



8th legislature, N°72 – 23 January 2017

Highlights



During its first meeting of 2017, INTA Committee is set to **elect its leadership**, to debate **trade priorities of the Maltese Presidency** and to vote on the **landmark trade deal with Canada**. Members will discuss imminent changes to the **EU anti-dumping rules** and suggestions for additional **market opening to products from Ukraine**. MEPs will hear from stakeholders on the **commercial relationship with Iran** and will deliberate on the prospects of creating a **Multilateral Investment Court**. INTA is expected to give its final OK to the interinstitutional deal on the **Conflict Minerals dossier**.

Quote of the month

"I expect the UK to be a respectful negotiating partner, even if the goals set are not easy to attain. I am prepared to contribute to finding an agreement that the European Parliament can and will support."

INTA Chair Bernd Lange, in reaction to Theresa May's speech outlining UK's negotiating goals

Mid-term: INTA elects its leadership

With the eighth legislature of the European Parliament coming to its second half, INTA kicks off 2017 holding a constitutive meeting to choose its chair and vice-chairs for the upcoming two-and-a-half years. The most pressing tasks that await the Committee in 2017 include modernisation of trade defence instruments and dual-use export controls, and continuing the scrutiny of ongoing and upcoming bilateral, plurilateral and multilateral trade talks.

INTA votes on CETA



On the eve of the vote scheduled for 24 January, INTA will hold its final discussion on the trade pact with Canada (CETA). In addition to the opinions adopted by AFET, ENVI and EMPL committees, members will discuss the details around the powers of the Joint Committee to be set up by the agreement and appointment of judges for the CETA Investment Court. When voting, Members will decide whether or not to give consent, or to rather suspend the consent procedure. Plenary debate and vote on CETA is expected during the mid-February session.

Maltese Presidency sets out its trade priorities



Maltese Minister for Economy Christian Cardona will present the trade issues topping Valletta's six-month EU presidency. These range from keeping momentum on ongoing trade talks and possibly starting to define the mandates for negotiations with Australia, Chile, New Zealand and Turkey to setting the tone for the EU's position for the 11th WTO Ministerial Conference. On the legislative front, the co-legislators will tackle dossiers on Trade Defence Instruments, Dual Use and the International Procurement instrument.

- [Maltese priorities](#)

Push to reform EU's trade defence

INTA will consider proposals to change the methodology of anti-dumping procedures for imports from countries with significant market distortions, or where the state has a pervasive influence on the economy. The proposal, aimed at aligning the methodology with changes in the WTO, is a new legislative proposal, but deals with the same piece of legislation as the wider reform of the EU's trade defence instruments (TDIs). In 2016, the Commission launched a record number of 24 new antidumping and anti-subsidy investigations, with China topping the list.

- [Commission proposal](#)
- [Statistical data](#)

INTA considers further access for Ukrainian imports

Consideration of the draft report

A draft law that would facilitate imports of certain Ukrainian agricultural and industrial products is undergoing scrutiny at the European Parliament. Trade MEPs will consider proposals to offer additional concessions on wheat, maize and fertiliser products. The proposed measures, due to be voted on by INTA in March and decided upon by the Plenary in April, will supplement the trade concessions already available under the Deep and Comprehensive Free Trade Area (DCFTA), provisionally applied since 1 January 2016.

- [Draft report](#)

MEPs consider steps towards a Multilateral Investment Court

The EU and its partners are assessing the options for a reform of investment protection at the multilateral level aiming at the establishment of a permanent Multilateral Investment Court. The Commission will present to INTA, the state-of-play and the work that has been carried out so far in this direction under EU's initiative. The stakes are high given the number of investment disputes related to the increased FDI flows and the overlapping of the over 3200 existing investment treaties.

- [Background](#)

Trade and investment prospects in Iran



One year after international sanctions against Iran have been lifted following the so-called "Iran nuclear deal", INTA will hear from experts on the prospects of economic engagement. In addition to opportunities offered by the market opening, members are also set to discuss the impact of US sanctions on European businesses dealing with Iran.

Stabilisation mechanism for bananas complements EU-Ecuador agreement

By joining the EU-Colombia/Peru trade agreement, Ecuador will enjoy improved access for its main exports to the EU, such as fisheries, cut flowers, coffee, cocoa, fruits and nuts. Although banana imports will also benefit from a preferential rate, an additional stabilisation mechanism will protect European producers from potential import surges. Under a compromise text to be voted by the Parliament in the beginning of February, preferences can be suspended if an annual threshold has been reached.

- [Background](#)

INTA debates trade facilitation through smoother customs and border management



INTA will discuss a report evaluating external aspects of customs performance and management as a tool to facilitate trade and fight illicit trade. A separate workshop on facilitating external trade via border management will be held on 25 January. MEPs will hear presentations of researchers and experts of the World Customs Organisation covering the issues of border management, e-commerce and enforcement of trade policy rules at EU borders.

- [Draft Report](#)
- [Customs portfolio of INTA](#)

Trade votes in Plenary

At 19 January plenary sitting, the Parliament voted on relaxing the rules on textile imports from Belarus and on the provisions regulating management tariff quotas for agricultural and fishery products originating in Kosovo. During the 1-2 February meeting, the EP is set to vote on the Bilateral safeguard clause and the stabilisation mechanism for bananas of the EU-Colombia-Peru Trade Agreement.

