



**COUNCIL OF
THE EUROPEAN UNION**

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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, 20-21 March 2013

1. Joint debate

Amendment of Council Decision 2000/125/EC ('parallel agreement')

INTA/7/09486 2012/0098(NLE) COM(2012)0201

Amendment of Decision 97/836/EC ('revised 1958 Agreement')

INTA/7/09490 2012/0099(NLE) COM(2012)0202

Consideration of draft recommendations (consent)

The Chair, Mr MOREIRA, who was also the rapporteur, briefly recalled the earlier debate on this issue (see item 9 of 1498/12) and proposed to give consent once the European Parliament received request from the Council (in April).

Replying to a comment by Ms BEARDER (ALDE) and the Chair, the Commission representative confirmed that the procedure guaranteed sufficient flexibility to adapt quickly to technological progress and that the formal text on which the European Parliament would be consulted would contain the appropriate references following the entry into force of the Treaty of Lisbon.

2. Trade between the Community and third countries in drug precursors

INTA/7/10782 2012/0250(COD) COM(2012)0521 – C7-0316/2012

Consideration of amendments

Referring to previous debates on this issue (see item 3 of 6761/13), the rapporteur, Mr PROUST (EPP), announced that he would contact the shadow rapporteurs to draft compromise amendments. He said that, since the situation on drug precursors was worrying and negotiations at Council level were well advanced, rapid progress should be made.

The Commission representative suggested that INTA should work closely with LIBE as regards data protection and commented on some draft amendments, such as those on comitology provisions and on reporting, on which the Commission disagreed.

The vote in INTA is scheduled for the next meeting.

3. The EU's External Aviation Policy - Addressing Future Challenges

INTA/7/11252 2012/2299(INI) COM(2012)0556

Consideration of amendments

Since an agreement on compromise amendments had already been reached between the political groups, the debate was cancelled and the report was immediately voted on (see item 15).

4. EU-Norway trade relations

INTA/7/11970 2013/2547(RSP)

Consideration of question for oral answer

Consideration of draft motion for a resolution

The Chair recalled the background to the issue (see item 11 of 17121/12) and announced that INTA coordinators had decided to table an oral question to the Commission. The plenary debate would be followed by a vote on a motion for a resolution to which AGRI and IMCO would contribute.

Mr FJELLNER (EPP) said that the new increased customs duties on certain agricultural products were in breach of the spirit and letter of the EEA agreement and had been imposed without prior consultation of the EU.

He considered the measures, which were also contested in Norway itself, to be of a political nature, but hoped that in the interest of both parties an amicable solution could be found. Mr STURDY (ECR) feared that these measures would further serve eurosceptics arguing that States could have all benefits of the EU without making any contribution.

The representative of the Commission shared INTA's concern at the protectionist nature of the measures which ran against the agreed principles of agricultural liberalisation.

Commissioner DE GUCHT and President BARROSO had discussed the issue with the Norwegian Prime Minister but there had been no sign that the measures would be withdrawn. The Commission was examining its legal options (of which WTO arbitration was not one since the issue was not covered by Norwegian WTO commitments) but would prefer to reach a solution before any retaliatory measures needed to be taken.

The deadline for amendments to the motion was 25 March 2013.

5. State of play of ongoing trilogue negotiations

INTA/7/04325

Exchange of views

The Chair reported on the outcome of three ongoing trilogues.

On the Macrofinancial Framework Regulation some progress was noted but there was still divergence of views on individual country decisions which, according to the Council and the European Parliament, should be adopted by the ordinary legislative procedure but, according to the Commission, by delegated act. The comitology procedure issue also required further debate.

With regard to Omnibus I, the issues to be resolved were the term of office of delegations to the Commission, the time limit for objections by the European Parliament and the participation of the European Parliament in expert meetings preparing delegated acts.

Omnibus II was a separate issue but was in parallel with Omnibus I. The next trilogue was scheduled to take place in April or May.

The Chair welcomed the attitude of the Irish Presidency which, contrary to previous practice, seemed to be more open to the European Parliament's positions on these sensitive issues.

Mr MARTIN (S&D) announced that a compromise agreement with the Council had been reached on the Market Access Regulation. The key issue was the date of entry into force which the European Parliament wanted postponed from 1 January 2014 to 1 January 2016, and agreement had been reached on 1 October 2014, any later date having been excluded by the Council. This announcement raised some comments from Ms KELLER (Greens) and Mr SCHOLZ (GUE) who regretted that European Parliament's majority position had not been defended better. That would affect its position in future negotiations and would be detrimental to its credibility with the public. The Chair intervened twice to stress that the negotiating team's mandate needed to be interpreted in a flexible way, otherwise there would be no point in starting negotiations. The basic issue (setting a sunset clause) had been respected and the compromise date was almost halfway between the two positions.

The draft resolution on the compromise text was finally adopted with 22 votes in favour, 4 against and 5 abstentions.

6. Monitoring Groups' Activities

INTA/7/08162

Exchange of views

Mr CUTAS (S&D) reported on the recent meeting of the Russia monitoring group which had given its members and the Commission an opportunity to learn from the experience of a reputed investment lawyer in Russia.

