

Thursday 8 May 2008

## I

*(Resolutions, recommendations and opinions)*

## RESOLUTIONS

## EUROPEAN PARLIAMENT

**Transatlantic Economic Council**

P6\_TA(2008)0192

**European Parliament resolution of 8 May 2008 on the Transatlantic Economic Council**

(2009/C 271 E/01)

*The European Parliament,*

- having regard in particular to its resolution of 25 April 2007 on transatlantic relations <sup>(1)</sup> and its resolutions of 1 June 2006 on improving EU-US relations in the framework of a Transatlantic Partnership Agreement <sup>(2)</sup> and on EU-US transatlantic economic relations <sup>(3)</sup>,
  - having regard to its resolution of 26 September 2007 on the safety of products and particularly toys <sup>(4)</sup>,
  - having regard to its resolutions on climate change, in particular those of 16 November 2005 <sup>(5)</sup>, 26 October 2006 <sup>(6)</sup> and 14 February 2007 <sup>(7)</sup>,
  - having regard to the outcome of the EU-US Summit held on 30 April 2007 in Washington DC, and in particular to its Framework for Advancing Transatlantic Economic Integration between the European Union and the United States of America,
  - having regard to the Joint Statement and progress report adopted at the first Transatlantic Economic Council (TEC) meeting on 9 November 2007,
  - having regard to Rule 103(4) of its Rules of Procedure,
- A. whereas Parliament and the United States (US) Congress have both continuously advocated completing the transatlantic market by 2015,
- B. whereas peace, democracy, human rights, the rule of law, international law, sustainable economies and sustainable development are shared common values which constitute the basis for the Transatlantic Partnership, which is a cornerstone of the EU's external policy and its global economic policy,

<sup>(1)</sup> OJ C 74 E, 20.3.2008, p. 670.

<sup>(2)</sup> OJ C 298 E, 8.12.2006, p. 226.

<sup>(3)</sup> OJ C 298 E, 8.12.2006, p. 235.

<sup>(4)</sup> Texts Adopted, P6\_TA(2007)0412.

<sup>(5)</sup> OJ C 280 E, 18.11.2006, p. 120.

<sup>(6)</sup> OJ C 313 E, 20.12.2006, p. 439.

<sup>(7)</sup> OJ C 287 E, 29.11.2007, p. 344.

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- C. whereas, given their dominant economic role in the world, the transatlantic partners share responsibility for the state of global economic governance and for finding solutions to global economic challenges,
- D. whereas a strong and well-functioning partnership between the EU and the US is vital for shaping global development on the basis of common values, effective multilateralism and international law; whereas strong and consistent political leadership is required to enable the partners to reach this goal,
1. Underlines that a close transatlantic partnership is a vital instrument for shaping globalisation in the interests of common values and an equitable political and economic global order; reiterates its view that a functioning and competitive transatlantic market is the base on which to firmly anchor the transatlantic partnership so as to enable the EU and the US to jointly tackle global political and economic challenges;
  2. Strongly supports the process of strengthening transatlantic economic integration started at the 2007 summit with the adoption of the Framework for Advancing Transatlantic Economic Integration between the EU and the US and the establishment of the TEC, which is to oversee and accelerate the efforts outlined in the Framework;
  3. Welcomes the fact that the Commission, on the recommendation of Parliament, has decided to have a study carried out, the results of which are due in 2008, on which obstacles need to be dismantled to complete the transatlantic market; believes that this study should be widely circulated on both sides of the Atlantic; calls on the Commission to ensure that the outcome of studies on the realisation of the transatlantic market is discussed with the relevant parliamentary committees before any specific conclusions are drawn for future recommendations to the TEC;
  4. Believes that a roadmap should be drawn up by both administrations in time for the 2009 EU-US Summit showing how the long-term commitment to the transatlantic market can be achieved, establishing a specific time frame for sectors;
  5. Appreciates the progress achieved by the TEC so far in assuming political responsibility for identifying priorities and paving the way for agreements on removing barriers to trade and investment and on enhancing competition in the transatlantic market;
  6. Takes the view that the results achieved by the TEC since its establishment demonstrate that the transatlantic market cannot be built on administrative work only, but that in order to attain this goal, strong and continuous political guidance is needed; encourages the TEC to continue its efforts with resolve;
  7. Stresses the urgent need to sustain the momentum of the process throughout the electoral years of 2008 and 2009, ensuring that both partners continue to move rapidly towards the achievement of common objectives and that the executive on both sides remain committed to reaching the final goal;
  8. Underlines that achieving concrete progress in the fields in particular of accounting standards, securities trading, reinsurance, import safety, suppliers' declarations of conformity and imports of poultry which has undergone pathogen reduction treatment constitutes the priority for the meeting of the TEC due to be held in Brussels on 14 May 2008; considers it important, however, to point to several other relevant issues which need to be dealt with by the TEC in future;
  9. Calls on the Commission to inform it of the results of the abovementioned study;

