequisite for the successful implementation of international strategies.

Pointing out the need to ensure a more level playing field for SMEs, Members asked the Commission to create a European trade strategy for SMEs in order to integrate SMEs into international value chains and overcome trade-specific hurdles such as non-tariff barriers. Access to information is one of the biggest obstacles to market participation for SMEs, meaning that transparency and support need to increase.

The Commission is also called on to:

- develop instruments in this context to facilitate the handling of rules of origin and the use of preferences for SMEs;
- set ambitious targets for increasing utilisation rates of unused preferences;
- further strengthen transparency in trade agreements, improve the monitoring of EU rules and legislation, and increase inclusiveness for citizens;
- conduct negotiations in full transparency, through constant dialogue with the European Parliament, national parliaments, social partners and civil society;
- inform and involve national parliaments and civil society before the approval of negotiating mandates and during negotiations;
- expressly include animal welfare in its next trade policy strategy and to use the review clauses in existing FTAs to further improve animal welfare provisions;
- include solid and comprehensive sustainable development chapters in FTAs in order to support international trade;
- promote international cooperation on fighting unfair competition and protectionism, which are detrimental to both businesses and citizens.

The report also noted that, as a response to globalisation-induced job losses, Member States need to strengthen their labour market policies and their offer of training. A **reform of the European Globalisation Adjustment Fund** (EGF) is needed in order to meet the new challenges of globalisation, including a reform of the preconditions for receiving support. The EGF must become a **more proactive tool** aimed at preparing workers and companies to fight the negative impacts of globalisation.

Harnessing globalisation: trade aspects

2018/2005(INI) - 25/10/2018 - Text adopted by Parliament, single reading

The European Parliament adopted by 115 votes to 32, with 131 abstentions, a resolution on harnessing globalisation: trade aspects.

Global trade openness and globalisation have had positive effects, lifting millions of people out of poverty and as such can contribute to the economic growth, prosperity and competitiveness of countries. However, globalisation also poses challenges and its benefits are spread unequally among people and regions.

Although Members welcomed the Commission reflection paper on the same issue and its focus on easing access to the **positive effects** of globalisation, they stressed the need to counter the negative effects. They recognised the growing responsibility of the EU to contribute to answering these challenges in its global trade and external relations.

However, they considered that protectionism would be a simplistic and weak answer to the challenges posed by globalisation, stressing that protectionist policies that are not implemented in line with WTO rules will have a domino effect on all, hurting importers, exporters and consumers.

European policy: Members noted that the EU is presented with the challenge of functioning successfully in a changing global economic setting, meaning that it needs to assure its competitiveness while preserving social and environmental standards, increase its cooperation with the rising economies in Southeast Asia as well as India, China and Latin America, and address the increasing arbitrary protectionism of the United States.

They stressed the importance of engaging in the **restructuring of the world economic order** and respecting the needs of developing countries as well as of the economically and socially deprived in developed countries. The achievement of Sustainable Development Goals (SDGs) and the implementation of the Paris Climate Agreement must serve as the overarching framework to pursue this commitment.

Parliament also called for structured, well-balanced **free trade agreements**, reiterating its support for the Commission's trade policy and the promotion of trade policy tools and instruments in order to regulate and tackle the challenges of globalisation. Overall, it considered that the European Union offers an appropriate support framework for elaborating progressive rules on trade and investment, encouraging economic cooperation, solidarity between peoples and the fight against climate change.

Europe's internal and external response: Parliament agreed with the Commission that preserving international competitiveness while guaranteeing **high social and environmental standards** is a prerequisite for a successful European strategy. It also pointed out that being internationally competitive depends strongly on successfully **shaping automation and digitalisation** in a socially and environmentally responsible manner, while preserving the protection of European citizens' private lives.

It also stressed the need to ensure a more level playing field for **small and medium-sized enterprises** (SMEs).

The Commission was invited to:

- create a **European trade strategy for SMEs** in order to integrate SMEs into international value chains and overcome trade-specific hurdles such as non-tariff barriers; Members called for the inclusion of dedicated chapters in trade agreements on the needs and interests of SMEs, especially with regard to market access facilitation;
- enhance the transparency of trade agreements, through constant dialogue with the European Parliament, national parliaments, social partners and civil society;
- ensure that **imported agricultural products** meet EU standards and to strengthen checks on imported agri-food products at their place of origin and upon their arrival in the EU;
- include solid and comprehensive **sustainable development** chapters in FTAs in order to support international trade, and to include a specific chapter which contributes to supporting and promoting international conventions on social, labour and human rights, and multilateral environmental agreements;
- promote international cooperation on fighting **unfair competition and protectionism** in third countries. In this context, the recently reformed trade defence instruments must be implemented in an effective and proportionate way to protect industries and jobs from dumped and unfairly subsidised imports.

Members also considered it essential to balance trade negotiations on **copyright** and called for trade agreements to ensure high standards of data protection.

As a response to globalisation-induced job losses, Member States need to strengthen their labour market policies and their offer of training. **A reform of the European Globalisation Adjustment Fund (EGF) is needed** in order to meet the new challenges of globalisation, including a reform of the preconditions for receiving support. The EGF must become a more proactive tool aimed at preparing workers and companies to fight the negative impacts of globalisation.