Mr SCHOLZ considered that the meeting had demonstrated that there was no common EU position towards Russia. The European Council conclusions on Russia should be followed up closely and the strategic partnership should be reviewed.

The Chair agreed and added that it was not sufficient to have an EU common position - it also needed to be made known to Russia.

7. EU trade and investment agreement negotiations with the US

INTA/7/12078 2013/2558(RSP)

Consideration of draft motion for a resolution

The Chair informed the Committee that, in the light of the recommendation for a negotiating mandate adopted by the Commission on 12 March, it was important that the European Parliament make its views known before the Council had actually adopted the mandate. Although a resolution had already been adopted in October 2012, he considered a second resolution useful to signal the European Parliament's concerns. The resolution should not however end up in an exhaustive shopping list. He added that the input of other Committees concerned had been sought by letter to their Chairs.

In the subsequent long debate most Members who spoke agreed with the Chair on a short but strong resolution, stressed the need for the European Parliament to be well informed at all stages of the negotiations and raised issues of particular importance to them, such as data protection, beef exports, GMO, energy, standards, elimination of non-trade barriers, environmental and labour rights, consumer protection, cultural divergence, audiovisual policy, the position of Turkey as a member of a customs union with the EU, etc.

Critical comments were made by Mr JADOT (Greens) who questioned the evidence for Commissioner DE GUCHT's statement that the conclusion of the agreement would create 2 % growth and 2 million new jobs in the EU. He called for an in-depth economic and political assessment by the European Parliament and thorough consideration of certain issues before giving consent. He warned against colluding with the Trade Commissioner's and President Barroso's desire to conclude an agreement speedily, and advocated an exhaustive resolution stressing the seriousness of the European Parliament's approach. Similar concerns were raised by Mr WEBER (S&D), who was against going for a quick agreement at any price, and Mr SCHOLZ, who was concerned about the concrete advantages for citizens. He proposed that the European Parliament serve as mediator between the public and the negotiators. The Chair informed the Committee that Commissioner DE GUCHT had undertaken to brief the European Parliament before and after each negotiating round and that he (the Chair) would draw up a roadmap for relations with the Commission and other Committees during the negotiations.

The Commission representative welcomed the comments and explained that some initiatives to eliminate trade barriers were already underway, that consultations on the position of Turkey were ongoing and that it was expected that, whereas the negotiations might run smoothly, additional work on such matters as the translation and legal finalisation of the texts would not allow the agreement to come into force before the end of this legislature.

The deadline for amendments to the motion for a resolution was 8 April 2013.

8. Trade in Environmental Goods

INTA/7/12035

Hearing

During this hearing, representatives from the academic world, the WTO and the private sector presented their views on this topic that was of increasing importance in the global economy.

Issues raised by experts and Members were the Asia-Pacific Economic Cooperation (APEC) initiative to liberalise trade in environmental goods, which could be a building block for further global liberalisation, the difficulties in defining environmental goods which required a pragmatic approach, the need for specific provisions in new and forthcoming FTAs, problems created by dumping and the requirement for the EU to engage on this topic in order to preserve its leading position as exporter of environmental goods.

9. Access of third-country goods and services to the Union's internal market in public procurement and procedures supporting negotiations on access of Union goods and services to the public procurement markets of third countries

INTA/7/09334 2012/0060(COD) COM(2012)0124 – C7-0084/2012

Exchange of views with Karel De Gucht, Commissioner for Trade

The Chair introduced the debate by informing Members that, according to the Irish Presidency, the Council was divided on the Commission proposal and additional efforts from the Commission were needed to resolve the deadlock.

Commissioner DE GUCHT confirmed his strong belief in the need to achieve reciprocal opening of public procurement markets. The open nature of the European market was taken for granted by negotiating partners who claimed additional concessions in other areas when EU negotiators requested the opening of partners' public procurement markets. He considered the proposal to be balanced, mixing a general approach with a case-by-case approach, but was nevertheless open to amendments from both the Council and the European Parliament.

When the rapporteur, Mr CASPARY (EPP), asked the Commissioner which solution he would envisage to reconcile positions, Mr DE GUCHT countered by saying that it was not up to him to take action for the rapporteur since the parties negotiating were the European Parliament and the Council. This reply provoked reactions from the Chair and some Members who considered that the rapporteur's question was legitimate and that the Commission should indeed assist in brokering a solution.

While most Members who spoke advocated further debates, arguing amongst other things that it was necessary to demonstrate to third countries that the EU was not naive, Mr FJELLNER expressed doubts about whether the proposal would serve its objectives in practice and even proposed to drop the idea.

In his closing remarks, Commissioner DE GUCHT once more emphasised the need for the Commission proposal and its sound architecture and called on the Committee to come up with its report.

10. Amendment to the fuel quality directive and the renewable energy directive (Indirect Land Use Change)

INTA/7/11010 2012/0288(COD) COM(2012)0595 – C7-0337/2012

Exchange of views

In the absence of the rapporteur for the ENVI opinion (Ms ANDRES BAREA (S&D)), Mr LANGE explained the Commission's proposal which aimed mainly to start the transition to second-generation biofuels that delivered substantial greenhouse gas savings. While supporting the proposal in substance, he considered, however, that there might be a trade problem relating to the import of bio material and that a safety net for EU producers should be provided.

