



Europe's progressive trade policy

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Speech by European Commissioner for Trade Cecilia Malmström

European Business Summit

Ladies and gentlemen,

Trade today is a subject many wish to discuss. This has forced us to do things differently. I'm looking forward to our discussion on the EU's trade strategy. As much as there are many challenges, I am confident that they can be turned into opportunities. I will begin by briefly setting the scene with a quick summary of what we're up to: some of the main challenges on our plate. I will also point at ways in which I think we can shape the trade agenda.

Starting with the United States. Our Transatlantic Trade and Investment Partnership, TTIP, was left in the freezer in January. We have seen protectionist measures coming from the US. The US Trade Representative was appointed a week ago; we need time to evaluate and reflect.

There's still a case for an ambitious trade agreement between us; not to mention a huge potential. But we both need a bit more time, and to know there was shared ambition and common ground.

Of course, more generally, a constructive relationship across the Atlantic remains vitally important. And in any case we will be working to ensure that.

On China, the welcome commitments from them about liberalisation have not been matched by concrete action. The country needs to walk the talk. Whatever President Xi says in Davos, China is still far from a market economy.

For our side we will keep pushing for an investment agreement with China. We all know European companies investing in China face difficulties and discrimination. This is a vital way to address them.

And in the meantime we will ensure solid trade defence instruments. It's not fair competition or fair trade when the playing field is tilted against you, with dumping and subsidies. On our proposal, I hope for agreement between the European Parliament and Council in the autumn. On the UK, the Brexit vote is, on a personal level, very sad. But we'll have to respect it and get on with it. Negotiations will resume after the election. The first priority is to ensure it's an orderly withdrawal. That is a prerequisite for discussing the future.

In the meantime we pursue a full agenda of trade negotiations across the world.

For our big plurilateral deals – on services, known as TiSA, and on environmental goods – we are still waiting for signals from the US.

But we have more than enough to be getting on with.

With Canada, our deal is agreed at EU level; it was voted on in the Canadian Senate last week. And we are waiting to ratify our agreements with Singapore and Vietnam.

With Japan, there is good progress. We have both political commitment and substantial technical engagement to our talks. Likewise with Mercosur in Latin America. These are the fourth and fifth biggest economic blocs in the world to trade with.

With Mexico we have agreed to speed up talks; Minister Guajardo and I met two weeks ago and we committed to concluding before the end of this year.

We are seeing extra interest from the ASEAN region and its members too, such as Indonesia. Talks with Chile, Australia and New Zealand are due to open, hopefully, this autumn.

We hear a lot about the rise of protectionism and populism.

These are a risk for Europe. A threat to our open economy and open society; a threat to our values.

Some of the concerns people have are genuine and legitimate. We should take them seriously and respond; we should be more transparent. For me that's the only way to fight populism.

Likewise trade must be based on values. We ensure development is sustainable...
... and that trade does not lead to a race-to-the-bottom, with each side undercutting on standards. This is how we can shape globalisation.

We also need to deal with those who get "left behind". Economic changes are driven by technology as much as by trade.

31 million jobs depend on exports; trade offers more jobs and higher real incomes. We need to build bridges, not walls.

We should not be shy about showing the benefits of trade. People don't always realise they are there; but they would miss them if they were gone. Governments – and business – have a role in reminding them.

The products and the services they get cheaper thanks to global value chains. And so on.

These benefits are exactly why we continue to negotiate for progressive trade policy with partners across the world.

Many other parts of the world agree with us. From them we are seeing, if anything, more resources and commitment than before to maintaining the open, rules-based global trade system.

Our message to them is clear: on trade, we are open for business.