



EUROPEAN PARLIAMENT

2009–2014

Committee on International Trade

4.1.2010

NOTICE TO MEMBERS

Subject: Hearing with Mr. Karel DE GUCHT, Commissioner-designate for Trade

Please find enclosed the written answers sent by Karel DE GUCHT.

The Secretariat

General competence, European commitment and personal independence

- 1. What aspects of your personal qualifications and experience are particularly relevant for becoming Commissioner and promoting the European general interest, particularly in the area you would be responsible for? What motivates you? What guarantees of independence are you able to give the European Parliament, and how would you make sure that any past, current or future activities you carry out could not cast doubt on the performance of your duties within the Commission?**

Thanks to my 15 years' experience as a Member of the European Parliament (MEP) and my 5 years experience as a Minister for Foreign Affairs in the Council of Ministers, I have developed a strongly political view of European institutions. This has been strengthened by my term in the Commission since July 2009. This is especially pertinent to my role as European Commissioner.

As Belgian Minister for Foreign Affairs and International Trade, moreover, I have gained extensive experience in trade issues, development issues and external relations in general. I represented Belgium at EU ministerial meetings and in the WTO ministerial conference in Hong Kong in 2006 and the ministerial meetings in Geneva in 2008 and led trade missions to a dozen third countries. As MEP, I was also a member of the predecessor of the ACP-EU Joint Parliamentary Assembly. In these and other capacities, I have travelled to and got a feeling for a large number of third countries in all continents.

As a Member of the Belgian Parliament, Party chairman and Deputy Prime Minister in the Belgian Government, I have gained considerable experience in a wide range of policy areas, which will help me to play my role as a member of the College to the full.

What motivates me is the desire to ensure that Europe preserves and strengthens its prosperity, solidarity and freedom and its place in tomorrow's world; that it projects its interests and values in global affairs.

In the performance of my duties as Commissioner, independence is in my view an evident pre-requisite for the Commission's credibility to act as the political driving force in Europe and in the world. Without independence, its proposals cannot be perceived as representing the interests of the Union as a whole.

I will obviously respect all my duties to the fullest, in line with the relevant Treaty provisions (Articles 17.3 TEU and 245 TFEU) and with the Code of Conduct for Commissioners¹. For example, I am fully aware that any personal political activity which I might wish to undertake may never compromise my total availability for service in the Commission and I will inform the President of the Commission of any situation which might involve a conflict of interests in the performance of my duties in order to ensure that he is able to exercise his own responsibilities according to the Framework Agreement with the European Parliament.

¹ I refer in particular to my declaration of interests that has been sent to the European Parliament and made available to the general public on my personal website on *Europa*. I will update it when needed.

At the same time independence does not mean I should abandon my political beliefs and experience, which will be a principal source of inspiration for my work in promoting the common European interest. Independence must not preclude the readiness to listen and to seek the opinion of the widest range of stakeholders and experts. By developing an informed view on each issue of common interest, independence can be asserted and guaranteed, allowing for constructive resistance to counter third-party interests where these have undue influence. This is the best way in which the Commission can move forward with a common agenda in the interest of Europe as a whole and not just in part.

Management of the portfolio and cooperation with the European Parliament and its committees

2. How would you assess your role as a Member of the College of Commissioners? In what respect would you consider yourself responsible and accountable to the Parliament for your actions and for those of your departments?

My current experience in the Commission has already convinced me of the value of collegiality and shown how it is the best basis for developing and delivering the common European interest. The new opportunities presented by the Lisbon Treaty in the field of external relations will depend heavily on good cooperation between all the key players responsible for maximising the success of the EU on the global stage, and I am committed to making this work to best effect.

The Commission's accountability to the Parliament is in my view an essential feature of democracy. The EU would lack legitimacy without it. As the directly elected European institution, representing the European citizens, the Parliament plays a central role in making Europe and its institutions democratic and legitimate and in bringing Europe closer to its citizens.

I will fully respect the principle according to which a Commissioner takes political responsibility for the actions in his/her field of competence, without prejudice to the principle of Commission collegiality. I have never tried to escape my political responsibilities in the past, and I will not do so in the future.

To play its role well, Parliament needs and is entitled to full and timely information. I commit to do what is necessary to ensure a close co-operation between the Parliament and the Commission, through regular dialogue with the Parliament and its committees, at the level of my services and myself.

I am fully aware of the Framework Agreement on relations between the Parliament and the Commission of May 2005, and it will guide me as the basis for our relationship.

Each Commissioner is also answerable to the College for his/her activities and those of his/her department. In the same vein, the Director-General is answerable to the Commissioner and the College.