Members raised issues such as the impact on jobs and past investment, compliance with sustainability criteria, the tight timetable for transition, import and energy dependence, compliance with WTO rules, the allegedly poor scientific evidence and the lack of incentives for electric transport.

The draft opinion will be discussed at the next Committee meeting.

11. Collective management of copyright and related rights and multi-territorial licensing of rights in musical works for online uses in the internal market

INTA/7/11465 2012/0180(COD) COM(2012)0372 – C7-0183/2012

Exchange of views

The rapporteur for the JURI opinion, Mr SCHOLZ, explained that the main objective of the complex Commission proposal was to put an appropriate legal framework in place for the collective management of rights that are administered by collecting societies on behalf of right-holders, in the digital world. He said that in a global world one should not only look at internal market needs but also reflect on broader issues. He cited consumer aspects, differences in licensing, the protection of right-holders and the forthcoming negotiations with the US as issues to be addressed in his opinion.

Whereas the Chair warned that the opinion should be strictly limited to trade aspects, Mr FJELLNER called for respect for WTO rules and advocated a one-stop shop at international level.

The Commission representative emphasised that the system of collective management also existed outside the EU but was most used in Europe. She confirmed that thought should be given to specific provisions in FTAs and that in this particular area WIPO was not legislating but was promoting best practice. The proposal could also contribute to better dissemination of European content since it would be easier for third-country operators to acquire licences.

The draft opinion will be debated at the next Committee meeting.

12. State of Play on International Trade Negotiations

INTA/7/01417

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

"in camera"

13. Presentation by Renaud Sorieul, Secretary of UNCITRAL

In his comprehensive intervention, the UNCITRAL representative addressed the work and organisation of UNCITRAL which, contrary to the WTO, was not dealing with State-to-State relations but with private commercial transactions. Areas covered included public procurement, arbitration, online dispute settlement and e-commerce, but conventions and conclusions were not binding.

Whereas good cooperation with the EU was noted in areas such as public procurement, arbitration and transparency, cooperation could however be improved on e-commerce and in particular on the Commission proposal on sales law which incorporated numerous provisions of the Vienna Convention. He regretted that UNCITRAL had been denied any input and said that the Commission initiative could complicate further global harmonisation and even jeopardise trade.

Asked for a reaction by the Chair, the Commission representative replied that she was ready to clarify some obvious misunderstandings on the interaction between the two international instruments and to work on a consensual basis e.g. on online dispute settlement. She welcomed the excellent cooperation between the two organisations on the investor-State dispute settlement proposal on which the EU was able to speak with one voice following the entry into force of the Treaty of Lisbon.

Replying to some questions from Members, Mr Sorieul confirmed that his organisation did indeed provide technical support to developing countries, e.g. by checking draft legislation, but did not have the necessary resources to take initiatives of its own, for example, on awareness raising or global trade standards.

14. First annual report from the Commission to the European Parliament on the activities of Member States' Export Credit Agencies

INTA/7/11265 2012/2320(INI)

Second exchange of views with stakeholders

After a first exchange of views in the Committee on 21 February (see item 13 of 6761/13), a mini-hearing was organised with experts to explore ways to improve Member State Export Credit Agencies' reporting on non-financial criteria.

A Commission representative (DG MARKT) informed the Committee of a Commission initiative (that would shortly result in the tabling of a draft Directive) on reporting requirements on the environmental and social aspects of large EU companies' policies. Likewise, a representative from the EEAS spoke about the work undertaken to assess compliance with the European Charter on fundamental rights in EU external policy instruments. For this purpose, a specific methodology, complementary to OECD guidelines, was being developed.

A representative from Amnesty International highlighted the work of her organisation in this respect, which was based on mandatory reporting on sector-specific due diligence requirements at different levels.

The rapporteur, Mr JADOT will use the expertise provided as input for his report.

15. Votes

The following acts were adopted with amendments:

Establishing a framework for managing financial responsibility linked to investor-State dispute settlement tribunals established by international agreements to which the EU is party

INTA/7/09876 2012/0163(COD)

Adoption of draft report. At the suggestion of the rapporteur, the amendments will be voted in plenary before the trilogues are started.

The EU's External Aviation Policy - Addressing Future Challenges

INTA/7/11252 2012/2299(INI)

Adoption of draft opinion for TRAN

Amendment to Annex I to Council Regulation (EC) No 1528/2007 as regards the exclusion of a number of countries from the list of regions or States which have concluded negotiations

INTA/7/11134 2011/0260(COD)

Adoption of draft recommendation for second reading approving the compromise text with the Council

The following acts were adopted without amendments

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

INTA/7/10682 2012/0251(COD)

Adoption of draft report

15. Date, time and place of next meeting:

- 24 April 2013, 9.00 – 12.30 and 15.00 – 18.30 (Brussels)
- 25 April 2013, 9.00 – 12.30 (Brussels)
