

P6_TA(2007)0196

Global Europe - External aspects of competitiveness

European Parliament resolution of 22 May 2007 on Global Europe - external aspects of competitiveness (2006/2292(INI))

The European Parliament,

- having regard to the Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions entitled ‘Global Europe: competing in the world. A contribution to the EU’s Growth and Jobs Strategy’ (COM(2006)0567),
- having regard to the Communication from the Commission entitled ‘Global Europe: Europe’s Trade defence instruments in a changing global economy. A Green Paper for public consultation’ (COM(2006)0763),
- having regard to its resolution of 28 September 2006 on the EU’s economic and trade relations with India¹,
- having regard to its resolution of 25 October 2006 on the annual report from the Commission to the European Parliament on third country anti-dumping, anti-subsidy and safeguard action against the Community (2004)²,
- having regard to its resolution of 4 April 2006 on the assessment of the Doha Round following the WTO Ministerial Conference in Hong Kong³,
- having regard to its resolution of 12 October 2006 on economic and trade relations between the EU and Mercosur with a view to the conclusion of an Interregional Association Agreement⁴,
- having regard to its resolution of 1 June 2006 on EU-US transatlantic economic relations⁵,
- having regard to its resolution of 13 October 2005 on prospects for trade relations between the EU and China⁶,
- having regard to its resolution of 6 September 2005 on textiles and clothing after 2005⁷,
- having regard to the Commission staff working document accompanying the Communication from the Commission entitled ‘Economic reforms and competitiveness: key messages from the European Competitiveness Report 2006’ (SEC(2006)1467),

¹ *Texts Adopted*, P6_TA(2006)0388.

² *Texts Adopted*, P6_TA(2006)0450.

³ OJ C 293 E, 2.12.2006, p. 155.

⁴ *Texts Adopted*, P6_TA(2006)0419.

⁵ OJ C 298E, 8.12.2006, p. 235.

⁶ OJ C 233E, 28.9.2006, p. 103.

⁷ OJ C 193E, 17.8.2006, p. 110.

- having regard to the Presidency conclusions of the Brussels European Council, held on 23 and 24 March 2006¹,
 - having regard to its resolution of 15 March 2006 on the input to the Spring 2006 European Council in relation to the Lisbon Strategy²,
 - having regard to the Communication from the Commission to the Council and the European Parliament entitled ‘EU – China: Closer partners, growing responsibilities’ and the accompanying Commission working document entitled ‘Closer Partners, Growing Responsibilities: A policy paper on EU-China trade and investment: Competition and Partnership’ (COM(2006)0631 and 0632),
 - having regard to the Declaration adopted by consensus on 2 December 2006 in the context of the annual session of the Parliamentary Conference on the WTO,
 - having regard to Rule 45 of its Rules of Procedure,
 - having regard to the report of the Committee on International Trade and the opinion of the Committee on Economic and Monetary Affairs (A6-0149/2007),
- A. whereas trade policy can contribute decisively to the stimulation of growth and the creation of jobs in line with the objectives of the renewed Lisbon agenda,
 - B. whereas an appropriate strategy must be adopted by the EU in order to meet the challenges of globalisation and to confront increased competition from major emerging economies, while preserving the European model of economic, regional and social cohesion,
 - C. whereas consistency between the internal and external aspects of the renewed Lisbon agenda is indispensable to the success of that initiative,
 - D. whereas domestic structural reforms play an important role in improving both the internal and external competitiveness of EU enterprises,
 - E. whereas the suspension of the Doha Development Agenda (DDA) on 24 July 2006, after almost five years of negotiations, has created a new situation whereby it has become necessary for the EU to temporarily adjust the priorities and instruments of its trade policy, while maintaining multilateralism as its main trading policy priority,
 - F. whereas trade policy is a means and not an end in itself, and should be designed in such a way that it contributes to the common welfare of the people in and outside the EU,
 - G. whereas the EU is in most sectors already one of the most open economies in the world,
 - H. whereas the integrated character of the common commercial policy is an important asset for the EU and enables it to play a prominent role in the international trading system,

¹ Council Document 7775/1/06.

