



## Transparent EU Trade and Investment Policy

Brussels, 29 May 2017

**Speech by EU Trade Commissioner Cecilia Malmström**

*Civil Society Dialogue*

It's my pleasure to be here with you today. I'm just going to give you a little overview of where we are on trade policy, and then to hear your questions: I want to have a dialogue.

Trade and globalisation are issues very much debated these days. That is a good thing. It shows that many people care and want to be involved. It also puts pressure on us as policy makers to make sure that you are involved, that we are transparent.

Let me give you a broad map as to where we are, and how it fits into the overall strategy of this Commission for a more responsible EU trade and investment policy. We can then come back to details.

I'll start with **Canada**; the agreement, sometimes known under the acronym of CETA, is now approved by the Council, the European Parliament, and the Canadian Parliament and Senate. It will soon enter into force.

It is the most ambitious and progressive deal we have ever struck; a template for other trade agreements: open, rules-based, modern.

The provisional application of this deal could bring most of its benefits into effect immediately. We get rid of 99% of tariffs. We open up for services and public procurement markets, creating new opportunities for our companies.

We are also preparing for discussions with Canada to ensure implementation is smooth and effective. It includes significant, binding commitments on labour and the environment which I know many in this room are committed to and feel strongly about.

I want to hold a broad and inclusive debate on these sustainable development provisions. We have already agreed to hold a review with Canada. I hope you will take part in this effort. We are preparing a discussion paper on how to strengthen the enforcement and effectiveness of the sustainable development chapters we have in all our trade agreements and I will be very much looking forward to your input in that discussion. That will come a bit later this spring.

Another priority is **Japan**. Our second biggest trade partner in Asia, our sixth biggest in the world. We share a lot of values, and Japan is also a long-standing ally in promoting the rules-based multilateral trading system. Concluding a trade agreement with Japan would send a strong global message against protectionism. It would also boost our exports by over one third.

I want the EU-Japan trade agreement to include everything you expect from a modern trade agreement...

... removing virtually all of the 1 billion euros that our exporters have to pay each year in tariffs. That's a lot of money!

... improving access for our companies, including small and medium sized ones, in areas like agricultural products, and public procurement...

... it should also include progressive commitments: to sustainable development, a transparent investment court system, the precautionary principle...

... and will protect our EU geographical indications while cutting non-tariff barriers and unnecessary red tape.

We have had 18 rounds of negotiation and our negotiating teams are in constant contact. Prime Minister Abe met President Juncker at the G7. They have reaffirmed their strong commitment. We are well advanced.

I am committed to ensure **transparency** and engagement in this as in all our negotiations. Reports of all the latest negotiating rounds with Japan are available to read on our website and so are our new negotiating proposals.

Since last year, there have been 15 meetings with the EU Member States and ten with the European Parliament's INTA committee, on Japan alone.

The Commission would like to do more, releasing the negotiating mandate for example. But as you'll know, the decision to release the negotiating mandate lies in the hands of the Council; it is their document. I have written again to them and am encouraging them to publish all negotiating mandates. I hope they will.

With **Mercosur**, the 4 countries in South America — Argentina, Brazil, Uruguay and Paraguay—, we had a round in March; it made significant progress. Both parties want something comprehensive, balanced, beneficial; and with hard work we could get it done by the end of the year.

With **Mexico**, we are really speeding up negotiations; here a deal is possible by the end of the year. We debriefed and discussed Mexico talks with civil society after the negotiating round in April; thank you for those of you who made the time to be there. I was in Mexico myself ten days ago, meeting with the minister, civil society, business, and academia.

There is a very strong support for this agreement in Mexico and we are committed together with the responsible minister to do everything we can to get an agreement by the end of the year.

Apart from this, we are also negotiating with **Indonesia** and **Tunisia** and preparing to ask the Council for a mandate on **Australia, New Zealand** and **Chile**.

So we have a busy agenda. And we continue to follow the principles set out in 2015, in our "Trade for All" strategy and put into context in our paper on "Harnessing Globalisation", published a few weeks ago.

Supporting our economy, our values, our global influence remains crucial. Supporting the openness on which the European economy, European society, and the European project are based, even as the world faces the risk of rising protectionism.

By the end of the year, we will publish a progress report on "**Trade for All**" and see what has been done; I welcome your continued input on that exercise. It is a fact that our trade policy helps European businesses, boosting their competitiveness and their market opportunities while protecting them against unfair dumping and subsidies.

Our trade and **investment** policy helps European workers. 31 million people in the EU are employed just because of exports. And many millions more because of imports. But changing technology, automation, robotisation and artificial intelligence are having an impact on employment; much more than the impact of trade, actually.

New jobs are being created, but others are being lost; some workers have not been able to adapt to the rapid changes, or are unable to keep up with them. We need to look at investing much more in infrastructure, education, training, and skills to help harness and cope with the changes of globalisation.

Our trade and investment policy is targeted to help consumers...

... protecting their spending power...

... and protecting the standards they have come to expect. From public services to food safety, EU standards are not for trade agreements.

**Our trade and investment policy helps a fair global system.** For trade to be fair, all players need to play by the rules. By engaging with our partners, we try to set those common rules, and shape globalisation. It helps the poorest on the planet to develop, through the economic partnership agreements and asymmetric preferences we provide.

It helps to anchor our values. We have a new EU regulation on trade in **conflict minerals**, and in products used for torture and the death penalty.

And our trade agreements include significant, binding commitments to strengthen **labour rights** and **environmental protection**. We are also looking at what more we can do, in areas like trade and gender. I will host a conference on this issue in three weeks here in Brussels. We are committed to boosting transparency.

A belief in open trade should go together with a belief in open policy making. For trade and investment policy to be open and fair, it must be conducted in a transparent and responsible manner.

We are publishing more documents and details of negotiating rounds than ever before. And we continue to engage with you and others, on concerns and questions, and also on issues that need to come into the negotiations.

It is abundantly clear that people have many concerns about trade. Our task is to listen, engage and respond.

I have visited the national parliaments in almost every EU member state, and had meetings and citizens dialogues with citizens of the whole EU. I will also remain accountable to the European Parliament and to the Council. And here, today, I want to be accountable to you. So I look forward to hearing your comments and questions.

Thank you for coming and for your attention. We have almost two hours.