



EUROPEAN COMMISSION

*Brussels, 17.3.2016  
C(2016) 1632 final*

*Dear President,*

*The Commission would like to thank the Bundesrat for its Opinion on the Commission Communication "Trade for All - Towards a more responsible trade and investment policy" {COM(2015) 497 final}.*

*The Communication, which was announced in the Commission's Work Programme for 2015, aims to make trade policy more responsible and responsive to the wider political debate. This means making trade policy more transparent, for example by publishing negotiating mandates and texts to the fullest extent possible. Trade policy is about defending European interests but it is also about promoting our values. In this context, the Communication seeks to secure Europe's place in global supply chains but also to factor in citizens' expectations of a more responsible management of these supply chains. Trade agreements will also contribute to the fight against corruption. The Commission will further seek to get the most out of the deals we conclude, including for small and medium-sized enterprises (SMEs) which are the backbone of the European economy. A more effective trade policy means working differently and more intensively with Member States, including their Parliaments, the European Parliament and wider stakeholders.*

*Enhancing transparency in the decision-making process is a strategic priority for the Commission and it is a theme running thorough this Communication. Indeed, the Commission is convinced that unless it is able to properly explain its trade policy to European citizens, then it cannot expect to receive their support for its objectives. This Communication is an attempt to address that communication challenge.*

*The Commission has studied the Bundesrat's extensive observations on the Communication with interest and is pleased to note its support for the overall objective of having a more transparent, effective and value based European trade policy as well as its support for specific initiatives the Commission intends to pursue.*

*Mr Stanislaw TILLICH  
President of the Bundesrat  
Leipziger Straße 3 - 4  
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*The Commission believes that the Communication is fully in line with the Bundesrat's observation that European standards for consumers, environment, labour, health and services of general interest have to be ensured and pledges that no EU trade agreement will lead to lower levels of protection. The Commission would also like to reassure the Bundesrat that no EU trade agreement will constrain the ability of the EU and Member States to take measures in the future to achieve legitimate public policy objectives or entail any requirements to privatise any public services.*

*The Commission takes note of the Bundesrat's emphasis on the need to consider sustainable management of resources and environmental and climate protection in trade policy and in particular the suggestion to better coordinate the work of different international organisations as regards sustainable global value chains and climate actions. In this context, the Commission also takes note of the Bundesrat's emphasis to ensure that access to energy and raw materials has to be pursued in coherence with the objectives pursued in development policies.*

*The Commission also welcomes the Bundesrat's support for using trade policy to promote sustainable development, human rights and good governance. The Commission takes note of the Bundesrat's proposal to assist the creation of sustainable value chains that include developing countries and promoting fair and ethical trade schemes. In this context the Commission also notes with interest the Bundesrat's mention of the role the public sector can play in promoting fair and ethical standards in its public procurement practices.*

*The Commission is pleased that the Bundesrat supports the Commission's intention to ensure better coordination and coherence between internal and external policy as well as a stronger cooperation with Member States and national Parliaments. It also welcomes the support for a stronger involvement of civil society and more transparency also with respect to negotiations.*

*The Commission welcomes the Bundesrat's observation that impact assessments should take into account the impact on jobs and social issues which will be integrated in the framework of sustainable impact assessments. The Commission will also give greater attention to SME issues in its impact assessments on future trade negotiations.*

*The Commission welcomes the Bundesrat's support for the reform of the global investment regime including in the long term the ideas for a public Investment Court System.*

*The Commission thanks the Bundesrat for its suggestions to reinvigorate the multilateral trading system and its support for a more open approach to bilateral and plurilateral agreements. The Commission is also pleased to note the support of the Bundesrat for the conclusion of the Environmental Goods Agreement (EGA). The Communication seeks to ensure that plurilateral negotiations of this kind can be taken forward under the aegis of the WTO to the fullest extent possible.*

*The Commission hopes that the clarifications provided in this reply address the issues raised by the Bundesrat and looks forward to continuing the political dialogue in the future.*

*Yours faithfully,*

*Frans Timmermans  
First Vice-President*

*Cecilia Malmström  
Member of the Commission*