

VIII Legislature, N°51 – 20 January 2015

Highlights

Latvia presents Presidency's trade priorities

Surveillance and intrusion technologies on the radar of MEPs

TTIP: investment protection and EP recommendations

2015 Parliamentary Conference on the WTO

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Meeting highlights (21-22/01/2015)

Latvian Presidency presents its international trade priorities



Ms Zanda KALNIŅA-LUKAŠEVICA, Parliamentary State Secretary for EU affairs of the Ministry of Foreign Affairs of Latvia, will present the priorities of the Latvian Presidency in the area of International Trade Policy and discuss these with INTA members. The Latvian Presidency priorities include advancing the ongoing negotiations (such as with the USA, Vietnam, Japan and China), working towards implementation of the WTO agreement reached in Bali, and advancing in or completing the on-going legislative procedures with the Parliament, namely the 'Conflict minerals' Regulation, the new Macro-financial assistance to Ukraine, Western Balkans' autonomous trade preferences, TDI modernisation, International

Public Procurement Instrument and the 'Anti-torture Regulation'.

Programme of the Latvian Presidency

Impact of digital surveillance and intrusion technologies on human rights Joint Public Hearing with sub-Committee on Human Rights



In a joint hearing, human rights and trade MEPs will scrutinise the misuse of digital surveillance and intrusion technologies beyond the EU. In the context of evidence alleging the use of the EU-made cybertools for repression and multiplication of cyber-attacks targeting state institutions, businesses and civil society, parliamentarians will quiz experts on the future of export controls of strategic software and technologies. The hearing will contribute to the forthcoming Parliamentary report on Human rights and technologies and to the revamping of the EU's export controls for the Dual Use items.

Agenda and documents
Online streaming

EP recommendations for TTIP negotiations

Consideration of working document

In view of preparing the draft report that would contain Parliament's recommendations to the Commission on the negotiations for the Transatlantic Trade and Investment Partnership (TTIP), the Committee will consider the working document by Mr Bernd Lange, the rapporteur for TTIP. The new report on TTIP negotiations is intended to assess the main results of the negotiations after ca 1.5 years of discussions and to express the Parliament's views on the main issues of a potential TTIP agreement, following-up to Parliament's resolutions adopted in October 2012 and May 2013. In order to ensure a coherent approach and the possibility for opinion-giving committees to submit formal opinions the report is based on Rule 108(4), and 12 committees have decided to draft opinions.

Working document

Investment protection in TTIP: results of the public consultation

Presentation by the Commission



In a strive to increase transparency, the Commission on 7 January has published initial EU negotiating documents (textual proposals and position papers) and the explanatory factsheets on the EU-US trade talks, covering market access, regulatory cooperation and rules. A separate report released by the Commission on 13 January 2015 analysing nearly 150,000 responses to an online consultation shows that most respondents hold sceptical views about the Transatlantic Trade and Investment Partnership (TTIP) and inclusion of investor-to-state dispute settlement (ISDS) mechanism into it. The Commission will present the report to INTA Members on 22 January, providing a factual overview of the results of the consultation.

EU's TIP negotiating proposals

Report on ISDS

2015 Parliamentary Conference on the WTO

With the World Trade Organization (WTO) turning twenty this year, delegates of the Parliamentary Conference on the WTO will meet in Geneva on 16-17 February. In meetings and discussions with their parliamentary counterparts from all over the world, a 15-strong delegation of MEPs will look at trade as an enabler of peace and better living conditions and examine the possibilities of better conveying the benefits of the WTO to the wider public, in particular consumers and the youth. The Parliamentary Conference on the World Trade Organization (WTO) is a joint undertaking of the Inter-Parliamentary Union and the European Parliament.

