



**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's Committee on International Trade (INTA), Brussels, 26 - 27 March 2012

- 1. Amendment of Regulation (EC) No 428/2009 setting up a Community regime for the control of exports, transfer, brokering and transit of dual use items**
INTA/7/08939 2010/0262(COD)
Consideration of Council position

The Chair, Mr. MOREIRA (S&D/P), proposed to accept the Council position at second reading. The Committee adopted its recommendation on 27 March and the EP plenary on 29 March 2012.

- 2. European Globalisation Adjustment Fund (2014 - 2020)**
INTA/7/07506 2011/0269(COD)
Consideration of draft opinion

On behalf of the rapporteur, Mr. WINKLER (EPP/RO), Mr. CASPARY (EPP/DE) briefly recalled the history of the EGF and highlighted the issues at stake, which were, inter alia, that the EGF would be kept outside the MFF, that there was no need for higher funding, that the time between application and actual payment should be reduced from 11 to 8 months, that farmers would be included among the beneficiaries, that the EGF should be redefined in order to clarify its relationship with other instruments such as the CAP and Free Trade Agreements.

Whereas Ms. KOPPA (S&D/GR) supported the simplification of the Fund and the reduction of the timeline, Mr. JADOT (Greens/FR) and Mr. MURPHY (GUE/IRL) opposed the inclusion of farmers in the list of beneficiaries. They argued that the EGF should be better streamlined with other instruments such as the CAP and the European Social Fund.

The representative of the Commission explained that the EGF was not part of trade negotiations but was intended to be a complement to national policies. Whereas the Commission had proposed the extension of the derogation, he said that some Member States were opposed since they considered this to be against the subsidiarity principle. He considered that the EGF did not overlap with other programmes and that the inclusion of farmers and SMEs and self-employed underlined the "solidarity for all" principle.

The deadline for amendments was set for 23 April 2012.

3. General provisions for macro-financial assistance to third countries

INTA/7/06475 2011/0176(COD)

Presentation of study

Consideration of draft report

A representative of the LSE presented the study, which examined for example the evaluation methodology of macro-financial assistance, procedural aspects, partnerships and geographic coverage. In general, he considered the results of EU macro-financial assistance to be of marginal interest. However, discontinuing the system would send the wrong political message whereas expanding the programme seemed to run up against the limits of public financing in times of crisis. He therefore welcomed the proposal of the Commission to enact only certain improvements.

The rapporteur, Mr. KAZAK (ALDE/RO), disagreed with the study's conclusions on political conditionality which he considered of great importance for enhancing the social cohesion of the countries which were beneficiaries. He proposed the use of delegated acts to speed up decisions, to include a direct reference to Central Asian Countries as potential beneficiaries, to have an open-ended financial framework and to have a strong role for the EEAS. Ms. KOPPA warned against giving up the powers of the European Parliament too easily and advocated a more global approach to the economic crisis and not an ad hoc approach. Mr. MURPHY criticised the fact that EU macro-financial assistance was binding countries to the EU and was imposing significant structural adjustment programmes. He also favoured the ordinary legislative procedure for taking decisions.

The representative of the Committee emphasised that delegated powers were not in fact intended to facilitate decisions but to implement them. He said that he preferred to leave the reference to potential beneficiary countries open, that specific political conditions were contrary to the nature of EU macro-financial assistance, that it was difficult to find partners other than the IMF since the World Bank and the EBRD were of a different nature and that the Commission did not have the resources to replace the IMF; EU macro-financial assistance was in this respect complementary to the IMF.

The deadline for amendments was set for 10 April 2012.

4. Protection against dumped imports from countries not members of the European Community

INTA/7/08817 2012/0019(COD)

Exchange of views

The Chair explained that this proposal was aimed at rectifying some shortcomings in the Regulation as required following a WTO ruling. Considering the strict timeline, he proposed to apply the simplified procedure so that the INTA vote could take place during the same session (see item 17).

5. The external dimension of the Common Fisheries Policy

INTA/7/08266 2011/2318(INI)

Consideration of draft opinion

The rapporteur, Ms. ANDRES BAREA, emphasised that illegal fishery should be combated and fishery in third countries should become sustainable. She therefore endorsed the need for sound scientific advice and cooperation with regional fisheries organisations.

Mr. JADOT called for better traceability of sustainable fishery products but recognised that the EU did not have the means to combat adequately illegal catches.

The representative of the Commission welcomed the involvement of INTA as a way of improving policy coherence. The draft opinion followed the Commission line which was also focused on scientific advice, transparency and sustainability.