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**Financial Services**

10. Supports the approach outlined in Regulation (EC) No 1569/2007 <sup>(1)</sup> and the letter of 26 September 2007 from the Commission to the US Securities and Exchange Commission (SEC) on Proposed Rules on acceptance from foreign private issuers of financial statements prepared in accordance with international financial reporting standards without reconciliation to US GAAP, as well as its resolution of 14 November 2007 <sup>(2)</sup> on application of the international accounting standards, which emphasised in particular that '[a] decision by the Commission will imply, in all cases, the right for EU issuers to use in any third country, IFRS [International Financial Reporting Standards] as endorsed by the European Union';

11. Believes that mutual recognition of securities markets between the US and the EU would be an important step forward and would improve the efficiency of the transatlantic market by facilitating the access of the EU and the US to a broader and deeper market; underlines, however, that such a project must be a result of a bilateral agreement, that a framework agreement between the US and the EU which takes full account of EU legislation on supervision of financial markets should be concluded, and that the Commission should discourage the conclusion of bilateral agreements between the Member States and the US, as this could endanger the level playing field in the EU;

12. Stresses that safeguarding financial stability is of the utmost importance; recalls the role of the International Monetary Fund (IMF) in this respect; stresses the shortcomings highlighted by the current financial turmoil, in particular in relation to the ongoing crises in key financial markets, growing imbalances in currency alignments and trade relations, the ongoing or reappearing debt crisis in some of the poorest countries, and increasing wealth gaps between and within countries; believes that enhancing cooperation between supervisory authorities in the US and the EU is vital;

13. Welcomes the approach of the Financial Stability Forum (FSF) and of the IMF in establishing a common diagnosis of the financial turmoil, and looks forward to the implementation by both parties of the conclusions and policy recommendations from the FSF Working Group on Market and Institutional Resilience; is of the view however that such work should only be complementary to, and should not replace, reflections and appropriate policy responses in the EU and the US;

14. Calls on the US to keep the EU informed about the progress of the implementation of the Basel II framework; recalls the importance of a coordinated approach when developing or modifying global rules for internationally active financial market players; in this respect believes that implementation of Basel II in the US is vital for the preservation of a global level playing field;

15. Welcomes the work of the US Congress on introducing legislation to create a Federal Office of Insurance Information within the US Treasury; believes that, alongside the US Treasury 'Blue Print', this is an important step towards mutual recognition of regulatory approaches to financial services; recognises that much has still to be agreed and that reinsurance collateral is still a key issue to be resolved; believes that the achievement of the aims of Solvency II will be significantly enhanced by closer parliamentary cooperation;

**EU-US trade and regulatory cooperation**

16. Underlines that, in pursuing the goal of creating uniform standards for trade and investment, as discussed at the meeting of the TEC of November 2007 with regard to a roadmap for achieving mutual recognition by 2009 of EU-US trade partnership agreements, a high level of social, environmental and health standards must be guaranteed;

<sup>(1)</sup> Commission Regulation (EC) No 1569/2007 of 21 December 2007 establishing a mechanism for the determination of equivalence of accounting standards applied by third country issuers of securities pursuant to Directives 2003/71/EC and 2004/109/EC of the European Parliament and of the Council (OJ L 340, 22.12.2007, p. 66).

