

EUROPEAN PARLIAMENT

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Committee on Economic and Monetary Affairs

2006/2292(INI)

22.3.2007

OPINION

of the Committee on Economic and Monetary Affairs

for the Committee on International Trade

on Global Europe – External aspects of competitiveness
(2006/2292(INI))

Draftsman: Benoît Hamon

PA_NonLeg

SUGGESTIONS

The Committee on Economic and Monetary Affairs calls on the Committee on International Trade, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Considers that the development of trade is not an end in itself but must be assessed in the light of its impact on economic growth, employment and sustainable development; points out that the analysis of European economic competitiveness, instead of solely focusing on trade figures, should also focus on the proportion of total world output achieved by European producers and on employment trends;
2. Considers greater external competitiveness to be vital in order to attain the Lisbon growth and employment goals and to assist the promotion of sustainable development worldwide; believes that the EU, when taking external action, must encourage reform and international cooperation in the economic sphere so as to create a favourable environment; intends, to that end, to work towards greater consistency and compatibility in its macroeconomic policies, improved monetary and financial security, cooperation in tax matters and the elimination of unfair tax competition;
3. Regrets that EU citizens equate globalisation with falling European output and job losses; points to the need for the EU to adopt a suitable strategy for implementing the reforms needed to enable the EU to take advantage of globalisation, thereby boosting production and employment;
4. Considers it necessary, firstly, to pursue a monetary policy based on price stability so as to be able to finance technological progress and assist SMEs by enabling them to enter markets outside the Euro zone; secondly, to establish business-friendly taxation systems that are likely to increase the number of start-ups and, to that end, to cut taxes that undermine efficiency and impede job creation, especially for particular social groups such as women, the long-term unemployed, and the elderly; and, thirdly, to increase competition on the internal market, bearing in mind that the fiercer competition is within the EU, the more able EU-based companies will be to compete outside the EU;
5. Notes that exchange rates are a major factor in the development of international trade; calls on the Commission to make concrete proposals on measures to be taken when exchange rates are such as to undermine the EU's competitiveness, and to consider the inclusion of such measures in the upcoming revision of the EU's trade defence instruments;
6. Notes, with interest, that the Commission is eager to ensure that the impact trade has on the environment is taken into account; considers that this should take the form of impact studies assessing the effect that trade has on the environment and the climate, and that corrective measures are taken where necessary, including new fiscal measures as recommended by the HighLevel Group on Competitiveness, Energy and the Environment;
7. Notes that the Commission intends to take into consideration the fact that supply and production chains have undergone a transformation in that they are now outsourced;

considers that the priority of EU's trade policy must be to increase jobs and to create added value ;

8. Emphasises that the main reason for the EU's economic success is the activity of small and medium-sized enterprises (SMEs) that produce within the EU and which must be enabled to maintain high-quality production at the upper end of value chains;
9. Is convinced that the social model that remains at the base of European industrial relations has enabled the EU to maintain a high degree of global competitiveness vis-à-vis its main competitors; considers that the biggest challenge facing the EU is to uphold the functioning of this social model despite existing pressures in increasingly competitive global markets to further lower the social and environmental costs of production;
10. Calls for action to be taken to combat protectionism and reaffirms the importance of successfully concluding negotiations on the Doha development agenda; notes furthermore the interest that the EU has in pursuing and intensifying bilateral negotiations with its main developed trading partners, provided that this does not jeopardise EU environmental and health standards and respects the UNESCO convention on the Protection and Promotion of the Diversity of Cultural Expressions; welcomes, in particular, the plan to engage in a new transatlantic economic partnership within this framework;
11. Deems it essential that the Commission's call for more 'regulatory convergence' with trading partners does not lead to the downgrading of EU standards; insists, on the contrary, that through trade European standards must be disseminated to a greater extent than hitherto, particularly in the light of recent transatlantic developments (acquisition of stock markets, IFRS, etc.);
12. Believes that commercial services should be distinguished from services of general interest and services of general economic interest; points to the need for services of general interest to remain outside the scope of the negotiations, in particular services to meet basic needs and affording access to essential public assets such as health, education, water, and energy, and services central to cultural diversity, such as audio-visual services;
13. Believes that if the EU were to promote basic multilateral rules on competition policy and that if international cooperation in this area were to be strengthened, markets could be made more open, balanced, and efficient;
14. Maintains that the EU has to promote the dissemination and recognition of international accounting and auditing standards and practices so as to ensure that markets become more stable and transparent and to ensure that operators are able to benefit from greater certainty and that they are better informed as regards their activities outside the EU;
15. Maintains that in order to develop a knowledge-based economy, goodwill and intellectual property rights must be adequately protected and counterfeiting and piracy must be stamped out; considers, therefore, that these objectives must be incorporated into the EU's commercial policy;
16. Maintains, in particular, that in order to increase its external competitiveness, the EU

must take measures under its commercial policy to strengthen the security of electronic transactions and trade and improved data protection;

17. Believes that opening up the market in financial services and facilitating the movement of capital must go hand in hand with greater transparency and improvements in measures to combat money laundering, financial support for terrorism, and tax fraud, especially where offshore financial centres are involved.

PROCEDURE

Title	Global Europe - External aspects of competitiveness
Procedure number	2006/2292(INI)]
Committee responsible	INTA
Opinion by Date announced in plenary	ECON 14.12.2006
Enhanced cooperation – date announced in plenary	
Drafts(wo)man Date appointed	Benoît Hamon 14.11.2006
Previous drafts(wo)man	
Discussed in committee	28.2.2007 20.3.2007
Date adopted	21.3.2007
Result of final vote	+: 38 –: 0 0: 0
Members present for the final vote	Pervenche Berès, Sharon Bowles, Udo Bullmann, Ieke van den Burg, José Manuel García-Margallo y Marfil, Jean-Paul Gauzès, Donata Gottardi, Benoît Hamon, Gunnar Hökmark, Sophia in 't Veld, Othmar Karas, Piia-Noora Kauppi, Wolf Klinz, Guntars Krasts, Kurt Joachim Lauk, Andrea Losco, Astrid Lulling, Gay Mitchell, Cristobal Montoro Romero, Joseph Muscat, Lapo Pistelli, John Purvis, Alexander Radwan, Bernhard Rapkay, Dariusz Rosati, Heide Rühle, Eoin Ryan, Antolín Sánchez Presedo, Manuel António dos Santos, Lydia Shouleva, Margarita Starkevičiūtė, Sahra Wagenknecht
Substitute(s) present for the final vote	Katerina Batzeli, Werner Langen, Janusz Onyszkiewicz, Gianni Pittella, Andreas Schwab, Lars Wohlin
Substitute(s) under Rule 178(2) present for the final vote	
Comments (available in one language only)	...