

Trade Justice Movement

TRADE JUSTICE MOVEMENT STATEMENT

EU Reform Treaty – Provisions on Trade Policy

The EU Reform Treaty has a number of implications for the future of European Union trade policy. As civil society organisations concerned with the implications of EU policies for sustainable development we want to see the EU promote a pro-development trade policy which is coherent with the EU's wider development objectives.

Objective of EU trade policy

- Our primary concern is that the Treaty currently appears to prioritise trade liberalisation over a pro-development trade policy as the guiding principle for the EU's common commercial policy. Given the acknowledged dangers of prioritising trade liberalisation in this way, language in the Treaty should have prioritised a pro-development trade policy.
- For example, Article 10A, para 2(e), commits the EU to "*the progressive abolition of restrictions on international trade*" and Article 188B (a) identifies the customs union as a contribution to "*the progressive abolition of restrictions on international trade and on foreign direct investment, and the lowering of customs and other barriers*"; and the new Article 188C, para 1, states that the common commercial policy of the EU will be based on these principles.

Policy coherence

- The Treaty states elsewhere that it aims to improve coherence of wider EU policies with development objectives and poverty eradication. However, in the articles on trade policy the Treaty's apparent favouring of a liberalisation approach over other objectives risks enshrining a serious incoherence at the heart of the Treaty itself. Trade policy should have been coherent with the wider development principles enshrined elsewhere in the Treaty.

Transparency and accountability

- Whilst proposals to enhance the role of the European Parliament in the trade policy making process should improve scrutiny, we do not believe that the Treaty takes enough steps to improve the transparency and scrutiny of EU trade policy and negotiating positions. This could increasingly be a problem if the European Commission's competence is expanded further (see below). The Treaty should have incorporated measures to insist on greater transparency and accountability – this could lead then, for example, to the de-restricting of access to documents covering the decisions made in the 133 Committee and the Council of Ministers.
- UK and other member states' parliamentarians also currently have a very limited role in the scrutiny and oversight of EU trade negotiations and agreements as conducted through the 133 Committee and the Council of Ministers. Scrutiny and ratification of trade deals should also be increased with parliamentarians in member states.

Expansion of competence

- We are also concerned at the proposed extension of the European Commission's competence to cover investment, intellectual property and additional aspects of the trade in services. Given the problems of transparency and accountability already mentioned, we are concerned that extending the Commission's competence into new areas will be particularly harmful if trade policy is not guided by pro-development objectives.