

#EUCircularTalks

Trade, resource extraction and
the circular economy



#EUtrade

TRADE POLICY REVIEW

An Open, Sustainable and Assertive Trade Policy

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New Trade Policy Communication

(Adopted on 18 February 2021)

Key elements:

**Openness as
a strategic
choice**




**Sustainability
as a central
pillar**

**Assertive in
our actions**

Annex:

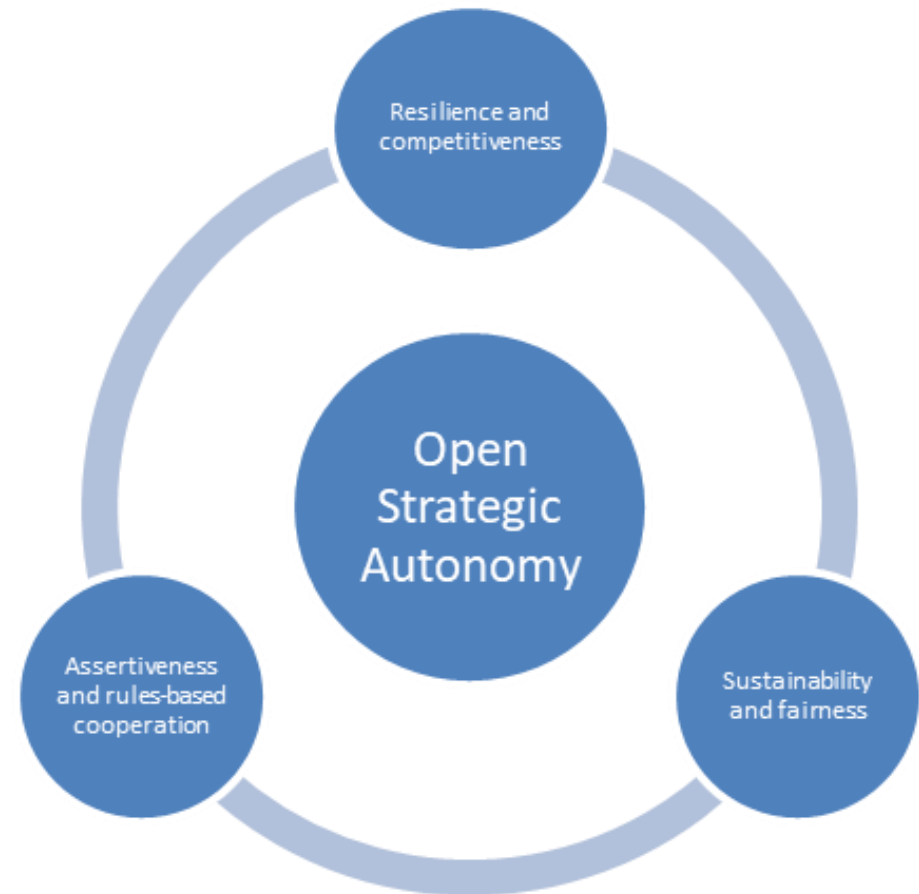
WTO reform

Three objectives of EU trade policy

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1. Supporting the recovery and fundamental transformation of the EU economy in a way that is consistent with our **green** and **digital** ambitions.
 2. Shaping global rules for a more sustainable and fair globalisation.
 3. Increasing our capacity to pursue our interests and enforce our rights, autonomously if necessary.

Open Strategic Autonomy

- Both a model *and* a mindset.
- Defined as maximising the EU's ability to make its own choices and shape the world around it through leadership and engagement, reflecting its strategic interests and values.
- Strength through openness.
- Committed to rules-based multilateralism.
- Act cooperatively where we can, but autonomously where we must



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Six critical areas in the medium term

Reform the WTO

Support the green transition and promote responsible and sustainable value chains

Support the digital transition and trade in services

Strengthen the EU's regulatory impact

Strengthen the EU's partnerships with neighbouring, enlargement countries and Africa

Strengthen the EU's focus on implementation and enforcement of trade agreements, and ensure a level playing field



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Reforming the WTO

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- Reforming the World Trade Organization is our first priority.
 - Modernising rules and improving functionality.
 - Our ambitions for the WTO:
 - Work to restore fully functioning dispute settlement system and Appellate Body.
 - Seek adoption of initial WTO reforms focused on sustainability.
 - Promote the development of new rules on digital trade and on subsidies.

The Greenest EU Trade Policy ever

- Bring forward climate and sustainability WTO initiatives.
- Seek a commitment on climate neutrality among G20 Members.
- FTAs as platforms for cooperation on climate, biodiversity, circular economy, pollution, sustainable food systems.
- Paris Agreement as an essential element of our FTAs.
- Comprehensive review of the TSD Action Plan.
- WTO-compliant Carbon Border Adjustment Mechanism (CBAM).
- Mandatory due diligence, incl. forced labour & deforestation legislation.





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Strengthening the EU's regulatory impact

- Adoption of our high standards has derived competitive advantage for business.
- Develop a more strategic approach to international regulatory cooperation – green and digital.
- Adopt a more proactive stance when designing new regulations; better integration of external and internal dimensions.
- Cooperate with the US to forge global standards based on our democratic values (EU-US Trade and Tech Council).

Implementation & Enforcement



- Work of the Chief Trade Enforcement Officer.
- Develop new online-tools for SMEs.
- Propose legal instrument to protect EU from coercive actions by third countries.
- Propose legal instrument to address distortive foreign subsidies on the internal market.
- Advance the International Procurement Instrument with urgency.
- Explore options for EU strategy on export credits.

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Global Alliances

- Cooperate with the US to lead efforts on WTO reform.
- Build alliances to pursue our interest and project our values.
- Consolidate our FTA network - conclude and ratify outstanding bilateral agreements.



Trade and Circular economy

- ***Trade and Sustainable Development Chapters in the EU FTAs***

- *cooperation*
- *MEAs: Basel, Rotterdam and Stockholm conventions*

- ***Other provision in FTAs:***

- *commitments on recycling, repair, and maintenance services*
- *abolishing tariffs on repaired and remanufactured goods*
- *sustainable use of raw materials*

- ***Circular economy in WTO:***

- *transparency on domestic measures and peer review*
- *policy dialogue (plastics)*
- *Negotiations (EGA)*
- *trade-related capacity building*

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Thank you!

