

# TRADE POLICY

# REVIEW 2020



## Why is the European Commission carrying out a review of its EU trade policy?

International trade is a crucial part of the EU economy and an important element in our everyday lives. It supports jobs, gives consumers more choice, and creates prosperity for us and our partners. In the EU, more than 35 million jobs (1 in 7) depend on exports and 16 million more on foreign investment.

Yet international trade faces an increasingly challenging environment from:

- tensions among the major global economies
- growing unilateralism and economic nationalism
- more state intervention in the economy
- the use of trade policy for economic or geopolitical objectives
- a weakening of global governance structures and the multilateral rules-based order.

Against this backdrop, the review aims to ensure that EU trade policy can operate effectively in the new global context, including the recovery from the Covid-19 pandemic, and fully contribute to achieving the EU's priorities.

This means that, among other things, trade policy must create opportunities to help generate high-quality jobs and spur economic activity. It must also protect the EU from unfair practices and contribute to the EU's broader priorities in the areas of sustainability, climate change, the digital economy, and economic and political security.

## What are the main issues the review will cover?

The review will look at the main issues and challenges facing global trade and EU trade policy and consider possible solutions.

The main themes include:

- how to make the EU's economy more resilient after the Covid-19 pandemic.
- the concept of 'Open Strategic Autonomy' will enable the EU to continue reaping the benefits of international trade while being able to protect itself from unfair practices and assertively enforce its rights under international law and trade agreements. Open Strategic Autonomy also envisages the EU exerting international leadership.
- the EU's initiative to reform the World Trade Organization so that it can once again:
  - ▶ be an effective forum for developing and implementing trade rules and for settling disputes
  - ▶ ensure a stable and predictable environment for trade.

- how to create opportunities for businesses, especially small and medium-sized businesses, by making it easier for them to export or import and invest overseas.
- how trade and investment policy can help address key global challenges, such as climate change, sustainable development or the digital transition.



## What are the next steps?

The European Commission launched the review of trade policy on 16 June 2020. It published a background paper setting out the main issues and containing 12 questions. Stakeholders are invited to provide responses to these questions, as well as other input they consider relevant for the review.

The consultation process will last until 15 September.

The European Commission aims to publish a Communication setting out the results of the review before the end of the year.



## Who will be involved in the consultation process?

The Commission will base its review of EU trade policy on broad consultations with stakeholders and the public including:

- discussions with EU Member State governments
- discussions with Members of the European Parliament
- public debates in the EU Member States
- a Civil Society Dialogue meeting including all interested stakeholder organisations
- written submissions.

Anyone can submit answers to the questions set out in the Commission's background paper to:

[trade-policy-review-2020@ec.europa.eu](mailto:trade-policy-review-2020@ec.europa.eu)



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