I will make sure this line of command and control functions well, since it allows for responsibilities to be located at the appropriate levels. I will also make sure that there is no break in the accountability of the Commission to Parliament in relation to my areas of

responsibility. This line of command and control should ensure that my political responsibility covers also the services. The relations between Commissioners and services are based on trust, loyalty and transparency, without which no institution can function properly.

I have already had several extensive exchanges of views with the Director General of DG Trade, not only on policy questions but also on the general management of his DG. I can confirm that the track record of DG Trade is excellent. I will make sure that the working arrangements to be agreed with between DG Trade, my cabinet and myself, will be fully respected. I plan regular meetings and contacts to ensure the smooth functioning of DG Trade during my term of office.

3. What specific commitments are you prepared to make in terms of enhanced transparency, increased cooperation and effective follow-up to Parliament's positions and requests for legislative initiatives, also in the light of the entry into force of the Treaty of Lisbon? In relation to planned initiatives or ongoing procedures, are you ready to provide Parliament with information and documents on an equal footing with the Council?

As a former MEP, I strongly believe in the role of the Parliament in working with the Commission to shape trade policy. Therefore, I very much welcome the entry into force of the Lisbon Treaty and the changes introduced in the area of the Common Commercial Policy. The provisions which strengthen the Parliament's role and to a large extent place it on the same footing as the Council will no doubt contribute to reinforcing the democratic legitimacy, effectiveness and transparency of our trade policy.

I am strongly willing to contribute to putting in place the special partnership between our two institutions announced by President Barroso in his Political Guidelines. I am therefore ready to ensure that Parliament is in a position to play the enhanced role given to it in the trade area by the Lisbon Treaty, and in particular has all the information it needs to do this. I am willing to look together with you at how we can achieve this deepened cooperation under the Lisbon Treaty.

Most of the issues raised by the Committee on International Trade in its specific questions actually fall under the scope of the Framework Agreement on relations between the Parliament and the Commission. The new Commission will start negotiating with the Parliament revisions to this Framework Agreement, in particular to reflect the implementation of the Lisbon Treaty. It will be an opportunity to revisit and complement the general mechanisms for co-operation we already have in place. I am ready to build on the commitments of my predecessors, from Pascal Lamy to Baroness Ashton, who had already committed themselves to keep the Parliament informed of policy developments and negotiations of international agreements.

In particular, I will ensure that Parliament is kept informed and has an opportunity to express its views and make recommendations on major developments at all stages in our trade negotiations, including when we propose the launch of new negotiations to Council. It is clearly my intention to listen carefully to such views. We may have to develop specific ways of ensuring this within the sometimes tight time constraints of the negotiating or decision process in trade while also respecting the necessary confidentiality of that process in line with the Framework Agreement. As regards policy and legislative proposals that we will present to

the Parliament under the ordinary procedure, Parliament and Council enjoy the same rights under the Treaties.

As was the case at the recent WTO Ministerial conference, I would like MEPs to participate as part of the official EU Delegation to meetings of international trade organisations. The possibility of granting MEP observers access to the coordination meetings with Member States is an issue that needs to be discussed with the Council. In any event, I will ensure that chief negotiators keep MEPs informed by arranging *ad hoc* briefings.

Finally, as regards the impact of the Lisbon Treaty on current trade legislation, especially in the area of trade defence, the Parliament's role and responsibilities under the Lisbon Treaty must be fully respected.

I would note that:

- on 9 December, the Commission adopted a Communication on the implementation of Article 290 TFEU on delegated acts which sets out our proposed general framework for the use of this Article;
- the new Commission will submit as soon as possible a legislative proposal in accordance with Article 291 TFEU on implementing acts, in order to lay down the rules for the Commission's exercise of implementing powers. This horizontal framework will govern the institutional arrangements for trade as for every other policy area.

Policy-related questions

4. What are the three main priorities you intend to pursue as part of your proposed portfolio, taking into account, where relevant, the financial, economic and social crisis and concerns related to sustainable development?

Throughout my political career, I have had a long-standing commitment to open markets backed up by a rules-based international trading system. This combination can help to ensure that trade resumes its role as an engine of growth and job creation, pulling both the EU and our partners around the world out of the current crisis. This leads me to three priorities.