Annual PCWTO session

Clearer import rules in the pipeline

Consideration of amendments, vote on draft reports



INTA will vote on two proposals to codify - and thus clarify - existing Regulations that deal with common rules on surveillance and safeguard measures for imports of textiles and other goods from certain non-WTO members, not covered by bilateral arrangements or by other specific EU import rules (such as the General System of Preferences). The recast procedure, under which the proposals were put forward, limits the co-legislators' powers to amend them. INTA members are

proposing 16 amendments to the rules for textile imports, the majority of them by rapporteur Mr Walesa to further clarify the proposal and to ensure greater legal certainty and consistency.

Rapporteur: Jarosław Wałęsa (EPP)

Administrators: Hannariikka Nieminen / June O'Keeffe
Procedure: 2014/0177(COD) - INTA/8/00575 and

2014/0168 (COD) - INTA/8/00464

Lead committee: INTA - JURI giving a recast opinion

DRAFT TIMETABLE

Exchange of views: 5-6 November **Consideration of draft report:** 3-4 December 2014 **Deadline for amendments:** 15 December 2014 **Planned vote in INTA:** 21-22 January 2015

Planned vote in plenary: March 2015

European Energy Security Strategy

Exchange of views

INTA will have its first debate on the opinion to the ITRE Committee on the Commission's European Energy Security Strategy (INTA Rapporteur Mr Helmut Scholz (GUE/NGL)). Temporary disruptions of gas supplies strongly hit EU citizens in some of the eastern Member States in the winters of 2006 and 2009, serving as a "wake up call" pointing to the need for a common European energy policy. According to the Commission, a lot has been done in order to strengthen the EU's energy since then. Yet despite progress in strengthening its infrastructure and diversifying its suppliers, the EU remains vulnerable to external energy shocks. The Communication says that the EU needs a strategy for energy security which promotes resilience to these shocks and disruptions to energy supplies in the short term and reduced dependency on particular fuels, energy suppliers and routes in the long-term. Trade plays an important role in the securing the Union's supply of energy.

Draft report

EU businesses operating in China

Exchange of views

INTA will exchange views with Mr Jörg Wuttke, President of the European Union Chamber of Commerce in China (EUCCC). The European Chamber now has more than 1,800 members in 7 chapters operating in 10 cities: Beijing, Chengdu, Chongqing, Nanjing, South China (Guangzhou, Shenzhen and Zhuhai), Shanghai, Shenyang and Tianjin. The Chamber is recognised by the European Commission and the Chinese Authorities as the official voice of European business in China. The EUCCC regularly publishes a position paper, which is a comprehensive breakdown of assessments and recommendations from European companies on China. It also intends to raise stakeholder awareness and understanding about the approaches that China is taking in the regulation of its business environment. Moreover, it draws attention to recurring concerns, as well highlights discriminatory treatment and the legitimate market access concerns of foreign industry, fighting against tendencies towards protectionism and for increased opening to foreign industry.

Review of the Bangladesh Sustainability Compact "Staying Engaged" *Exchange of views*

The INTA Committee will engage in a debate with the Ambassador of Bangladesh to the EU, H.E. Ms Ismat Jahan, about the implementation of the "Sustainability Compact", an initiative by the EU Commission, ILO and the Bangladeshi government to improve labour rights and working conditions in the Bangladeshi ready-made garment industry. This sector has grown tremendously as a result of unilateral duty-free access provided by the EU under its "Everything, but Arms" initiative. This discussions links in to the increasing focus of the INTA Committee on implementation of trade agreements and associated initiatives to improve living conditions through trade.