<sup>(2)</sup> Texts Adopted, P6\_TA(2007)0527.

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17. Reiterates that a variety of so-called non-tariff barriers to trade and investment is rooted in activities of legislative bodies aimed at achieving social, health-related, cultural or environmental objectives, and hence must not be removed without a legislative act; in this respect, points out the crucial role of Parliament and the US Congress in controlling the process of standard alignment and the removal of barriers to trade and investment;

18. Stresses that the safety of imported products should also be a priority within the TEC; takes the view that people will only have confidence in an open trading environment if their health and safety is protected; calls on the US Consumer Product Safety Commission to make use of its greater freedom to share case-specific information, but proposes that the TEC work on a binding cooperation instrument which would structure and facilitate the sharing of information on product safety and the development of a common programme of cooperative actions; calls on the Commission and the Council to strengthen cooperation between EU and US customs and market surveillance authorities, in order to ensure that controls at external borders are able to prevent dangerous products, in particular dangerous toys, from reaching consumers, but without unnecessary bureaucratic burdens; calls on the Member States and the US to ensure strict enforcement of product, and particularly toy, safety laws and to ensure stronger national inspections; underlines the need for close EU-US cooperation to ensure that China and other third countries raise their production standards to meet EU/US safety requirements, in particular in relation to toys, and to convince these countries that product safety must be integrated in the production and distribution process;

19. Calls for more information concerning the updated US Consumer Product Safety Act, and is concerned that this new instrument will impose unnecessary regulatory burdens on European companies by introducing mandatory safety requirements, including third-party testing; urges that discussions proceed on mutual recognition so as to avoid duplication;

20. Notes that secure trade is particularly important in an ever more closely integrated global economy, but believes that the proposal to inspect 100 % of shipping containers coming from overseas as a measure to avert terrorist threats is unnecessary and unrealistic; consequently calls upon Congress to withdraw this proposal, as it is convinced that the 'Container Security Initiative', which entails inspection of 'high-risk' sea containers, is a sufficient measure to guarantee the security of international maritime transport;

21. Calls on the Commission to negotiate within the framework of the TEC, where feasible, common global standards; believes that the enforcement of common automobile safety standards (United Nations Economic Commission for Europe (UNECE) Global Technical Regulation) would considerably reduce costs for the automobile industry, which is a major employer in both the EU and the US;

22. Calls on the Commission to pursue the formal adoption of procedures for the mutual recognition of declarations of conformity for products subject to mandatory third-party testing, in particular for Information and Communications Technology (ICT) and electrical equipment;

23. Continues to support the Commission in its efforts to arrive at a mutual agreement for the labelling of imported products with both imperial and metric measurements, and insists on the need for acceptance of units of measurement agreed under international standards, in particular acceptance by the US of products labelled only metrically; is of the opinion that this would increase economies of scale for European, US and third-country companies and would, in particular, be of benefit to small and medium-sized enterprises (SMEs);

24. Calls on the Commission and the Council to strengthen cooperation between the EU and the US on the Globally Harmonised System of Classification and Labelling of Chemicals (GHS), particularly in relation to the implementation of the international criteria agreed by the United Nations Economic and Social Council; considers that an important aim of the System is the facilitation of trade and the strengthening of consumer protection, and accordingly insists that the GHS be implemented at the same time and in a compatible way in the EU and the US;

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25. Points out that personal data have become an essential ingredient of many business activities, particularly electronic telecommunications; notes that the economic value of personal data and value-added operations based on them is growing rapidly; calls on the Commission to take the initiative, in close cooperation with Parliament, to elaborate transatlantic data protection principles together with the US Federal Trade Commission; furthermore, calls for the urgent elaboration of global data protection standards in the context of the TEC, so as to guarantee a high level of protection of personal data, and legal certainty for companies;