- 1) The Doha Development Agenda (DDA). The EU has for decades been one of the strongest supporters of the multilateral trade architecture. We continue to need and advocate a global, effective and enforceable system of rules for open trade. This is why we must continue to push for the rapid conclusion of the DDA negotiations on the basis of progress so far, even if certain WTO Members are not yet able to fully engage on all core issues at this stage. A successful deal would provide a much needed boost to the global economy, helping to create jobs both in the EU and in the countries of our trading partners. Finalising the DDA would also send a clear signal of the global trade community's capacity to act and of the effectiveness of multilateral institutions. It would build on the crucial role that the WTO has played recently – with strong EU support – in helping to prevent the protectionist spiral seen in the Great Depression.
- 2) We must complement the multilateral system by strengthening key bilateral and regional relationships. This is because bilateral agreements can go further and faster in promoting openness and integration, by tackling issues which are not ready for multilateral

discussion and by preparing the ground for the next round of multilateral negotiations. Many key issues, including investment, public procurement, competition, intellectual property, and other regulatory questions, which are currently insufficiently covered by the WTO, can be addressed in such agreements. This would mean concluding Free Trade Agreements or similar types of agreements with amongst others India, ASEAN countries, Ukraine, Canada, Euromed, but also Mercosur. In addition, we will also need to take forward our relations with key economic players, such as, for instance, the US, China, Japan or Russia. One way to do this would be to address issues of interest to both sides, including trade, through "strategic economic partnerships" which would also place a strong emphasis on a forward looking agenda to avoid future barriers to trade and investment. I will have a coordinating responsibility for the Transatlantic Economic Council with the US and for the High Level Dialogue with China. Partnerships with other major countries may be developed on a similar basis.

- 3) Finally, I intend to work, together with my fellow Commissioners, the Parliament, the Council and wider stakeholders to ensure that trade policy is working for people, both in the EU and elsewhere, especially in developing countries. Trade policy must be an integral part of this Commission's vision of Europe in 2020. This means that trade must be put at the service of the broader policy goals pursued by the EU, both internally and externally and deliver results for our citizens. This means ensuring that trade delivers choice and lower prices for consumers and businesses, helping Europe to remain competitive at home and in global markets. But we also need to ensure that trade policy works in a way that helps rather than hinders legitimate social and environmental concerns, both in the EU and abroad. Our trade policy must harness the economic benefits of trade liberalisation, while promoting European values such as human rights, social justice and the protection of the environment. The size and interest of the EU market provides us with leverage to promote this broader agenda and we have already seen results, for example, in sustainable development provisions in new agreements.

As outgoing development Commissioner, I am well placed to know that trade policy cannot be the answer for all development challenges, but it is a powerful instrument of EU policy and I will ensure that it contributes to improving the lives of the poor. This means finalising the negotiations on Economic Partnership Agreements in Africa and the Pacific, and subsequently monitoring their progress to ensure they realise their full potential.

5. What are the specific legislative and non-legislative initiatives you intend to put forward, and according to what timetable? What specific commitments can you make regarding in particular the committees' priorities and requests attached hereto which would fall within your portfolio? How would you personally ensure the good quality of legislative proposals?

Trade Policy is an area with relatively little legislative work as such; the major part of initiatives is related to trade agreements, with third countries or within the WTO framework.

In the next year, we are likely to see the signature of several Trade Agreements, which will then have to be approved by Parliament: the signature of the Free Trade Agreement (FTA) with Korea is expected to take place in the spring of 2010, whilst we also hope to be able to initial bilateral deals with Peru and Colombia, as part of the Andean Community, and perhaps with Central-America, depending on the political situation in Honduras. We are also working

towards the signature of a Partnership and Cooperation Agreement with Iraq. In terms of timing, it is difficult to say exactly when the Parliament would be called upon to give its consent to each of these. I also expect a number of interim Economic Partnership Agreements to reach Parliament in the course of 2010.

As regards legislation, several initiatives are being considered. The Lisbon Treaty has brought enhanced EU competences for foreign investment. In this context, an early priority will be to work on legislation in this area designed to provide certainty for foreign investors – particularly as regards arrangements already put in place by Member States. In parallel with the conclusion of the FTA with Korea, we will need a Regulation on the implementation of the safeguard mechanism contained in this FTA. Finally, there is the review and renewal of the Generalised System of Preferences, for which the Commission should make a proposal in the course of the year. Alongside these important initiatives, we may also present various proposals of a technical nature, for example, linked to the resolution of WTO disputes or to implement changes to our trade regime resulting from earlier EU enlargements. I will personally see to it that this legislation is prepared in line with the Inter-institutional Agreement on Better Law-Making.

As regards the priorities set out by the Committee on International Trade, I refer to my replies to questions 3 and 4, which I will elaborate during my hearing. Concerning Trade Defence Instruments, President Barroso has asked me in my mission letter to oversee the updating and modernisation of these instruments during this Commission's term.

President Barroso will present a successor to the Lisbon Strategy early during the new Commission's mandate. In this context, I will ensure that trade policy plays a full part in realising the new 2020 vision, linking internal policy measures to strengthening the EU's external competitiveness. This will act as a point of departure for the work I will take forward to set out a strategic trade policy for 2010 – 2015.