² OJ C 291E, 30.11.2006, p. 321.

- I. whereas protectionism artificially shelters inefficient sectors of the economy from international competition, diverts resources away from more productive sectors, raises prices and ultimately leads to unemployment,
- J. whereas there is often a public outcry against the disruptive impact that the opening up of trade has on certain regions and economic sectors, while its positive effects on innovation, competitiveness and employment are too often overlooked,
- K. whereas market access is being increasingly hampered by various types of non-tariff barrier (NTBs),
- L. whereas high tariffs still constitute a significant obstacle to trade, especially in relations with major emerging countries,
- M. whereas the multilateral trading system, embodied in the WTO, remains the most effective framework for achieving fair and equitable trade on a global basis, by developing appropriate rules and ensuring compliance with those rules,
- N. whereas the EU remains committed to the success of the DDA and has already shown its goodwill through a series of meaningful offers in all areas of the negotiations,
- O. whereas renewed consideration should, under certain conditions, be given to the conclusion of bilateral and regional free trade agreements (FTAs), bearing in mind, however, that an excessive proliferation of such agreements could militate against strengthening the multilateral system, of which the EU is a proponent,
- P. whereas it is essential to identify the right balance between multilateral, bilateral and plurilateral agreements,
- Q. whereas the EU should be prepared to defend itself, whenever necessary, against violations of agreed rules through recourse to dispute settlement mechanisms, and against unfair trading practices through the application of effective and lawful trade defence measures providing immediate relief to industries that have been harmed,
- R. whereas no credible and legitimate trade policy can be conducted without the meaningful involvement of Parliament,
- S. whereas it is important that the Parliament have access, in due time, to the texts of the various negotiating mandates given to the Commission;

The EU in global competition

1. Considers that trade policy is an indispensable component of any strategy the objective of which is to stimulate growth and create jobs through improving Europe's competitiveness; welcomes, therefore, the Commission's abovementioned Communication on Global Europe: competing in the world as an important contribution to the renewed Lisbon agenda;
2. 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 an 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;

3. Recalls the EU's commitment to policy coherence, and considers that this commitment requires that the EU's negotiating objectives in trade negotiations must be consistent with EU development policy, with particular care taken in the case of LDCs and developing countries;
4. Considers that greater external competitiveness is vital if the Lisbon growth and employment goals are to be attained; believes that the EU, when taking external action, must encourage reform and international cooperation in the economic sphere so as to create a favourable business environment and promote sustainable development worldwide; 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;
5. Considers it necessary, firstly, to pursue a monetary policy based on price stability so as to be able to finance technological progress and to assist small and medium-sized enterprises (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;
6. 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 that social model despite existing pressure, in increasingly competitive global markets, to further lower the social and environmental costs of production;
7. Believes that the benefits of an open trading system outweigh its potentially disruptive impact; considers, therefore, that the EU should continue to strive to complete the single market, continue to promote increased global liberalisation and free and fair trade and resist protectionism; also believes, however, that its potentially disruptive impact on certain sectors, regions and countries, such as the effects of displacement and relocation, cannot be disregarded;
8. Believes that the benefits of liberalisation accrue largely to those countries that lift tariff and NTBs and open their markets; considers, therefore, that the ability of the EU to increase its competitiveness is dependent, among other factors, upon it addressing barriers to trade at a global level, securing the completion of the single market and opening its markets to third countries;
9. Agrees with the Commission strategy to positively influence the process of globalisation and to manage risks;
10. 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;