The deadline for amendments was set for 10 April 2012

6. Amendment of Directive 2004/109/EC on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and Commission Directive 2007/14/EC

INTA/7/08161 2011/0307(COD)

First exchange of views

7. Annual financial statements, consolidated financial statements and related reports of certain types of undertakings

INTA/7/08984 2011/0308(COD)

First exchange of views

Mr. SCHOLZ presented both proposals which were aimed at increasing transparency as regards payments made by the extractive industry and the forestry sector to governments. This would not only have a positive impact on companies' socially responsible behaviour but would also serve the interests of public scrutiny. He said that his opinion to JURI would recommend removing the exception whereby reporting of payments was not compulsory in cases where the legislation of the third country involved provided for a ban on disclosure. He was also in favour of broadening the scope to include the reporting of land acquisition and other sectors such as retail, transport and energy production.

Mr. ABAD (EPP/FR) advocated a simplification of obligations for SMEs and further debate on the scope. Mr. MARTIN welcomed the proposals and requested that subcontractors coverage would be also be ensured .

The representative of the Commission explained that the exception clause was very limited in scope and that so far no possible cases were known. He agreed with the rapporteur that G-8 and G-20 should be encouraged to draw up international standards and said that the definition of "project" should be pragmatic and at the lowest level of internal company reporting.

8. Joint Debate:

EU-Russia agreement on trade in parts and components of motor vehicles

INTA/7/07922 2011/0324(NLE)

EU-Russia Agreement regarding the preservation of commitments on trade inservices contained in the current EU-Russia Partnership and Co-operation Agreement

INTA/7/08000 2011/0328(NLE)

EU-Russia Agreement regarding the introduction or increase by the Russian Federation of export duties on raw materials
INTA/7/07966 2011/0332(NLE)

EU-Russia Agreement on the administration of tariff-rate quotas applying to exports of wood and EU-Russia Protocol on technical modalities pursuant to that Agreement
INTA/7/07968 2011/0322(NLE)
First exchange of views

The representative of the Commission presented the four agreements which were a follow up to Russia's accession to the WTO and which were aimed at securing more favourable EU trade interests.

Since some contributing Members were proposing detailed changes to the texts, the Chair reminded them that the agreements were submitted for consent which left only the yes or no option without amendments.

The representative of the Commission replied to a question from Mr. ZALEWSKI (EPP/PL) on the difference between the agreement with Russia and Ukraine for the automotive industry, and from Ms. VAIDERE (EPP/LV) on quota management, the binding nature of commitments and the Russian ban on import for EU livestock which he said had the full attention of the Commission.

Members also called for a more general resolution on the EU trade positions with Russia.

9. Establishing a Partnership Instrument for cooperation with third countries.
INTA/7/08336 2011/0411(COD)
First exchange of views

The rapporteur Ms. ANDRIKIENE (EPP/LT) informed Members that this instrument would follow up the existing financing instrument for cooperation with industrialised and other high-income countries and territories (ICI). It would respond to the challenges of globalisation, implement the international dimension of EU 2020, improve market access and enhance EU trade. She expressed concern as regards the place of this instrument amongst others such as those dealing with pre-accession strategy and neighbourhood policy, the scope, which would require priorities to be selected, the lack of European Parliamentary scrutiny of multi-annual programming and the limited budget that already included the "Erasmus for all" programme.

Mr. SUSTA (S&D/IT) warned about conflicts between the many committees involved, criticised the small budget and called for a role for the European Parliament while avoiding debates similar to those reserved for the ICI.

The representatives of the Commission emphasised that flexibility was a key requirement in addressing changing needs and making strategic choices. The budget needed to be considered in a broader context since the proposed instrument was not intended to make significant investments but to address small and flexible projects.

The draft report would be discussed at the next meeting.

10. Anti-Counterfeiting Trade Agreement between the EU and its Member States, Australia, Canada, Japan, the Republic of Korea, Mexico, Morocco, New Zealand, Singapore, Switzerland and the USA

INTA/7/06356 2011/0167(NLE)

Second exchange of views

The rapporteur, Mr. MARTIN, requested a prompt decision from the Committee on the timetable on the one hand and on the consultation of the ECJ on the other. If consultation of the ECJ were approved, it would be submitted to the plenary to be voted on 29 March.

He considered that the initial timetable was too tight to collect the views of all interested parties and that the concerns of the political groups on the substance of the Agreement justified the European Parliament making its own specific request to the ECJ. The opinion of the latter would however only cover legal grounds and the European Parliament would need to take its own political decision after having received the ECJ's opinion. Mr. MARTIN proposed to draft an interim report in the meantime.

