

Question for written answer E-001171/2016
to the Commission
Rule 130
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Subject: EU free trade agreement negotiations and the protection of vulnerable sectors

The EU, in its negotiations on trade agreements with third countries, is rightly taking account of the situation of particularly vulnerable sectors and is taking protective measures to help them. One such measure is the use of transitional periods.

There is a risk, however, that while transitional periods outwardly appear to be helping vulnerable sectors, they are in fact merely allowing extra time for production (and jobs) to be moved abroad. The issue is worse for areas of production that have recently undergone dramatic modernisation processes, as they do not yet have the technology to reduce their emissions.

The chemicals industry, and in particular fertiliser producers, are in that situation. Their state-of-the-art technology leaves little scope to reduce emissions further, but about 70 % of their production costs are energy and raw materials such as gas.

The liberalisation of trade, in this case, would make the EU industry less competitive than in other countries where the price of energy and raw materials is significantly lower and emissions standards are lower. For that reason, companies would move away from Europe, giving rise to socio-economic problems and doing little to help global efforts to reduce climate change.

Would it not be better, in the case of industries such as these, to exclude them from the free trade agreements instead of merely giving them a transitional period, so that they do not have to face unfair competition?