



Trade and European Tradition of Civil Society

Speech by EU Trade Cecilia Malmström

Civil Society Dialogue meeting

Brussels, 4 December 2014

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Ladies and gentlemen,

Thank you all for coming here today. I have been able to meet some of you over the last few weeks. And I hope to work closely with many more of you over the course of this mandate. But I am glad that we can meet in this forum. Because it contains the whole spectrum of opinions on trade policy, across our society and across our economy. It is the only place where we can have this kind of conversation. And I am convinced that this kind of conversation benefits us all.

Some may not agree. They may be tempted to dismiss the Civil Society Dialogue of the Directorate-General for Trade of the European Commission as just another esoteric EU committee. But I think they are wrong. Not only are these discussions essential to my work as a politician and to your work as a lobbyist, an activist, a campaigner or all of the above, they are also part of the long European tradition of open democratic discussion.

Civil society is an ancient idea. The term was coined by Aristotle, translated to Latin by Cicero and developed in practice in the coffeehouses and salons of the Enlightenment. But what has stayed constant throughout that history is the idea of active citizenship. The idea that being part of a democracy means understanding and having a view on the decisions that democracy is taking. In your very different ways, all of the organisations represented here are part of that long tradition. Your work is essential to the good functioning of European democracy and government, no matter what the issue that is being discussed.

Today, we are here to discuss the European Union's policy on international trade. And let us be frank: the whole question of the role of civil society, and in particular in trade decision making, has been controversial over the years. This dialogue was set up after the wave of protests against the World Trade Organisation, the Multilateral Agreement on Investment and globalisation more generally that crested in Seattle in 1999. This dialogue is our answer to the call for more transparency and oversight of trade negotiations by citizens at large. And today, this dialogue continues as we need to clarify new controversies, about new aspects of the trade policy.

The fact that trade policy is associated to some extent in the public mind with secrecy is in some ways strange and regrettable. Trade itself is all about openness to new horizons, to new inspiring ideas from other parts of the world. In fact the very first news services were established in early modern Europe precisely because of international trade. Because merchants needed to know what was happening in the distant markets where they bought their wool or sold their spices. And the press as we know it – as a public space for free and open discussion of ideas – developed out of those news pamphlets.

And, in turn, it is in legislation on the freedom of the press that the first rules on open government were set down. In Sweden, I might add. And in 1766. That is all some time ago. But transparency is part of my national DNA.

The way we make trade policy today in a European Union of 28 Member States and more than 500 million people is more complex by an order of magnitude than the political systems of the 18th century. But the principle of doing things as openly as possible should, I believe, apply here as well.

So why is there a controversy? Why not just do it? The answer goes to the core of what trade policy is about. Negotiation. More or less formally, all of us negotiate every day. We negotiate with our colleagues. We negotiate with our bosses. We negotiate with our families and even with our children. In fact perhaps especially with our children.

We are also all familiar with many kinds of more formal negotiations: labour relations talks, merger talks, peace talks, and the negotiations within your organisations to come to a shared European position to present to us.

So we all know that the human element of a negotiation is essential: The tension between saving face and making a compromise; the signals sent about opening gambits and red lines; the all-or-nothing move of walking out of the room and leaving an empty chair.

All of this means that the relationship between negotiators is a complex one. On the one hand they are opponents. On the other they have a common goal. Again, it's a bit like family. Making a relationship like that work is not easy. And it would be impossible to do it in public, to do it in front of TV cameras. And that's why trade policy negotiations have historically happened far away from the public eye, in quiet private meeting rooms. Because that's how you get to the best result.

Then, of course, this final outcome must be presented to the elected representatives of the people. That is the last stage in the whole system of checks and balances laid out by the Lisbon treaty. The Commission can propose a new negotiation but only the national governments can authorise it to begin and decide on its final scope. The Commission must do the negotiating but it has to inform and listen to both Members of the Parliament and representatives of Member States in the Council. And the Commission can propose that we accept a final deal but only the European Parliament and the Member States in the Council can ratify it.

So those democratic controls are very clear. But they are only half of the puzzle. What matters more for our meeting today is how the public and civil society can act as a further check and balance on the whole policy process. If I'm perfectly honest, I would say that, historically, the

European Commission has not always approached this subject with enthusiasm. The culture of trade negotiators does not naturally favour transparency.

But this is a journey. And I believe that we have come a very long way. We hold many meetings like this one and others in smaller groups on more targeted issues. We have full public consultations on all new agreements and sustainability impact assessments during negotiations that collect views from everyone affected. We put detailed information online about the negotiations.