The Chair replied that although the rapporteur was entitled to receive guidance from the Committee, the political group coordinators had decided to invite the Council to the Committee's next meeting to clarify the state of play with Member States.

Mr. CASPARY confirmed the decision of the coordinators and requested that the Council's explanation be awaited before a decision was taken on a final timetable.

The Chair insisted however on having a procedural decision during the meeting. This was challenged by Mr. CASPARY, who said that this was not in conformity with the decision of the coordinators and was not on the agenda. Also, Mr. KAZAK advocated more time for deliberations. Mr. JADOT proposed to go ahead with the original timetable since the European Parliament would have to make up its own mind on political grounds; if this were not the case it would undermine the European Parliament's powers for future agreements. Mr. STURDY (ECR/UK) favoured an interim report and a Council declaration. A decision to consult the ECJ could be taken later. Mr. SCHOLZ (GUE/DE) said he was not in favour of ECJ consultation but agreed that the Council should be heard before a decision was taken.

The debate continued in same confusion and it proved difficult for the Chair to hold a vote on whether or not there would be a vote on ECJ consultation. This vote finally recounted in support for a substantive vote when the session resumed in the afternoon.

At that time, the request to consult the ECJ was rejected by a large majority.

The rapporteur will now present his draft recommendation at the next meeting. The vote in INTA is scheduled for 29-30 May, and the plenary would vote at its June session.

11. Small and Medium Size Enterprises (SMEs): competitiveness and business opportunities
INTA/7/09053 2012/2042(INI)
Exchange of views

The rapporteur Mr. WINKLER (EPP/RO) briefed the Committee on the Commission's Communication which stressed the importance of SMEs in Europe's economy but at the same time demonstrated some weaknesses such as limited cross-border activities and the even more limited participation in trade with third countries. Existing barriers should be tackled and support schemes better coordinated. The rapporteur asked for a more bottom-up exercise and concrete tools to tackle the issues.

Mr. SUSTA supported these views and called for adequate incentives and a more specific policy.

The representative of the Commission said that work on mapping to make SME support in Member States more visible was already underway. Complementary actions and the search for synergies were priorities. Support for SMEs should not overlap and the creation of a business-friendly environment and the promotion of innovation should be developed.

12. EU-Central America, Trade and economic prospects of the Association Agreement

INTA/7/09087

Hearing with the participation of Karel De Gucht, Commissioner for Trade

During this long hearing Commissioner DE GUCHT, and representatives of the governments of the Central American countries concerned, highlighted the main features of the commercial pillar of the Association Agreement. This agreement, which was the first to be signed by two regions, was described as a balanced one which would boost the Central American economy by up to 3,5 % and would enhance regional integration. Representatives of civil society such as those from ETUC and from the social sector in Honduras, explained however that the conditions for workers and unions in most of these countries was not very favourable, that there was increasing violence against political activists and criticised the fact that the agreement was unbalanced and favoured EU companies. Subsequent contributions from members picked up these issues and called for a strong monitoring mechanism.

13. Implementation of the bilateral safeguard clause and the stabilisation mechanism for bananas of the Association Agreement between the EU and Central America

INTA/7/07318 2011/0263(COD)

Consideration of draft report

14. Implementation of the bilateral safeguard clause and the stabilisation mechanism for bananas of the Trade Agreement between the EU and Colombia and Peru

INTA/7/07320 2011/0262(COD)

Consideration of draft report

The rapporteurs for these proposals, Mr. LEICHTFRIED (S&D/AT) and Mr. LANGE (S&D/DE), respectively presented their draft reports which favoured following the principles of the safeguard clause in the EU- South Korea agreement.

The protection of workers, the situation of the banana sector in the EU's outermost regions, dialogue with civil society, the European Parliament authority to request an examination and its right to information were some of the issues brought up.

The representative of the Commission briefly commented on some of the proposed amendments, saying that many of them could be addressed in a Commission declaration. However, he warned that no provisions could be laid down which were contrary to the agreement itself and he considered that some of the proposed amendments would make it more difficult to apply the safeguard clause. In particular as regards the stabilisation mechanism for bananas, he insisted that the EU's WTO commitments had to be respected.

The deadline for amendments was set for 16 April 2012.

15. Trade Agreement between the EU on the one hand and Colombia and Peru on the other
INTA/7/06949 2011/0249(NLE)
Exchange of views
Presentation of study

A representative of the LSE presented a study which provided evidence regarding the different aspects of the agreement, which was in full compliance of WTO rules. Although small markets were covered, the agreement would put the EU on an equal footing with the US, China and Canada, which had already concluded similar agreements.