11. Invites the Commission and the Member States to better inform European citizens on all aspects of globalisation and the concrete benefits resulting from the EU's participation in the international trading system;
12. Considers that the concepts underpinning lifelong learning are useful tools but that they are an inadequate response to projected changes in global productive structures; demands that the implementation of the new global EU competitiveness strategy be made dependent on progress in the realisation of the Lisbon agenda, which must be re-oriented in order to better address the legitimate fears of European citizens that they will be unable to adapt to change;
13. Believes that increased competition should prompt the EU to boost its efforts in education and in research and development in order to maintain its position on world markets for innovative products and highly skilled services and to improve its position through the creation of new comparative advantages;
14. Believes that it is essential to support the smooth integration of highly innovative European high-tech companies into the global trading environment;
15. Stresses the strategic need for the EU to maintain, in spite of external competitive pressures, a sufficiently wide and diversified industrial base; considers, therefore, that trade opening should be accompanied by, and consistent with, solid industrial policies at both European and national levels;
16. Insists that the backbone of the EU's economic success is the activity of its SMEs which, through improved access to research and development opportunities, must be endowed with the ability to guarantee the production of high quality goods at the higher end of the value chain;
17. Recalls that the EU is in most sectors already one of the most open economies in the world and that it has greatly contributed to, and benefited from, the considerable expansion of global trade over the past fifty years;
18. Considers, however, that the EU's performance, in relation to already developed and emerging economies, is negatively affected by both a lack of reciprocity in market access conditions, an insufficient degree of compliance with agreed trade rules and the proliferation of unfair trading practices;
19. Notes that many countries in the world, including major emerging economies, maintain high tariff and NTBs to EU exports; considers that the lifting or significant reduction of such barriers with due regard to development considerations should be one of the main priorities of EU trade policy;
20. Agrees with the Commission that the world trading system is no longer the preserve of the OECD countries; recommends, however, that countries like Mexico be integrated in the list of countries which the Commission regards as emerging; recalls that emerging countries like China, Brazil, Russia, India and Mexico already represent more than 18 % of global trade flows;

21. Calls for the EU's external policies to ensure fair economic development among partner countries, combat social dumping and promote compliance with social legislation and provisions on decent employment standards which, as proposed by the International Labour Organisation (ILO), guarantee a decent income for workers and their families, the right to safety and health at work and the right to social security and trade union freedoms;
22. Stresses the need to promote codes of conduct which incorporate the objectives of decent labour standards and other aspects of corporate social responsibility by third-party subsidiaries, sub-contractors and suppliers of EU-based companies;
23. Notes the interest that the EU has in pursuing and intensifying bilateral negotiations with its main developed trading partners, provided that this does not compromise EU environmental and health standards and respects the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions of 20 October 2005;

The WTO

24. Considers that the multilateral trading system, embodied in the WTO, remains by far the most effective framework for achieving free trade on a global basis; considers, however, that the WTO system should be reformed to some extent in order to increase its transparency and effectiveness; welcomes the resumption of formal negotiations on the DDA and reiterates its strong support for a successful conclusion of those negotiations;
25. Considers that achieving an ambitious and balanced outcome of the DDA negotiations is crucial for European companies and should be considered a priority by EU negotiators;
26. Notes that the Doha Round is a development round, and that, therefore, the EU's new trade agenda must reflect development objectives; further notes that the new trade agenda also implies special responsibility in relation to the effectiveness of EU development policy, particularly as regards the poorest countries in the world;
27. Regards a meaningful reform of the WTO institutional structure and decision-making process as essential if there is to be an improvement in its functioning and if the challenges of a steadily increasing membership are to be met; calls on the Commission to actively contribute to a global reflection on this subject and to come up with constructive proposals;
28. Believes that, if the EU were to promote basic multilateral rules on competition policy and international cooperation in this area were to be strengthened, markets could be made more open, balanced, and efficient;