Bangladesh Sustainability Compact

Recent events

Quote of the month

"...it must be clear that the demand for more transparency does not stop at the TTIP negotiations, but also applies to all negotiations in which the EU is engaged"

Chairman of INTA Bernd Lange on publication of TTIP negotiating texts

Adopted in previous INTA meetings (03-04/12/2014)

• Tariff treatment for goods originating from Ecuador

Rapporteur: Helmut Scholz (GUE/NGL)

Vote on draft report:

in favour	against	abstentions
35	4	2

• Autonomous trade preferences for the Republic of Moldova

Rapporteur: Sorin Moisă (S&D)

Vote on draft report:

in favour	against	abstentions
34	4	3

 Commission Delegated Regulation (EU) No .../.. amending Annex III to Regulation (EU) No 978/2012 of the European Parliament and of the Council applying a scheme of generalised tariff preferences

Adoption of motion for a resolution (objection)

in favour	against	abstentions
12	26	3

 Commission Delegated Regulation (EU) No .../.. amending Annex I to Council Regulation (EC) No 1528/2007 applying the arrangements for products originating in certain states which are part of the African, Caribbean and Pacific (ACP) Group of States provided for in agreements establishing, or leading to the establishment of, Economic Partnership Agreements

Adoption of draft recommendation for a decision (early non-objection)

in favour	against	abstentions
37	2	1

Chair's activities:

- ✓ 2 December: Participation and intervention at a meeting between the Conference of Committee Chairs and the College of Commissioners
- ✓ 9 December: Panellist at the BEUC conference on Investor State Dispute Settlement in TTIP
- √ 10 December: Preparatory meeting with the Latvian Council Presidency
- ✓ 11 December: Co-chaired a joint meeting of the US monitoring group and the European Affairs committee of the German Bundestag

Selected trade news

Trade Committee Chair Lange welcomes publication of TTIP texts

The EU Commission's publication of legal texts proposed by the EU for eight chapters of the Transatlantic Trade and Investment Partnership (TTIP) deal was thanks to the European Parliament's continuous and persistent demands for transparency, noted EP Trade Committee chair Bernd Lange (S&D, DE) on Wednesday. Mr Lange welcomed the publication as an "important first step towards a public debate based on facts rather than speculation".

Press release

Word Banks cuts global growth forecast



WB Global Economic Prospects
IMF World Economic Outlook

The global economic outlook will remain dim due to soft commodity prices, persistently low interest rates combined with divergent monetary policies and weak world trade, estimates the World Bank. Global economy is expected to grow by 3.0 percent in 2015, and average about 3.3 percent through 2017. If the euro area or Japan slips into a prolonged period of stagnation or deflation, global trade could weaken even further, warns the World Bank. World Economic Outlook by the International Monetary Fund to be published on 20 January is likely to confirm the view that global recovery pace will be slower than initially expected.

STATE-OF-PLAY OF THE UNION'S TRADE DEFENCE INSTRUMENTS (TDI)

On-going investigations and measures in force

On 31 December 2014, there were 81 anti-dumping and 13 countervailing measures in force. Furthermore, there were undertakings in force from 4 countries covering 5 products. At the end of December, 46 investigations were on-going. 38 investigations were initiated, out of which 16 new investigations, 10 expiry reviews, 5 interim reviews, 2 new exporter reviews, 2 anti-absorption investigations and 3 anti-circumvention investigations.

2 provisional measures were imposed involving imports from 2 countries and 3 definitive measures were imposed, involving imports from 1 country and covering 2 products. 17 reviews were concluded by confirming or amending duties in force and 1 anti-circumvention investigation was concluded with extension of duty. 13 investigations and reviews were terminated without imposition of measures and 2 measures expired automatically. 1 undertaking was withdrawn and 1 undertaking expired.

New investigations until 31 December 2014

Anti-dumping investigations:

- Rainbow trout Turkey L 44, 15.02.2014
- Stainless steel cold-rolled flat products P.R. China Taiwan C 196, 26.06.2014
- Grain oriented flat-rolled products of silicon-electrical steel P.R. China Japan Korea (Rep. of)
 Russia USA C 267, 14.08.2014
- Acesulfame Potassium (ACE-K) P.R. China C 297, 04.09.2014
- Aluminium foil (in rolls of a weight exceeding 10 kg, "household foils") Russia C 354, 08.10.2014
- Tartaric acid P.R. China C 434, 04.12.2014
- Aluminium foils ("converter foils") P.R. China C 444, 12.12.2014
- Silicon manganese India C 461, 20.12.2014
- Tubes and pipes of ductile cast iron India C 461, 20.12.2014