But we are now in a new era for trade policy. And that requires us to go further with transparency. The main reason for the change is the Transatlantic Trade and Investment Partnership, or TTIP, which is fast becoming one of Brussels' most popular acronyms. It is an understatement to say that these negotiations have attracted more interest than any in recent memory. The reasons for that are clear: economic scale, the scope of the negotiation and the fact that the partner is the United States. But whatever the reason, the result is that we must do more to open up these talks.

Before I started work, the Commission had already understood that. There have been extra meetings with stakeholders, extra public consultations, a much more detailed website, a dedicated Twitter account, and many more interviews and comments in the press. We have also set up a dedicated advisory group to give us feedback on our work.

But we still need to do more. At my hearing in the European Parliament I promised to increase transparency. Now the Commission has decided on new important steps in that direction. We will end the practice of sharing EU TTIP negotiating documents with just a small handful of members of the European Parliament. All 751 Members of the European Parliament will in future be able to see all EU negotiating documents. And we will classify fewer of them as restricted so that they will be much easier to access than through a reading room. I am now working with the European Parliament on how to do all of this, while still keeping the right documents confidential. I want to put this new approach into practice as soon as possible.

More importantly for you, we will also publish more of the EU proposals we have made to the United States for the chapters of an eventual deal. They will cover the areas of TTIP which received most attention in the public debate – namely, the whole area of regulatory cooperation. They will be online for everyone to look at and examine. And because they are technical we will also try to explain the context and the important terms. Finally, I want to meet as many of your organisations as possible to get to know your perspective in person.

Now, I know these steps will not go far enough for some. But this is a delicate balancing act. We have to be as open as we can on the one hand, while making sure that the negotiation can still work on the other. But this is, - as I've said - a journey. We will continue to see what is possible. For example, next year I will be announcing a public consultation on how we carry out our sustainability impact assessments. We will want to hear from you on how that process should be improved.

In any case, as far as TTIP is concerned, the new steps will make your work easier. You will be able to see what it is we want from this negotiation and – I hope – make constructive comments. You can see what is proposed – and what is not proposed – and we can benefit from your expert

comments and knowledge. Whatever the stereotype, we in the Commission do know that there are some things we don't know, or not well enough.

I also hope that it will be a way to reassure some of the remoter fringes of the public conversation on TTIP. If the facts are publicly available in black and white, then that should help us dispel some of the myths, and focus on verifiable facts. We will always have differences of opinion. And we will even have differences of opinion about what facts mean. But if we can agree on the facts themselves that should take us a long way to better results.

And results are what this is all about. The objective for TTIP – and for all of our agreements – is to improve people's lives in Europe and in the countries we negotiate with.

My conviction is that we have a huge opportunity to do that:

Trade policy benefits consumers by lowering prices and widening choice. The EU and the US are two gigantic economic markets and increasing and facilitating trade between us would be a very important thing. It will create more jobs, growth and investment on both sides of the Atlantic.

We want an ambitious agreement that covers market access, services, public procurement and investment. We want to facilitate for SMEs by getting rid of bureaucracy and red tape and unnecessary duplications in some permits and testing standards. And we will do this without lowering our high standards of protection when it comes to health or environment.

When we lower the cost of trade, companies who are already trading across borders pass many of their savings on to consumers – if not all of them. We have seen this happen before. When the World Trade Organisation opened up the global textiles and clothing market, prices in Europe fell by more than 15%. And price cuts like that benefit the poorest in our society the most.

Making trade easier also allows new companies onto the market who couldn't afford that access before. That makes us more competitive, more resilient, and more able to take on the world. Trade policy also benefits workers.

Exports provide jobs for about 10% of people working in Europe today. Those jobs tend to be higher-skilled and therefore higher paying because trade is so tightly linked to innovation. When trade negotiations lead to more export opportunities, they create more of these kinds of jobs: The kind of jobs Europe needs for our future.

Finally, trade policy can also be a mechanism that we can use to help shape the changing world around us.

This is a century in which Europe will have less influence. It's unavoidable. It's the mathematical consequence of the economic miracles of the emerging countries. Trade policy can help Europe stay strong economically – meaning our voice will carry more weight. It can help strengthen our alliances with other global players. And it can help us set global standards for new technologies, labour rights the environment and fair competition.

Over the next five years I want to achieve more of these benefits for consumers, workers and for our place in the world. But I know that I can only do that in close cooperation with you –

with civil society. I find it encouraging that in working together we will be following in a great European Enlightenment tradition. And that we will be contributing to the wider project of creating a public space for a truly European debate. The people of Europe deserve nothing less.

I hope you will join me in the effort.

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