Bilateral and regional free trade agreements

29. Emphasises that the WTO is the most appropriate forum for ensuring the equitable distribution of the benefits flowing from increased globalisation; considers, therefore, that achieving an ambitious, development-oriented outcome to the DDA negotiations must be the EU's first priority; regards bilateral and regional FTAs as a sub-optimal solution; recalls that such agreements lead to trade diversion, are often unbalanced, contribute to introducing discrimination in international trade relations, and tend to reduce the level of engagement of participating countries in the WTO;

30. Believes that new bilateral or regional free trade initiatives should only be launched when necessary to improve the competitive position of EU exporters on crucial foreign markets, especially in cases where other major trading powers have already concluded or are in the process of negotiating such agreements with the countries or regions concerned; demands full transparency from the Commission on the criteria applied to select new FTA partners and insists that comprehensive economic and sustainable impact assessments must be carried out, with the involvement of all stakeholders, and that their results be made public;
31. Considers that all new FTAs concluded by the EU should be WTO-compatible, comprehensive, ambitious, lead to real reciprocal market access and, moreover, ensure far-reaching liberalisation of services and investment, going beyond both existing multilateral commitments and those expected to result from a successful conclusion of the DDA;
32. Considers that, when negotiating FTAs, the Commission must take into account the risks of excluding the smallest and weakest trading partners from the benefits of international trade and, therefore, insists that their interests must be taken into consideration during the entire negotiation process;
33. Calls on the Council to distinguish between emerging economies and developing countries when formulating FTA or Association Agreement negotiation mandates, and to ensure that, in negotiations with developing countries, an orientation towards their development needs prevails;
34. Is convinced that all future FTAs must be modern in nature and include the standards incorporated in the fundamental ILO Conventions;
35. Demands that all new FTAs concluded by the EU include mechanisms allowing it to suspend, wholly or partially, their application when there is evidence of non-fulfilment of FTA obligations by the other parties; considers that the Commission should agree to activate such mechanisms whenever invited to do so by a Parliament resolution ;
36. Invites the Commission to negotiate, with like-minded members of the WTO, common basic provisions for FTAs concerning, for example, preferential rules of origin with a view to achieving more consistency between such agreements and simplifying their use for the benefit of economic operators;

Plurilateral/sectoral negotiations

37. Invites the Commission and the Council to also consider the merit of plurilateral/sectoral negotiations in certain cases, following the examples of the Civil Aircraft Agreement, the Government Procurement Agreement, and the Information Technology Agreement;

General approach to trade negotiations

38. Insists that any EU concessions made to its negotiating partners should, except when clearly justified by development considerations, be matched by concessions from the countries concerned;
39. Draws attention to the strategic importance and multifunctional nature of agriculture in

the EU; stresses that agriculture should not be the only area in which the EU makes concessions in the course of trade negotiations and that trade policy must continue to comply with the basic approaches prescribed in the course of several successive reforms of the Common Agricultural Policy;

40. Recalls that the EU, as the largest single market for goods and services in the world, is very attractive in the eyes of exporters the world over; draws attention to the considerable leverage that this confers on EU negotiators, both in the multilateral framework and in the bilateral and regional frameworks;
41. Considers that the implementation of fair trade policies by the EU and all its trading partners will have to progressively place greater emphasis on the international recognition of minimum environmental standards that create a level playing field between all the partners;
42. Considers that trade negotiations, at multilateral, bilateral or regional level, must strive to qualify international trade in terms of global social, environmental and human rights commitments and hence contribute to efforts made in other frameworks; insists that progress on such issues should be weighed against the EU's trade interests only, as foreign trade is only one, though an important, aspect of sustainable economic development in the EU;
43. Calls on the Commission to clarify its understanding of the character of social and environmental rules and standards in international trade policy, to lay down the principles and content of the envisaged social and environmental chapter of new FTA and Association Agreements, and to draw up a convincing strategy on how to promote acceptance of such chapters with EU trade partners;