Anti-subsidy investigations:

- Rainbow trout Turkey L 44, 15.02.2014
- Stainless steel cold-rolled flat products P.R. China C 267, 14.08.2014

RECENT WTO DISPUTE SETTLEMENT DEVELOPMENTS

WTO Appellate Body condemns Argentina's import restrictions

On 15 January 2015, the WTO's Appellate Body confirmed the earlier panel's findings: the various practices imposed by the Argentinean authorities on companies as a condition to import goods into the country are illegal under WTO law. Argentina should no longer require foreign firms to limit their imports, offset the value of imports with equivalent exports, invest in the country and keep their profits there, or use certain amount of Argentine content in their products. The WTO's Appellate Body also confirmed that Argentina should not require firms to secure an approval for their imports using the procedure known as the Advanced Sworn Import Declaration. See the Commission's press release.

EU requests WTO consultations on extension of State of Washington subsidies to Boeing 777x

On 19 December 2014, the EU requested WTO consultations on the extension until the end of 2040 of subsidies originally granted by the State of Washington to Boeing and other US aerospace firms until 2024. In 2012, the WTO found the original subsidies schemes – which were supposed to expire in 2024 – to be inconsistent with its rules. The extended subsidies are prohibited under the WTO Subsidies and Countervailing Measures Agreement, because they require the beneficiary to use domestic goods rather than imported ones. The subsidies scheme extension is estimated to be worth US \$8.7 billion and will be the largest subsidy for the civil aerospace industry in US history. See the Commission's press release here.

In DS 485 (Russia – Tariff Treatment of Certain Agricultural and Manufacturing Products), consultations with Russia have been held on 28 November 2014.

Publications

Latest publications by the DG EXPO Policy Department

- Transatlantic Trade and Investment Partnership (TTIP) Key Studies, Briefing
- <u>Stakeholder, Parliamentary and Third Country Concerns about the EU-Canada Comprehensive</u> <u>Trade and Economic Agreement (CETA), In-depth analysis</u>
- EU Initiative on Responsibly Importing Minerals from Conflict-Affected Regions, Briefing

See more

Upcoming publications from DG EXPO Policy Department

- Trade and economic relations with Japan
- New IPR and international trade communication
- Compliance with export credit rules

Recent publications by the EP Research Service

The Andean Community: economic integration

Enrique Gómez, EPRS At a Glance, December 2014, 2 p.

The Andean Community of Nations (CAN) has already established a free trade area, but has not yet agreed on a common external tariff that would allow the creation of a common market.

UNCTAD's World Investment Report 2014: Investing in the Sustainable Development Goals

Wilhelm Schöllmann, EPRS At a Glance, December 2014, 2 p.

The Sustainable Development Goals (SDGs) are set to replace the Millennium Development Goals (MDGs) after 2015. In its 2014 World Investment Report, UNCTAD assesses the developing countries' needs for financing in SDG-sensitive sectors over the period 2015 to 2030.

The BRICS Bank and Reserve Arrangement: towards a new global financial framework?

Wilhelm Schöllmann, EPRS At a Glance, December 2014, 2 p.

At this summer's summit in Brazil, the BRICS countries agreed on the establishment of their own financial institutions: the New Development Bank (NDB) and the Contingent Reserve Arrangement (CRA).

ASEAN: building an Economic Community

Martin Russell, EPRS At a Glance, December 2014, 2 p.

In 2007 the Association of Southeast Asian Nations (ASEAN) decided to move towards closer integration by establishing an ASEAN Economic Community (AEC) by 2015 as one of its three pillars. What will this mean and to what extent will the AEC resemble the EU's Single Market?

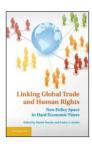
New print and online books in the EP Research Service library collection



Free trade and transnational labour

Andreas Bieler. - Routledge, 2014, 174 p.