The rapporteur, Mr. DAVID (EPP/P), described the agreement as a highly political issue and, referring to reports from Human Rights Watch and the US congress, expressed concerns about labour rights, respect for human rights and the social situation.

Mr. MARTIN highlighted that no human rights monitoring mechanism was provided for in the agreement and insisted that such a mechanism should be put in place before the agreement entered into force. He said he did not approve of the agreement in so far as Colombia was concerned. Similar concerns were voiced by Ms. BEARDER, who pointed to heavy lobbying from civil society against the agreement.

The rapporteur concluded by emphasising the goodwill of the governments of both countries and said he was aware of the need for thorough monitoring.

The draft report would be discussed at the next meeting.

16. Additional Protocol to the Euro-Mediterranean Agreement establishing an Association between the EC and Israel on an Agreement between the EC and Israel on Conformity Assessment and Acceptance of Industrial Products (CAA)

INTA/7/02427 2009/0155(NLE)

Consideration of draft recommendation (consent)

The rapporteur, Mr. MOREIRA, said that the prior exchange of views with Commissioner DE GUCHT and the Committee's reactions had not been conclusive and that opinions were divided. Since AFET had not delivered its opinion either, his draft recommendation was only provisional and would subsequently be amended.

Ms. SCHAAKE (ALDE/NL) stated that whereas the nature of the protocol was technical, it would de facto enhance the relationship with Israel, which was not desirable at a time when the international community was criticising Israeli breaches of international law. She proposed that the European Parliament should list all its concerns but that probably this protocol was not the right tool to do so.

Mr. ZHRADIL (ECR/CZ) said that his group disagreed with further suspension since the protocol was of a purely technical nature and should not be sullied with political arguments.

Like Mr. MARTIN, who was against an upgrading of relations with Israel and who considered further delay an incentive for compliance with international law, Mr. SCHOLZ and Mr. TAYLOR (Greens/UK) emphasised the political aspects of the protocol .

Mr. CAMPBELL (ECR/UK) considered that outside pressure would not serve the peace process and would incite Israel to dig its heels in. Ms. LUDFORD (ALDE/UK) called the delay, already amounting to two years, undemocratic and she insisted on submitting the protocol to a vote in plenary where different views could also be taken into account.

This statement provoked a reaction from the Chair who said he was not ready to take lessons from non- INTA Members on its calendar of proceedings. He also said that contrary to some other MEPs he was completely independent in this matter and had no particular interests to defend.

Finally, Ms. ANDRIKIENE informed the Committee that the AFET report would be voted on at the end of April.

17. Votes:

a) The following acts were adopted without amendments:

Repeal of Council Regulation (EC) No 1342/2007 on administering certain restrictions on imports of certain steel products from Russia

INTA/7/07777 2011/0315(COD)

Draft report

Protection against dumped imports from countries not members of the European Community

INTA/7/08817 2012/0019(COD)

Vote on simplified procedure (Rule 46(1) – without amendment): report

Voluntary Partnership Agreement between the EU and Liberia on forest law enforcement, governance and trade in timber products to the European Union

INTA/7/06304 2011/0160(NLE)

Adoption of draft recommendation (consent)

EU-Central African Republic Voluntary Partnership Agreement on forest law enforcement, governance and trade in timber and derived products to the EU (FLEGT)

INTA/7/06086 2011/0127(NLE)

Adoption of draft recommendation (consent)

Amendment of Regulation (EC) No 428/2009 setting up a Community regime for the control of exports, transfer, brokering and transit of dual use items

INTA/7/08939 2010/0262(COD)

Adoption of draft recommendation for second reading

b) The following acts were adopted with amendments:

Engaging in energy policy cooperation with partners beyond our borders: A strategic approach to secure, sustainable and competitive energy supply

INTA/7/08433 2012/2029(INI)

Draft opinion for ITRE

A resource-efficient Europe

INTA/7/05794 2011/2068(INI)

Draft opinion for ENVI

Amendment of certain regulations relating to the common commercial policy as regards the granting of delegated powers for the adoption of certain measures

INTA/7/06285 2011/0153(COD)

Draft report

Trade for Change: The EU Trade and Investment Strategy for the Southern Mediterranean following the Arab Spring revolutions

INTA/7/05860 2011/2113(INI)

Draft report

EU and China: unbalanced trade?

INTA/7/04390 2010/2301(INI)

Draft report

18. Date, time and place of next meeting:

- 25 April 2012, 9.00 – 12.30 and 15.00 – 18.30 (Brussels)
 - 26 April 2012, 9.00 – 12.30 (Brussels)
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