OUTCOME OF PROCEEDINGS

of: Trade Policy Committee (Full Members)
on: 22 January 2010
No. prev. doc.: 17493/09 WTO 270
Subject: Outcome of proceedings of the Trade Policy Committee (Full Members) meeting on 22 January 2010

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1. Work programme of the Presidency

The Spanish Presidency presented the common programme of the "Trio Presidency" and its own priorities in the area of trade policy. In this context, the Presidency presented also a revised draft joint Presidency/Commission proposal to assign additional tasks to the TPC-STIS i.e. examination of trade policy trends and perspectives for the EU's automotive and ceramics sectors (m.d. 25/10 REV 1).

The Presidency concluded that the Committee had given a sufficient support to assigning the above-mentioned additional tasks to the TPC-STIS. The Presidency assured the delegations that their concerns would be taken into account during the STIS proceedings. Furthermore, the Presidency concluded that these additional tasks would be specific, time-limited and complementary to the work already carried out in the MAAC.

2. DDA: state of play

The Commission informed the Committee of the preparations for the forthcoming informal WTO Trade Ministers Meeting in Davos. Two items will be on the agenda: the state of play of the DDA negotiations at the morning session and Trade and Climate Change, following the Copenhagen Summit, at lunch. USTR Kirk will probably not be able to attend the meeting. The EU will be represented by the current Trade Commissioner Ferrero-Waldner. In order to prepare the meeting, some Senior officials' and Green Room meetings will take place in Geneva.

Following an exchange of views, the Presidency concluded that the Committee had taken note of the information provided by the Commission, and the comments made by delegations, on the on-going developments in Geneva. It had also discussed the future prospects for the DDA negotiations, as well as the preparation of the Informal WTO Ministers Meeting in Davos.
3. **Impact of the Lisbon Treaty on the trade policy with regard to investment**

The Commission referred to the important impact that the Lisbon Treaty had on trade policy and, consequently, the future work of the Committee, in particular through the inclusion of foreign direct investment in the EU's exclusive competence on the common commercial policy under Article 207 TFEU.

These issues would also be further addressed at the informal meeting on BITs organized by the Commission on 25 January 2010.

In the context of the discussion on future EU policy on investment, the Presidency also presented its proposal (set out in m.d.31/10 REV1) to modify the competence of the Trade Policy Committee (Services) so as to include investment-related technical discussions, and rename it accordingly.

The Presidency concluded that the Committee had continued its discussion on the effects of the Lisbon Treaty on trade policy, in particular as regards foreign direct investment. Delegations, as well as the Commission, had highlighted the need for an efficient, comprehensive and pragmatic approach in implementing the new EU competence in this area, as well as the importance they attach to ensuring continuity, legal certainty and maximum protection for EU investors.

The Committee had also endorsed the Presidency's proposal to modify the competence of the Trade Policy Committee (Services) to include technical discussions on foreign direct investment and to rename it to Trade Policy Committee (Services and Investment), along the lines and under the conditions set out in m.d.31/10 REV1, including the possible organization of separate sessions of that Committee whenever necessary. The proposal will be submitted to a forthcoming meeting of COREPER for approval.
4. Duty Drawback in trade agreements

The Committee held an orientation debate on the overall approach to the question of duty drawback (DDB) in trade agreements. The Presidency concluded that the Committee had discussed elements and criteria which could be applied when deciding on allowing DDB in trade agreements. The Committee had noted the Commission's position in this respect. The debate would continue.

5. Any other business

The Commission drew delegations’ attention to its request to Member States for information on their existing level of market openness as regards services, launched under the Swedish Presidency in July 2009 (Trade Policy Committee (Services) m.ds.89/09+ADD1 and 113/09+ADD1+ADD2), highlighting the importance of receiving such information as soon as possible for on-going or future trade negotiations.

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Lunch: Over lunch Full Members discussed the following items:
- access to medicines, in particular, in relation to India,
- the perspectives for EU-US relations,
- arrangements for Commercial counsellors meetings in third countries,
- Russia: customs union.