



CIVIL SOCIETY DIALOGUE

MEETING WITH COMMISSIONER FOR TRADE KAREL DE GUCHT

Date: 03 December 2012

Time: 14:30 – 16:00

Location: Berlaymont Building, room Robert Schuman, 200, Rue de la Loi-1049 Bruxelles

Lead participant

Commissioner for Trade, Karel De Gucht, European Commission

Moderator

Mr Holger Standertskjold, Head of Unit, Information, Communication and Civil Society, Directorate-General for Trade

Introduction

Commissioner De Gucht welcomed the participants and mentioned the importance for the Commission to receive input and exchange views with civil society.

Concerning the promotion of growth in Europe, the Commissioner highlighted the free trade negotiations with ASEAN countries and India and the relationships with emerging such as Russia and China. He referred to the current Commission work with Russia on the full implementation of its World Trade Organization (WTO) commitments.

Regarding China, the Commissioner elaborated on the Commission's efforts in pursuing an investment agreement that would deliver greater legal certainty and market access. Furthermore, he mentioned the commercial relationships with developed partners such as Canada, Japan and the United States.

The Commissioner emphasised the need for enforcement of trade policies in order to effectively secure growth in Europe and stressed the role of trade diplomacy and trade defence procedures.

With regard to sustainable development, the Commissioner noted that trade is creating demand and supply in developing countries. In this context, he recalled the success of market opening strategies in developing countries and referred to actions taken under the the Commission's Communication on Trade Growth and Development.

Moreover, the Commissioner referred to the trade agreements with Central America, Peru and Colombia which will create significant export opportunities. These trade agreements would provide legal clarity and foster a pro-growth business environment.

The Commissioner also highlighted the success in refocusing the Generalized Scheme of Preferences (GSP). While excluding countries like Saudi Arabia, Qatar and Russia from the scheme, the GSP can better focus on the challenges presented to countries such as Haiti, Burkina Faso and Mauritania. He further mentioned aid for trade as a priority of development cooperation with Least Developed Countries (LDCs) if a mutual consensus could be reached.

With regard to WTO negotiations, the Commissioner explained that trade facilitation would benefit the overall development by simplifying cumbersome border procedures. In this regard, trade facilitation fosters exports as well as imports.

Finally, the Commissioner concluded by noting the importance of civil society input for delivering real solutions for Europe and its partners in the developing world.

Discussion highlights

EuroCommerce expressed its appreciation for the work carried out by the Commissioner and the whole DG Trade. It subscribed the importance of the mandate given by the Council authorising the launch of trade negotiations with Japan. Eurocommerce favoured the review of the GSP regime, while expressing its wish that the list of the beneficiaries for GSP+ will be released soon. Furthermore, it acknowledged the importance to develop good practices in TDI related issues, as these benefit the manufacturers. It also expressed the hope that trade negotiations with India will gather momentum.

European Economic and Social Committee (EESC) emphasised the importance of considering the DAG under the EU-South Korea FTA as a template for other FTAs. The EU-Colombia-Peru trade agreement does not provide as good opportunities for a well-structured dialogue with Civil Society, as did the EU-South Korea FTA. EESC also asked whether the FTA with Japan will also include a chapter on sustainable development (SD).

IFPI Representing the recording industry asked for further clarification on the debate regarding the protection and enforcement of Intellectual Property Rights (IPRs).

European Apparel and Textile Confederation echoed its concern about IPR protection in the textile manufacturing sector. Furthermore, it requested further information on the upcoming copyright debate and manifested interest in sharing their concerns on possible problematic aspects of this issue.

On TDI, **the Commissioner** clarified that no major changes will be made and that the debate will be mainly based on recommendations stemming from public consultations. With reference to the SD chapters in trade agreements, the Commissioner acknowledged the importance of civil society and the central role played by the EESC. Regarding the EU-Colombia-Peru FTA, he explained that a detailed roadmap was agreed upon with the counterparts and that the European Parliament has also shown a strong interest in this issue.

