



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 19 December 2012

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NOTE

from: General Secretariat of the Council
to: Delegations

Subject: Summary record of the meeting of the European Parliament **Committee on International Trade (INTA)**, Brussels, 17-18 December 2012

1. State of play of ongoing trilogue negotiations

INTA/7/04325

Exchange of views

In the absence of the rapporteurs for the various files concerned, this item was not discussed.

2. Monitoring Group Activities

INTA/7/08162

Exchange of views

Ms KELLER (Greens) reported briefly on the first meeting of the Central Asia monitoring group in which the Commission updated members on negotiations with Kazakhstan. These were not progressing much since the country was focusing more on its WTO membership application.

Mr CUTAS (S&D) informed the Committee that the monitoring group for Mexico had invited the Ambassador, to attend. He had reported that the new Mexican President was open to start discussing an upgrade of the existing FTA. Further debate had been held on drugs and weapon trafficking. For the next meeting, one single subject would be discussed.

On behalf of Mr STASTNY, Mr CASPARY (EPP) said that the Commission had updated the monitoring group on Canada on the substantial progress in the CETA negotiations, which should be successfully concluded shortly. A more in-depth debate would be held later.

3. Imports of rice originating from Bangladesh

INTA/7/09353 2012/0085(COD)COM(2012)0172 – C7-0102/2012

Exchange of views

The rapporteur, Mr MURPHY (GUE), explained that this was a technical proposal, the aim of which was to align with the new comitology provisions, which entered into force with the Lisbon Treaty. He proposed following the same approach as had been followed for the omnibuses, i.e. safeguarding the powers of the European Parliament and limiting in time the delegations to the Commission.

Mr CUTAS and Ms KELLER likewise advocated coherence with the omnibuses.

Replying to questions, the representative of the Commission confirmed agreement with this coherence and explained that some measures did not require scrutiny since they were only based on a scientific calculation which did not leave much room for interpretation.

4. Delegation to Ireland, 6 December 2012

INTA/7/07434

Presentation of mission report

On behalf of the Chair, the acting Chair Mr STURDY (ECR) reported that the INTA delegation had made a short visit to Dublin, meeting Ministers BRUTON and SHERLOCK, senior officials, members of Parliament and various stakeholders. Mr MARTIN (S&D) added that trade was important for the open Irish economy and that the incoming Presidency seemed to be keen on pushing negotiations on an FTA with the US. Mr DARTMOUTH (EFD) questioned whether any of the stakeholders in a country severely hit by the crisis had raised concerns about the euro and EU Membership. Mr MARTIN confirmed that there was indeed concern but that there was also awareness that withdrawal from the euro or the EU would create economic disaster.

5. Reinstatement of Myanmar/Burma's access to generalised tariff preferences

INTA/7/10682 2012/0251(COD)COM(2012)0524 – C7-0297/2012

Exchange of views with stakeholders

A representative of the ILO recalled that the generalised tariff preferences had been withdrawn from Myanmar following an ILO report which was critical of forced labour and lack of freedom of association. However, recent positive developments had now led to a position that full restoration of ILO membership was under consideration and would probably be decided at a conference in June 2013.

The representative of ITUC explained that an action plan to completely eradicate forced labour by 2015 had been agreed, that penal sanctions had been taken against military personnel involved in forced labour and that the number of associations was increasing, but that there was still a strong need for workers to organise them selves. He called on the EU to go further than the US, which had established an obligation of disclosure for companies doing business in Myanmar, and to impose CSR obligations including the supply chain.

The rapporteur, Mr MARTIN, agreed that there might no longer be a need to withdraw GSP, but proposed a resolution calling for strong CSR and transparency. Mr FJELLNER (EPP) considered that reinstatement of GSP was not only a legal obligation but also a strong political signal to third countries that the EU could change its approach if progress was made on human rights. Whereas Mr STURDY and Mr RINALDI agreed with the Commission proposal, Ms KELLER and Mr MURPHY (GUE) referred to continuing human rights issues such as those concerning minorities and farmers and called on the EU not to participate in the race for access to raw materials and market access.

The representative of the Commission said that the progress noted by the ILO and ITUC should lead to the unconditional reintroduction of GSP. If new problems were detected, GSP could again be withdrawn. He referred to ongoing Commission initiatives on CSR and transparency as contributions to sustainable development.

The draft report would be discussed in INTA's February meeting.

6. Presentation by Neoklis Sylikiotis, Minister of Commerce, Industry and Tourism of Republic of Cyprus, representing the President-in-Office of the Council, on the achievements of the Cyprus Presidency in the area of International Trade Policy

The Chair, Mr MOREIRA (S&D), apologised to the Minister for the very low turnout of members (only one was present) and congratulated the Presidency on its very active approach, which had made it possible to bring some sensitive files to conclusion.

