Ladies and gentlemen,

It's a pleasure to talk with you today.

And a very interesting time to talk about trade policy.

Far from dusty, technical debates on tariffs and schedules, trade is taking a political centre stage.

I'll admit: this is a blessing and a curse.

So I'd like to talk about some of the trends we're seeing today.

And how we are meeting them with our agenda for responsible trade: that is effective, transparent and based on values.

[Protectionism]

People do not always realise how global trade connects to their lives.
From the Nutella you spread on your toast in the morning to the car you drive to work; everyday tasks and objects depend on complex transactions within complex global value chains.

I am not someone who sees trade as a zero-sum game.

If one party is winning, it does not mean the other party is losing.

This is economics; not reality TV.

Today, we are seeing the rising risk of protectionism across the world.

But you are also seeing people wake up and realise how important trade is to our lives and livelihoods.

How much we need it and depend on it.

How much we need to defend it.

"You don't know what you've got till it's gone", as they say.

Europe is fundamentally an open economy and an open society.

Building walls and raising barriers would hurt people across the continent and across the world.

Including the 31 million jobs in the EU that depends on exports.

And it would hit the poorest, hardest.
It is they who would suffer most from the rising prices that come from higher tariffs, or a slowdown in trade.

[Globalisation]

Today, we see an increasing unease or mistrust about "globalisation"…

… and sometimes a desire to slow or reverse economic changes that happened over recent decades.

There are some who feel unable to adapt, or "left behind".

Yet, as I know Simon Tilford at the CER has argued, many of the issues at stake are not to do with trade at all, or not even to do with globalisation at all.

Economic changes are largely due to rising productivity, as a result of automation and technology….

… while inequality is more about domestic decisions than trade.

The tools to address these problems are not trade policy: they are about issues like investing in infrastructure. Giving people the skills they need to retrain, or find new work, or adapt faster to the new working environment, as we all had to do when computers, internet, mobile phones burst into our lives.
For the most part these are not policies the EU controls. But they are needed as a **complement** to the economic changes we see. And I'd like to see more investment there.

If you lose your job, it may be little consolation to know why.

So perhaps it is understandable that many do not make these distinctions.

I don't dismiss these concerns. But we do need to understand them. Only then can we address them. And – as part of our work on the future of Europe – the Commission will be producing a reflection paper on harnessing globalisation soon. We will address some of these concerns and open a debate on possible answers.

**[Public services and standards]**

In Europe, we are also seeing increasing focus and concern on public services and public standards.

People are worried that trade policy might undermine the food we eat, the products we buy, or the public services we use.

But this is not the case. Trade agreements are not lowering our food safety.

EU rules continue to be set by EU lawmakers under EU procedures.

We have made this clear, for example, in the statements and declarations we made around the EU-Canada agreement.
And we have overhauled one particular area of concern, the investor-state dispute resolution.

We listened to the concerns of those who claimed the old ISDS was run in secrecy, with no independent arbitrators. The investment courts we have introduced are transparent, run by professional and independent judges, there is an appeal mechanism.

I hope a multilateral system could go even further…

… while still providing the consistency and predictability investors need.

Indeed, trade policy helps us not just protect standards, but promote them.

That means, for example, the standards which protect the branding of high-quality EU food and drink, like champagne or Parma ham.

But also wider values. Our trade arrangements, especially with the developing world, include provisions on human rights, good governance, the environment, and labour rights.

We also have new rules, finalised just last week, to control the harmful trade in conflict minerals that relies on forced labour, and destroys lives.

People often talk about free trade agreements. Maybe that’s unhelpful.

Free trade should be fair trade – rules based and open.
It's not about being naïve. It's about ensuring all people play by the rules.

Our trade agreements and engagement give us leverage to ensure that.

That's why we'll continue to defend the world trade organisation.

That's why we'll continue to negotiate bilaterally and plurilaterally too.

That is why we are keeping robust, modern trade defence instruments in place. Our new proposal which we put forward last November would protect European business from damaging dumping and subsidies. It is country neutral, not singling out China or any other country.

[Trade agenda]

Much has changed since we published our Trade for All strategy in 2015.

But the approach it sets out – effective, transparent, based on values – is more important than ever.

And it is one we are pursuing with partners across the world.

Our talks with the US are in the freezer, and we are waiting for a signal from the new administration about their intentions.

Likewise for other plurilateral negotiations in which the US is involved, such as trade in environmental goods and services: we are waiting for a signal. For our side, we are ready.
But, from our other trade partners, if anything we are seeing more enthusiasm than before.

We have the Canada deal ratified at EU level. It's our most progressive and ambitious deal ever: saving European exporters over €500 million a year in tariffs, even more in red tape, opening new markets like services and procurement at all levels of government.

It can provisionally apply once ratified on the Canadian side—which could be imminent.

And that's not to mention our ongoing negotiations: Japan, Mercosur, Mexico, and the South-East Asian countries of ASEAN.

These deals will bring many benefits for Europe.

Exporters who can find new market opportunities.…

…. People who can get better choice and cheaper goods ….  

… EU action that helps us shape globalisation…

… with trade based on values.

That is our agenda for responsible trade.

I thank you for listening and look forward to your questions.