"'Free trade' strategies have increasingly become a problem for the international labour movement. While trade unions in the North especially in manufacturing have supported free trade agreements to secure export markets for their companies, trade unions in the Global South oppose these agreements since they often imply deindustrialisation. Especially the expansion of the free trade agenda into services, public procurement, investment, intellectual property rights as well as investor to state dispute settlement provisions are considered to be problematic."



<u>Linking Global Trade and Human Rights: New Policy Space in Hard Economic Times</u> [e-book]

Daniel Drache, Lesley A. Jacobs. - Cambridge University Press, 2014, 408 p.

"During the global economic crisis of 2008, countries around the world used national policy spaces to respond to the economic crisis in ways that shed new light on the possibilities for linkages between international trade and human rights. This book provides explanations for why the global landscape for national policy space has changed, illustrate instances of this change, and project the future paths for policy development in social and economic policy spaces."

Databases

EU Trade Insights by viEUws.

All content from the news service is available within the EP network via a EPRS Library subscription. MEPs in the INTA committee can <u>ask for</u> receiving article alerts and the <u>weekly newsletter</u> to their mailbox.

For more information please visit intranet pages on <u>International Trade</u>
Contact: <u>Odile Maisse</u>, Ext. 46201 / <u>Nils Hammarlund</u>, Ext. 42871, EP Research Service

Coming soon

INTA/European Parliament:	
Votes in INTA:	Trade files in plenary:
 22 January: Discharge 2013: EU general budget - European Commission Imports of textile products from certain third countries not covered by bilateral agreements, protocols or other arrangements, or by other specific Union import rules (recast) Common rules for imports from certain third countries (recast) INTA meeting dates 	March 2015: - Imports of textile products from certain third countries not covered by bilateral agreements, protocols or other arrangements, or by other specific Union import rules (recast) - Common rules for imports from certain third countries (recast) Delegation to the CARIFORUM - EU Parliamentary
23-24 February 2015 18-19 March 2015	Committee Thursday, 29 January 2015, from 15.00 to 16.30 in
Furancan Union	Brussels World Trade Organization
European Union Commission Work Program Key documents Trade negotiations	World Trade Organisation WTO Events calendar 2015 21-24 January: World Economic Forum Annual
EU-China Investment Agreement Negotiations: 4th Round 19 – 23/01, Brussels , Belgium	Meeting 2015 - Davos-Klosters, Switzerland
EU-Vietnam FTA negotiations: 11th round 19 – 23/01, Brussels, Belgium	26 January: Dispute Settlement Body 27-29 January: Trade Policy Review: Barbados
EU-US TTIP 8th round 02 – 06/02, Brussels, Belgium	10-12 February: Trade Policy Review: Brunei Darussalam
EU-Myanmar/Burma Investment protection agreement negotiations: 1st Round 09 – 13/02, Yangon, Myanmar	16 February: Workshop on Aid for Trade 16-17 February The Parliamentary Conference
TiSA - Trade in Services Agreement 09 – 13/02, Geneva, Switzerland, to be confirmed	20 February: General Council 23 February: Dispute Settlement Body
EU-Japan FTA: 9th Round 23 – 27/02, Brussels, Belgium	<u>WTO</u>
EU-Vietnam FTA negotiations: 12th round 09 – 13/03,Hanoi, Viet Nam	
EU-Japan FTA intersession 23 – 27/03, Tokyo, Japan	
TiSA - Trade in Services Agreement 13 – 17/04, Geneva, Switzerland	
EU-Japan FTA negotiations: 10th round 20 – 24/04,Tokyo, Japan, to be confirmed	
More information	
EU Trade Council meetings	
09 February 2015	

Various

VARIOUS

Useful links

<u>List of INTA Members</u> <u>INTA Intranet & *e*-Committee</u> INTA Internet

European Commission - Trade
European Council
Council of Ministers
Latvian presidency

Documents and publications

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