#### ***Agricultural issues***

26. Calls for an urgent solution to the ongoing discussions on the ban on imports into the EU of US poultry which has undergone pathogen reduction treatment; acknowledges the need for proper scientific advice with respect to consumer protection and information; acknowledges also the considerable investments made by the European poultry sector, in accordance with European legislation, to reduce salmonella contamination through a whole chain approach; is of the opinion that any possible solution should not lead to distortion of competition;

27. Believes that the Community's decision to prohibit the import of hormone-treated beef was fully justified on the basis of scientific evidence, and calls on the US to lift its sanctions on European goods without further delay;

28. Emphasises the importance of the single authorisation procedure for all food and feed containing genetically modified organisms (GMOs) in accordance with the precautionary principle, as well as the importance of the labelling and traceability of GMOs, which enables consumers to make informed choices;

29. Calls for dialogue on the recent changes in agricultural markets, in particular concerning fluctuations in commodity prices, the mid-term review of the Common Agricultural Policy (EU Health Check), the US Farm Bill, anti-cyclical payments, the growing importance of rural development and the cross-compliance instrument;

#### ***Cooperation regarding energy, industry and science***

30. Calls for strategic transatlantic cooperation regarding energy, industry and science policies to be increased; stresses the importance of the energy issue and supports the diversification of energy sources and supply routes so as to ensure secure energy supply and infrastructure and to promote market-based energy security policies; notes the increasing debate on both sides of the Atlantic concerning carbon trading systems;

31. Underlines the need for enhanced EU-US regulatory and scientific cooperation on biofuels and biomass, promoting alternative and sustainable fuel sources for the transportation sector on a joint basis; encourages the TEC to continue its work to identify common biofuel standards with Brazil which ensure maximum environmental sustainability and cater for global food security concerns;

#### ***The World Trade Organization (WTO) and the Doha Development Agenda***

32. Calls on the Commission to ensure that the TEC is helpful in achieving a positive conclusion of the Doha Development Agenda; regards the dominance of the EU and US in world trade (currently 60 % of the total) as a potential asset for the global trading system and its common framework;

33. Calls on the Commission to evaluate whether a bilateral trade dispute settlement procedure could become a topic of interest for the TEC; notes, in this regard, that while trade disputes have involved only around 2 % of trade between the EU and US, some are highly disruptive and costly;

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34. Calls on the Commission to discuss within the TEC how greater coherence between bilateral trade agreements and the WTO multilateral rules can be found, so as to guarantee a more harmonious and simpler international trading system for all; urges the Commission to discuss how the EU and the US can converge more in signing bilateral agreements with third countries on measures imposing conditions on trade, such as trade and environmental provisions, trade and social standards and trade and labour laws;

35. Calls on the Commission to develop as a matter of urgency a comprehensive approach to European non-trade concerns in world trade talks, in particular on the issues of social and environmental clauses, recognition and protection of geographical indications, animal welfare and the state of health of imported animal and plant products, so as to prevent unfair competition against European producers;

36. Calls on the Commission to request that the TEC issue a progress report on intellectual property rights (IPR) enforcement cooperation activities, including an announcement of future steps to be taken to strengthen cooperation in combating counterfeiting and piracy; requests a clear roadmap for the facilitation of international mutual recognition of patent law;

37. Calls on the TEC to actively support the Doha declaration on the TRIPS Agreement facilitating access to life-saving medicines for those countries which have no production capacity for pharmaceutical products; calls on the Commission to raise the issue of including in bilateral agreements negotiated with developing countries clauses under which those countries renounce the use of the provision of the Doha declaration on the TRIPS Agreement which allows them to produce and import generic drugs that are needed to tackle major public health problems (AIDS, tuberculosis, etc);

38. Considers that, whatever the outcome of the Doha Development Agenda, the concept of the Transatlantic Market to deal with regulatory cooperation for the gradual removal of non-tariff barriers could be vital to ensure continued momentum for generating global trade integration;

39. Regards it as an important task for the European side in the TEC to convince the EU's transatlantic partners of the need for a far-reaching, ambitious and legally binding post-Kyoto regime on greenhouse gas emissions by 2012, and to design a grand transatlantic project for investment and technology exchange in the field of safe and non-polluting energy production;