Transatlantic relations

44. Takes the view that the EU needs to diversify its economic relations, preserve its policies in matters such as public health and the environment, and reinforce its economic relations with other regions of the world on the basis of peace and the principles of sovereignty, respect for civil liberties and respect for the environment, social standards, human rights and development;
45. The strengthening of transatlantic economic relations must proceed on the basis of compliance with the EU's environmental and public health rules, and must not compromise the independence of its competition policy and its rules on the protection of public services and cultural diversity;
46. Recommends that reliable data be gathered in order to analyse the relevance of the integration of the EU and US economic markets to the Mexican and Canadian economies and societies; draws attention to the fact that foreign direct investment in Mexico is quite often channelled through European subsidiaries operating from the US, which explains why those operations are not actually reflected in EU-Mexican data;

China

47. Refers to its abovementioned resolution on prospects for trade relations between the EU and China; regards China as a clear illustration of the positive impact of trade liberalisation and active participation in global and competitive markets, in terms of economic growth and welfare; is aware of the considerable societal and environmental challenges faced by that country; insists that China should comply with all its WTO obligations, such as the enforcement of international labour standards and the protection of intellectual property rights (IPRs); welcomes the abovementioned Commission communication and working document on EU-China, and supports the Commission's efforts to define an appropriate strategy to deal with all aspects of EU-China relations;
48. Considers that the development of economic and trade relations with China must proceed in tandem with a political dialogue embracing both partners' responsibilities in the environmental and social fields; stresses that economic and trade relations between the EU and China must be based on respect for fair and even-handed trade rules and the application of WTO rules;
49. Considers that inadequate protection of IPRs represents one of the greatest challenges facing the EU in its bilateral relations with the Chinese authorities; calls on the Commission, therefore, to intensify its efforts to persuade China to fully respect the TRIPs agreements and improve the enforcement of judgments handed down by the courts;

Regulatory issues

50. Stresses the increasing relevance of regulatory issues in international trade; calls for greater consistency between EU rules and practices and those of our main trading partners; emphasises that this should not produce a downward harmonisation of norms and regulations that would erode citizens' confidence with regard to health, safety and the environment; stresses that they should, rather, increase the effort to ensure that they are both recognised and enforced by the EU's major trading partners;
51. Calls on the Commission to systematically assess the impact of the EU's internal policies and regulations on global competitiveness and to give due weight in its regulatory policy-making processes to the competitive position of EU enterprises inside and outside Europe;
52. Stresses, in the context of the WTO and bilateral FTAs, the importance of speeding up the removal of non-tariff trade barriers and of harmonising technical rules, particularly by applying the mutual recognition principle;
53. Considers that the most effective way to avoid regulatory divergences, resulting in the creation of obstacles to trade, lies in the development of global rules and standards; encourages the Commission to actively participate in the work of all relevant international agencies and standard-setting bodies;
54. Supports plurilateral and bilateral regulatory cooperation with key partner countries, as long as it neither leads to undue discrimination against others nor allows the partners concerned to unduly interfere with the EU internal decision-making process;

IPR protection

55. Calls on the Commission to continue its efforts in the fields of research, development and innovation; notes that respect for patents and the defence of IPRs lie at the heart of the EU's external competitiveness, and believes that the EU should adopt a more resolute stance in its approach towards third countries in that connection;
56. Stresses that counterfeiting and piracy result in job losses, undermine innovation and deprive governments of tax revenues; stresses that adequate IPR protection and effective enforcement are the bedrock of a global economy;
57. Regards the appropriate protection of IPRs by the EU's main trading partners as an indispensable requirement for preserving and improving the EU's external competitiveness;
58. Welcomes the Commission's commitment to strengthening IPR provisions in international trade agreements and the enforcement of existing commitments;
59. Insists that the major trading partners of the EU, such as China and Russia, enforce IPRs in accordance with WTO/TRIPS obligations;
60. Stresses that European IPR policy towards developing countries should not go beyond TRIPs Agreement obligations, but that it should instead encourage the use of TRIPs flexibilities;
61. Considers that the protection of IPRs, and evidence of their effective enforcement through appropriate legal and administrative means, should be a sine qua non for accession to the WTO;
62. Calls on the Council to approve the Commission proposal for a Council regulation on the indication of the country of origin of certain products imported from third countries (COM(2005)0661), as supported by the Parliament in its resolution of 6 July 2006 on origin marking¹;

