



Department for International Trade

Chair, European Scrutiny Committee
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The Lord Price CVO

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Dear Chair,

EU Foreign Affairs Council (Trade) 11 May

I represented the UK at the Foreign Affairs Council (Trade) in Brussels on 11 May 2017. A summary of the discussions follows.

Legislative Items

The New Anti-Dumping Methodology

Commissioner Malmström briefed Ministers on the proposed compromise mandate for Council negotiations with the European Parliament, as agreed at Coreper on 3 May. I welcomed the progress: the compromise retained the EU's flexibility to address unfair trade, whilst respecting WTO compliance.

Ukraine: Temporary Autonomous Trade Measures

Given the European Parliament's attempts to water down the Commission's proposal for extending Autonomous Trade Measures (ATMs), the Commission sought Council's support, arguing that the measures would benefit Ukraine with very minimal impact on the EU's own industry. I offered the UK's full support for the Commission's proposal.

Non-legislative items

The WTO

Commissioner Malmström saw prospects for the 11th Ministerial Conference in Buenos Aires as uncertain, with some countries in the process of forming their positions. The mini-ministerials in Paris (June) and Marrakesh (October) would be opportunities to assess progress and recalibrate, but in the meantime, the EU would continue to play a leading role in pushing forward the technical work. This included work on agricultural domestic support, domestic regulation in services, fisheries subsidies, e-commerce, investment facilitation and SMEs. I stressed the importance of the digital agenda.

Implementation of Free Trade Agreements

Given the increased scepticism about trade deals across the EU and beyond, Commissioner Malmström argued that the EU needed to work more effectively together to sell the benefits of FTAs and maximise uptake of the preferences they offered.

EU-Burma Investment Protection Agreement

Commissioner Malmström sought Ministers' support for concluding the agreement with Burma. She made the case that the deal would create a level playing field for European businesses investing in Burma, but acknowledged the difficult human rights situation, in particular with regards to the Rohingya minority. Nobody opposed the Commission's approach. The Commission would come back to Council for endorsement of the final texts of the agreement. The functioning of the Investment Court System would also be further discussed in the context of the Singapore European Court of Justice judgment and the implementation of CETA.

Update on trade relations with Chile, Australia and New Zealand

The scoping exercises with all three of these countries had now been concluded. Draft mandates would be presented to Member States before the end of June with a view to launching the three negotiations in the autumn.

Presentation of the reflection paper on harnessing globalisation by 2025

Commissioner Malmström presented the Commission's reflection paper on harnessing globalisation which was published on 10 May. This recognised concerns about the impact of globalisation on those who felt unable to seize the opportunities yielded. The EU could and must act to shape globalisation in line with its principles, including through values-based bilateral FTAs and work at the multilateral level.

AOB: European Consensus on Development – Investment and Trade

The Presidency agreed to a last-minute Hungarian request for an AOB point, which they used to call for efforts to tackle irregular migration to be included in the text of the European Consensus on Development.

A copy of this letter will be placed in the libraries of both Houses. I am writing in similar terms to the Chair of the Select Committee on the EU, House of Lords. I am copying to Les Saunders (DExEU), Edwina Osborne (DIT Scrutiny), and the Clerks of both Committees.

Yours sincerely,



THE LORD PRICE CVO

Minister of State at the Department for International Trade