In his speech, Minister Sylikiotis emphasised the importance of trade as the driving force of the economic system and as the promoter of democratic values and human rights. At times of economic, social and political challenges, trade was protecting the EU's identity and was showing its solidarity with the world. In spite of the unfavourable economic backdrop, the Cypriot Presidency had worked hard to revitalise the world trading system, stimulate growth and strengthen the economy. He listed the Presidency's achievements such as the conclusion of the agreements with Columbia, Peru and Central America, the safeguard clauses in these agreements, the CAA with Israel and trade preferences for Pakistan. The Minister also reported on progress on files such as the trade omnibuses, the negotiating mandate with Japan, the promotion of the Southern Mediterranean partnership, the near completion of the CETA with Canada, and other bilateral negotiations.

Replying to questions, he said among other things that as regards the CETA with Canada some outstanding problems concerning the export of certain agricultural products (i.e. livestock) still needed to be resolved, but that compliance with EU standards was a priority. Also, on IPR, CETA would comply with the EU position and ECJ rulings. He reassured members that no substantial changes had been made to the Japan negotiating mandate, which represented an appropriate balance between Member States' and EU interests. Minister Sylikiotis confirmed that since neither Kazakhstan nor Belarus were WTO Members, negotiating an FTA was not envisaged and said that in second reading, the Market Access Regulation, (on which at first reading the Council position was reached by unanimity), would require openness to compromise.

He concluded by thanking the Chair and the Committee for their cooperation, and considered that Cyprus, being one of the small open-minded Member States, had acted as an honest broker with no particular own interests to defend.

7. **Presentation of the World Bank's Doing Business Report 2013**

A representative of the World Bank presented the report titled "Smarter Regulation for SMEs". The report was based on surveys of 10 indicators in 185 countries and intended to identify obstacles to investment both in developed and developing countries.

Indicators used included procedures for registration of a company, investment protection, insolvency rules, costs of cross border trade, contract enforcement, etc.

Reforms of the business environment were ongoing in 33% of the countries investigated, with a peak of 61% in the sub-Saharan states. The survey had provided evidence that facilitating access to business was decreasing corruption and stimulating job creation.

Since 2005, strong convergence of reform had been detected and the gap between the best and worst performing quartile of countries was being reduced.

Replying to questions from the Chair, Ms KELLER and Mr STURDY, the World Bank representative replied that the business climate in southern Member States was improving but would require continued efforts over the next few years. He confirmed that the World Bank was facing a serious demand for advice, (also from EU Member States), that there was indeed an obvious correlation between efforts to improve the business climate and FDI, and that the World Bank did not favour the dismantling of legislation but rather preferred smart regulation based on best practice.

8. **WTO Dispute settlement - Recent developments**

INTA/7/00938

Presentation by the Commission

"in camera"

9. **State of Play on International Trade Negotiations**

INTA/7/01417

Exchange of views with Jean-Luc Demarty, Director General, DG Trade, Commission

"in camera"

10. Votes

The following acts were adopted with amendments:

Corporate Social Responsibility: promoting society's interests and a route to sustainable and inclusive recovery

INTA/7/09588 2012/2097(INI) COM(2011)0681[01]

Adoption of draft opinion for EMPL

Corporate Social Responsibility: accountable, transparent and responsible business behaviour and sustainable growth

INTA/7/09598 2012/2098(INI) COM(2011)0681[02]

Adoption of draft opinion for JURI

The following acts were adopted without amendments:

Interim agreement establishing a framework for an Economic Partnership Agreement between Eastern and Southern Africa States and the EC

INTA/7/00146 2008/0251(NLE) 11699/2012 – C7-0193/2012

Adoption of draft recommendation (consent)

EU-USA Agreement under GATT 1994 relating to the modification of concessions in the schedules of the Republic of Bulgaria and Romania in the course of their accession to the EU

INTA/7/09979 2012/0167(NLE) 12213/2012 – C7-0409/2012

Adoption of draft recommendation (consent)

Mandatory marking of origin for certain products imported by third countries

INTA/7/11421 2012/2906(RSP)

Adoption of question for oral answer from Council and Commission

State of play on Mercosur negotiations

Adoption of question for oral answer from Commission

11. Date, time and place of next meeting:

- 23 January 2013, 9.00 – 12.30 and 15.00 – 18.30 (Brussels)
- 24 January 2013, 9.00 – 12.30 (Brussels)