Market access strategy

63. Welcomes the Commission's decision to review its Market Access Strategy and looks forward to the adoption of its communication on the subject in 2007; invites the Commission to keep the Parliament closely involved in this initiative;
64. Insists on the need to particularly focus on NTBs which, as tariffs are progressively reduced or eliminated, tend to become the main obstacles to international trade; draws attention to the great variety, technical complexity and political sensitivity of NTBs, which make them difficult to tackle, and invites the Commission to devote sufficient resources to that demanding task;
65. Draws attention to the serious risk of security-related measures becoming the main NTBs of the 21st century; calls on all countries to address their legitimate security concerns

¹ *Texts Adopted*, P6_TA(2006)0325.

through measures which restrict trade as little as possible and to cooperate with each other - multilaterally, plurilaterally or bilaterally - in the pursuit of that objective;

66. Calls on Commission delegations, Member State embassies and trade promotion agencies, chambers of commerce and all other public and private organisations representing European economic interests abroad to better coordinate their action to promote EU goods and services, open markets and increase investment flows;

Services

67. Recalls the growing share of services in global economic output and in the GDP of the EU; draws attention to the high level of external competitiveness of European services providers; calls on the Commission to pursue, in all trade negotiations, both the progressive and reciprocal liberalisation of services and a policy of increased standardisation, transparency and predictability of rules and regulations concerning that sector, in order that the highly competitive European services sector can operate more freely in third countries; notes, however, that this should neither lead to offers nor requests in the area of public services;
68. Believes that a distinction should be made between commercial and public services; stresses the need to keep public services out of all negotiations, particularly in the case of public services which address people's basic needs and provide access to essential 'public goods' such as health, education, drinking water and energy and those which play an important role in preserving cultural diversity, such as audiovisual services;
69. Insists on the need to guarantee that the least developed countries' partners maintain policy space in order to be able to regulate services which are important for their development;
70. Maintains that the EU must 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;
71. 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 to improve data protection;
- 72.. 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;

Raw materials and energy

73. Considers that raw materials, and in particular energy resources, should merit special treatment in the new EU trade agenda;
74. Considers, in light of the need to also combat climate change through more sustainable trade patterns, that access and use of energy and resources is a matter of multilateral rule

setting that must not be undermined by bilateral trade agreements that compete for the most favourable access conditions;

Government procurement

75. Considers that the large degree of openness of EU public procurement markets, at all levels of government, is not matched by commensurate access in favour of EU suppliers, particularly SMEs, to foreign public procurement markets for goods, services and construction contracts and that the Commission should work towards reciprocal access in relation to developed and emerging economies in that important economic sector; agrees that the introduction of targeted restrictions on access to parts of the EU procurement market may be exceptionally considered with a view to encouraging reciprocity, but strongly objects, however, to any attempts to close that market for protectionist purposes;
76. Calls on the Commission to secure meaningful commitments from the other WTO Government Procurement Agreement (GPA) participants, within the framework of the ongoing renegotiation of that agreement;
77. Stresses, however, the need for a higher level of transparency and requests that the Commission refrain from making excessive demands in the area of public procurement, especially in the field of public utilities, wherever those create difficulties for the least developed partners;
78. Takes note of the initiative taken by some Member States to redress the balance of the GPA in favour of SMEs; urges the Commission and the Council, therefore, to insist on inserting in the GPA being renegotiated at the WTO a clause enabling the EU to give preference to SMEs when awarding public procurement contracts, along the lines of those already applied by other major States which are party to the agreement, such as the United States and Japan;
79. Considers that public procurement should also be part of all bilateral and regional trade negotiations initiated by the EU, with a view to opening up public procurement markets on a balanced basis;