RECENT TRADE NEWS

EU-US report recaps TTIP talks, survey shows minor increase in support to TTIP

A Joint Report on talks for a Transatlantic Trade and Investment Partnership (TTIP) recaps the progress achieved so far and thorny issues on which the EU and US negotiators must still find an accord. By issuing this report, the outgoing US Administration puts down its “TTIP pencil” and puts its legacy in the hands of the new US Administration, which needs to decide if, when, and how to proceed with TTIP. The latest Eurobarometer survey shows a slight increase in the public backing of TTIP across the EU, with 53% indicating support for the EU-US trade deal and 34% remaining “against”.

- [Joint Report on TTIP Progress](#)
- [Eurobarometer 86](#)

Survey maps barriers to trade

An ITC-EU study, based on 8100 company interviews across 28 EU countries covering 26 sectors, reveals that more than a third of European exporters encounter burdensome non-tariff measures (NTMs) within domestic and some 150 destination markets. In most cases, the burden is due to procedural obstacles.

- [Business Survey on NTBs](#)

Uncertainty weights on global economic outlook

Continuing policy uncertainty will mean that the world economy will not see clear improvement from last year's stagnant global trade and subdued investment, says Global Economic Prospects of the World Bank Group. In its World Economic Outlook, the IMF warns that increased restrictions on global trade and migration can take a toll on productivity and incomes. It urges policymakers to come up with targeted initiatives to help those adversely affected by trade opening to find jobs in productive sectors of the economy. Decision-makers at the annual World Economic Forum meeting in Davos cautioned against the dangers of isolationism and protectionism, urging to fight inequality and adapt to changes brought about by rapid technological change.

- [Global Economic Prospects](#)
 - [World Economic Outlook](#)
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STATE OF PLAY OF EU TRADE DISPUTE SETTLEMENT

[China files complaint over its Market Economy Status](#)

Beijing filed a dispute with the World Trade Organisation (WTO) over the approach used by the EU and the US to calculate anti-dumping measures against Chinese exports, on 12 December requesting consultations with the both parties.

[Major win for the EU in Boeing case](#)

The United States' massive support for production of the Boeing 777X breaches international trade rules. The WTO Panel report confirms that the US 2013 decision to extend tax breaks for Boeing until the year 2040 goes against previous WTO rulings. By making these tax breaks depend on the use of domestically produced wings, the US also discriminated against foreign suppliers. The US [appealed](#) the findings on 16 December.

- [Further information](#)

[Indonesia successfully challenges duties on fatty alcohol](#)

On 16 December the WTO issued the panel report in the case brought by Indonesia against the EU on Anti-Dumping Measures on Imports of Certain Fatty Alcohols, finding the measures inconsistent with the Anti-Dumping Agreement. These EU anti-dumping measures expired on 12 November 2016.

TRADE NEGOTIATIONS

- **EU-Indonesia Free Trade Agreement: 2nd round**
24-27/01, Bali, Indonesia
- **EU-Azerbaijan Comprehensive Agreement: launch**
07/02, Brussels, Belgium
- **Association Agreement with Andorra, Monaco, San Marino: 5th round**
31/01 to 03/02, Brussels, Belgium
- **EU-Philippines Free Trade Agreement: 2nd round**
13-17/02, Cebu, Philippines

PUBLICATIONS

DG EXPO Policy Department

- [EU Common Commercial Policy in the context of wildlife sustainability imperatives](#)

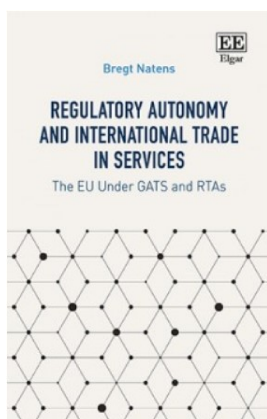
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- [Human rights in EU trade policy: Unilateral measures](#)
- [Japan: Economic indicators and trade with EU](#)
- [Driving trade in the ASEAN region: Progress of FTA negotiations](#)
- [Why China's public procurement is an EU issue](#)
- [China's WTO accession: 15 years on - Taking, shaking or shaping WTO rules?](#)

EP Research Service library collection



[Bilaterale Verhandlungen Der Vereinigten Staaten Über Freihandelsabkommen: Von Der Clinton-Ära Bis Zur Obama-Administration](#), Holger Janusch, Springer, 267 p., 2016, "Holger Janusch wirft einen detaillierten Blick auf alle bilateralen Verhandlungen der Vereinigten Staaten über Freihandelsabkommen seit Gründung der Welthandelsorganisation, um eine Lücke in der aktuellen Forschung zur US-Handelspolitik zu schließen."



[Regulatory Autonomy and International Trade in Services: The EU Under GATS and RTAs](#), Bregt Natens, Edward Elgar, 351 p., 2016, "Considers how the interplay between multilateral and preferential liberalisation of trade in services increasingly raises concerns, both from the perspective of the beneficiaries of such liberalisation (whose rights are uncertain) and that of regulators (whose regulatory autonomy is constrained). It shows how these concerns lead to underutilisation of, and prejudices against, the benefits of services liberalisation. It analyses and compares the EU's obligations under the GATS and the services chapters of several RTAs to finally assess the merits of the raised concerns."



[National Administrations in EU Trade Policy: Maintaining the Capacity to Control](#), Johan Adriaensen, Palgrave Macmillan, 208 p., 2016, "Studies member states' ability to exert control over the European Commission during trade negotiations. But what determines administrative capacity and how do MS ensure their preferences are defended during trade negotiations? A combination of qualitative fieldwork and survey-analysis provides the answer. Interviews in Belgium, Poland, Estonia and Spain offer a privileged insight into the functioning of national trade administrations and its effects on their behavior in the Council of Ministers."

For more information please visit intranet pages on [International Trade](#)

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