#### **Regional development**

40. Stresses the positive impact that further progress in transatlantic economic integration is likely to have on sustainable regional development, and is of the opinion that such progress contributes to the EU's efforts to implement the Lisbon Strategy and to move towards social, economic and territorial cohesion; in this context, calls on the EU bodies responsible to ensure that this progress contributes to the harmonious and balanced development of all EU territories and to take account of the European principle of universal access to services of general interest;

41. Calls on both parties to investigate the possibility of entering into a structured regional policy dialogue, which would provide a good way of exploring new paths in regional policy, of exchanging good practices, inter alia in the areas of research and development, and of looking at ways to tackle common challenges, such as climate change and energy prices;

#### **Future Transatlantic Legislators' Dialogue (TLD) agenda and structural improvement**

42. Calls on the TLD to include in the agendas for its upcoming meetings discussion of the US cargo scanning law, ensuring greater mutual understanding between Parliament and the US Congress on this subject; also stresses the need to reflect within the TLD on a WTO post-Doha agenda, including WTO reform, and to discuss human rights and environmental and social rights clauses in bilateral trade agreements, drawing lessons inter alia from the most recent US bilateral agreement with Peru, which contains detailed and enforceable provisions on labour standards;

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43. Points to the crucial role of Parliament and the US Congress in supporting this momentum, and to the fact that any non-tariff barriers can only be removed by legislators; proposes to hold a well-prepared annual debate on the progress made on issues discussed within the TEC, as well as its structure;

44. Calls, therefore, upon the leadership of the EU and the US and the co-chairs of the TEC to take account of the crucial role of legislators for the long-term success of the process, and urges them to involve the representatives of the TLD fully and directly in the work of the TEC; acknowledges at the same time the importance of business and consumer stakeholders in providing reflection on, and expert input into, the work of the TEC; is however of the view that their consultative role is to be differentiated from the legislative role of the US Congress and Parliament;

45. Notes the establishment of a Group of Advisers, consisting of representatives of the TLD, Transatlantic Business Dialogue and Transatlantic Consumer Dialogue; commends the contribution of legislators and stakeholders to the success of the first TEC meeting in November 2007; hopes that the Transatlantic Labour Dialogue (TALD) and the Transatlantic Environment Dialogue (TAED) will play a greater role in the near future; calls for the chairs of the TALD and the TAED to be included in the Group of Advisers;

46. Reiterates its desire to strengthen dialogue between both parliaments, and calls for their early involvement in particular as regards any future rules developed by global self-regulatory bodies in order to address, at an early stage, political accountability issues;

47. Believes that these are now issues of a substantive nature and that national parliamentarians should be kept informed on a regular basis of developments in relation thereto; calls on its President to ensure that a mechanism is established to this end;

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48. Instructs its President to forward this resolution to the Council, the Commission, the governments and parliaments of the Member States, the secretariat of the Transatlantic Economic Council and the US Congress.

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## Human Rights in the World 2007 and the EU's policy on the matter

P6\_TA(2008)0193

### European Parliament resolution of 8 May 2008 on the Annual Report on Human Rights in the World 2007 and the European Union's policy on the matter (2007/2274(INI))

(2009/C 271 E/02)

*The European Parliament,*

- having regard to the ninth European Union Annual Report on Human Rights (2007) <sup>(1)</sup>,
- having regard to Articles 3, 6, 11, 13 and 19 of the Treaty on European Union and Articles 177 and 300 of the EC Treaty,
- having regard to the Universal Declaration of Human Rights and to all relevant international human rights instruments <sup>(2)</sup>,
- having regard to the United Nations Charter,
- having regard to all United Nations human rights conventions and the optional protocols thereto,

<sup>(1)</sup> Council document 13288/1/07.

<sup>(2)</sup> For all relevant basic texts, please consult the table in Annex III to report A6-0128/2007 of the Committee on Foreign Affairs.