



EU Trade Policy Manifesto

The signatories to this Manifesto (the coalition) welcome the achievements of the European Union (EU) in its trade policy over the past five years. The EU has identified trade as a gateway for growth and job creation. It is committed, like our coalition, to a free and fair international trading system which can bring economic benefits for European companies.

Much progress has clearly been achieved over the past five years. However, the new EU institutional five-year term offers great opportunities to take these efforts to the next level and unleash the full potential of trade for the EU economy. Our coalition would like to submit the following **seven recommendations** to achieve success in the future.

Promote multilateral and plurilateral agreements

1

We strongly support efforts to conclude a new round of WTO negotiations focused on development (the 'Doha Development Round'). We recognise the good work and continued efforts by the EU to deliver economic growth and development gains for all participants, as illustrated by the outcome of the 9th WTO Ministerial meeting in Bali in December 2013. The agreement on trade facilitation sealed in Bali is a sign of positive progress and we urge the EU to keep the momentum in the post-Bali process.

Our coalition believes it is imperative to quickly implement the Trade Facilitation Agreement, reach a balanced and satisfactory outcome on non-agricultural market access and make progress on agricultural issues. We also encourage the EU to advance plurilateral initiatives such as the Trade in Services Agreement (TISA).

Deliver bilateral trade agreements

2

Our coalition strongly supports the EU in pursuing ambitious bilateral free trade agreements with key emerging markets. Effective free trade agreements will, in addition to a wide range of new export opportunities for EU businesses, bring benefits to European consumers by delivering lower prices and greater consumer choice. Moreover, increased trade with a reciprocal opening of other markets for EU business will result in new export opportunities. To maximise the effectiveness of the EU's bilateral trade agenda, we urge for:

- The swift conclusion of ongoing negotiations;
- Simple and flexible Rules of Origin;
- Speedy tariff elimination instead of long phase-out periods;
- Ambitious provisions on investment to be included within bilateral agreements to make it easier for European companies to invest in third countries;
- The inclusion of strong trade facilitation measures in all agreements; and
- The reduction of technical barriers to trade.

Promote global value chains and simplified Rules of Origin

3

Not only has the number of key players in global trade increased over the last few years, but the way in which companies trade has also radically transformed. Today, highly integrated global value chains play an important role in creating employment in the EU throughout the supply chain, from the conception of a product to its final use by the consumer.

More specifically, employment is generated in areas such as design, production, marketing, distribution, retail and customer services. Trade in imported consumer goods is a significant, and often forgotten, positive contribution to the economic performance of many EU Member States. Imports of consumer goods – including from developing countries – give consumers access to a larger variety of products at a lower price. Our coalition therefore calls for all future EU trade agreements and initiatives to recognise the positive impact of global value chains and integrate it in their economic impact assessment.

Along with a greater focus on global value chains, our coalition also urges EU institutions to simplify Rules of Origin. At present, the complexity of the Rules of Origin system and the costs of applying them mean that, in many cases, exporting countries gain little or no advantage from preferential trade arrangements offered by the EU. The coalition supports the adoption of rules that provide maximum flexibility and broad cumulation within and between regional groupings. Cumulation provides a continued incentive towards regional economic integration which is a strong developmental objective of the EU.

Limit the use of trade policy for achieving non-trade objectives

4

Free trade is the strongest catalyst for spreading economic and social development around the world. In addition to these objectives, the EU's commercial policy can contribute to the dissemination of the EU's fundamental values, including democracy, good governance, the respect of human rights and sustainable development, notably through the incentives provided by the System of Generalised Preferences Plus (GSP+).

The legitimate objective of promoting these European core values should, however, not contradict with the primary task of trade policy, which is about facilitating the exchange of goods and services across borders. Moreover, the current tendency to pay increasing attention to 'non-trade' topics could lead to overburdening the commercial policy.

Remove third country barriers and promote regulatory convergence

5

Our coalition urges the EU to continue its endeavours to tackle market access barriers in third countries. The removal of non-tariff barriers (NTB) is essential for European companies.

Moreover, increased regulatory cooperation with major trading partners will allow European companies to operate efficiently at the global level. In this respect, mutual recognition agreements are to be encouraged.

Enhance the coherence and complementarity between the EU's internal and external policies

6

In order to facilitate international trade, our coalition believes that there is a need to further enhance the coherence and complementarity between the EU's internal and external policies.

Our coalition calls for a more complete internal market, avoiding legislation at an EU member state level that hinders progress on trade liberalisation at an international level.

A growing number of national and unilateral initiatives are often lacking a robust economic assessment of their impact at the European and international level. For instance, for the restriction of the use of chemical substances, we urge that REACH, which sets credible and robust procedures at the EU level, be used instead of different national initiatives.

Protect Intellectual Property Rights (IPRs)

7

We are concerned that the global framework of protection and enforcement of IPRs is currently under serious threat. While, over recent years, we have experienced a serious drop in counterfeits seized by EU Customs, counterfeiters are exploring new ways of delivering their products to consumers. In order to protect the EU's businesses and consumers, trade agreements should provide incentives to improve the intellectual property protection enforcement system in third countries.

The undersigned,

The European Branded Clothing Alliance (EBCA), the European Retail Round Table (ERRT) and the Foreign Trade Association (FTA).

Brussels, 10 November 2014

About the signatories

The European Branded Clothing Alliance (EBCA) is a coalition of major retail clothing brands comprising Cortefiel Group, H&M, Inditex, Levi Strauss & Co., Nike, Ralph Lauren and VF Corporation. EBCA represents over 60 brands and 150,000 European jobs, covering design, marketing and R&D, as well as manufacturing, retail and distribution of branded clothing. The industry supports 4 million jobs in Europe and contributes with 2.4% to the EU GDP.

Contact: Tristan Suffys, Senior Policy Officer

secretariat@ebca-europe.org | www.ebca-europe.org

The European Retail Round Table (ERRT) brings together the CEOs of Europe's leading international retail companies. ERRT promotes a Single Market in Retail, the delivery of a more sustainable consumption model, and the creation of new market opportunities globally.

Contact: Kate McGowan, Policy Manager

kmcgowan@errt.org | www.errt.org

The Foreign Trade Association (FTA) is Europe's premier association for trade policy and global supply chains. It brings together over 1,300 retailers, importers, brand companies, and national associations, with a combined turnover of more than 700 billion Euros. FTA promotes free trade and fight all kinds of protectionism at national, European and international level.

Contact: Dr. Pierre-Michael Gröning, Trade Policy Advisor

pierre.groening@fta-intl.org | www.fta-intl.org