Respecting the rules

80. Stresses the need to ensure that the EU's trading partners fully comply with rules and obligations resulting either from their membership of the WTO or from bilateral or regional agreements with the EU; stresses the crucial importance of the WTO dispute settlement mechanism for the credibility and effectiveness of the multilateral trading system; urges the Commission to activate that mechanism every time non-compliance by other members negatively affects the trade interests of the EU and a negotiated solution cannot be found within a reasonable period of time;

Trade defence instruments

81. Believes that the pursuit of further trade liberalisation makes it all the more necessary for the EU to preserve its ability to protect itself against unfair trading practices; regards Trade Defence Instruments (TDIs), therefore, as an indispensable component of the EU's strategy for external competitiveness;

82. Takes note attentively of the Commission's initiative to engage in a comprehensive review of TDIs and the launching of a public consultation process on the basis of the abovementioned Communication from the Commission on the Green Paper for public consultation;
83. Recalls that, as indicated in the Commission's summary of the "Evaluation of EC trade defence instruments" prepared by Mayer, Brown, Rowe and Maw LLP and submitted in December 2005, the study in question concluded that "the status quo is both reasonable and adequate in order to address the interests of all groups of parties" and therefore supports the view that there is no visible nor urgent need at present to review or alter the Community's existing TDIs;
84. Recalls that negotiations are currently taking place on multilateral disciplines concerning TDIs within the framework of the DDA; welcomes those negotiations but regrets American opposition to reforms of the WTO's framework for TDIs; believes that the global escalation in the use of TDIs, particularly by advanced industrial countries, calls for new and more stringent rules at WTO level so as to ensure the continuation of free and fair world trade;
85. Endorses the idea of adapting those instruments to the new realities of the global economy, but warns of the danger of unilaterally disarming the EU to such an extent that it is unable to counter unfair trading practices in an international context marked by the proliferation of such practices and the intensive, and often abusive, use of trade defence measures by third countries against imports from the EU;
86. Supports the Commission's efforts to monitor the application of trade defence measures by third countries against imports from the EU, to react to possible abuses and to provide appropriate assistance to affected companies;

Customs

87. Stresses the importance of customs rules and procedures for the correct implementation of trade policy measures; believes that, in defining and applying such rules and procedures, an appropriate balance must be struck between effective control and the facilitation of trade flows;
88. Recalls that the excessively complex and burdensome import procedures applied by many countries in the world often entail significant transaction costs for EU exporters and represent significant barriers to trade; supports, therefore, the Commission's efforts to tackle that issue, both in the multilateral framework of the DDA negotiations on Trade Facilitation and through bilateral and regional negotiations;
89. Invites the Commission and the Member States to give serious consideration to the idea of setting up a unified EU customs service for a more effective application of customs rules and procedures throughout the customs territory of the EU;

Exchange rates

90. 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 TDIs;

Institutional issues

91. Believes that the credibility and effectiveness of the common commercial policy, as an instrument of EU competitiveness, are negatively affected by the lack of legitimacy of that policy resulting from the insufficient involvement of Parliament;
92. Deplores the fact that important trade legislation, such as that concerning TDIs, remains outside the scope of the codecision procedure and that uncertainty remains as to the applicability of the assent procedure with respect to FTAs; calls on Member States to urgently correct that unsatisfactory situation by carrying out the necessary institutional reforms and, in particular, by giving effect to the provisions of the Treaty Establishing a Constitution for Europe concerning international trade;
93. Calls on the Commission and the Council to keep it fully informed of, and involved in, all new initiatives taken as a follow up to the "Global Europe" communication;

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94. Instructs its President to forward this resolution to the Council, the Commission and to the governments and parliaments of the Member States and the candidate countries.