Moreover, the Commissioner referred to the ongoing debate linked to IPRs and copyright, as shown in relation with ACTA. He also mentioned that the College intended to discuss IPR-related issues. Major emphasis will be put on the constraints linked to IPRs in the digital environment.

Eurogroup for Animals asked for clarification on the results of the High Level Working Group with the US and whether the FTAs being negotiated with the ASEAN countries would also include a chapter on Sustainable Development.

Médecins Sans Frontières voiced its concern on specific provisions related to public health and access to medicines. It also requested clarification on the IPR negotiations and whether IPR provisions would fall within the scope of the investment chapter.

European Farmers addressed its expectations regarding the negotiations on trade facilitation. EF also referred to the mandate for the start of FTA negotiations with Japan as well as to the possibility of tackling sensitive issues, namely Geographical Indications (GIs) and Non-Tariff barriers (NTBs), during the future trade negotiations with the US.

Freshfel referred to the relevance for the European fresh fruit and vegetables sector of the current negotiation of a joint protocol to export apples and pears from the European Union to the United States.

As to the latest state of play of the US High-Level Working Group, **the Commissioner** explained that in June 2012 an interim report was published. However, no political decision had yet been reached to launch negotiations for a free trade agreement. He also clarified that a SD chapter would be included in the potential trade negotiations with Japan as well as with the other ASEAN countries. Moreover, **the Commissioner** referred to the internal political situation in India as the main reason for the current impasse in the EU-India trade negotiations.

Concerning access to medicines, the Commissioner pointed out that counterfeiting represents an outstanding issue. Regarding investment, he acknowledged that much still has to be done in the light of the transition towards a system of EU-wide investment agreements as introduced by the Lisbon Treaty.

With reference to the Doha Development Agenda, **the Commissioner** highlighted the relevance of going back to the multilateral trading negotiations table once the proper political conditions are given. He also argued that trade facilitation would represent an important deal that would create a win-win situation for both developed and developing countries.

On the joint protocol to export apples and pears from the EU to the US, **the Commissioner** stated that work had been ongoing since 2009 on a joint protocol that would allow exports of apples and pears to take place from seven Member States of the EU to the United States under alternative commercially viable import requirements and that he was aware of the trade benefits that this protocol will bring to the fruit and vegetable sector in the EU.

European Egg, Poultry and Game Association (BG) asked what the latest state of play in the negotiations with MERCOSUR was and about the exact reasons behind the current impasse.

ISFE - Representing the European Videogame Industry and **DIGITALEUROPE** expressed their appreciation on the busy trade agenda. They enquired about his views about the future of the ITA agreement and whether the Commissioner could indicate if the EU would support the expansion of the ITA to cover video game consoles - including handheld consoles - and game software during the ongoing ITA negotiations.

On ITA, **the Commissioner** replied that the EU does not apply customs tariffs on videogames classified in 950410/30/90 and is a large net importer of the products concerned. However, the EU has not taken a final position on inclusion of the mentioned product categories in the

ITA product expansion. With regard to MERCOSUR, he clarified that the current stalemate in the trade negotiations is partly due to Argentina's move towards protectionist stances. He also recalled that he will participate in the EU-CELAC Summit, which will be held in Santiago de Chile in January 2013.

Japan Machinery Centre echoed his appreciation for the current trade agenda as well as for the mandate approved by the Council authorising the opening of the negotiations with Japan and asked what the likely timeline for the negotiations with both the US and Japan would be.

APRODEV voiced its concern about growing trends of unsustainable growth and an increasing discrepancy between excessive demand and scarcity of supply.

European Apparel and Textile Confederation expressed its concern about the trade barriers in the Argentinian and Brazilian markets hampering trade for European businesses operating in these countries. The same type of concerns would be applicable to Russia, where a wide range of protectionist measures, including subsidies, seemed to be have been put in place.

The Commissioner explained that although a tentative timeline was proposed at the beginning of negotiations, it would not be realistic to give a concrete date for their finalisation. As far as the potential upcoming trade negotiations with Japan were concerned, the emphasis would be on non-tariff barriers (NBTs). This process would have to be accompanied by an adaptation of the legal framework and relevant provisions.