EUROPEAN COMMISSION



Brussels, 15.1.2019 C(2019) 81 final

Ms Regina BASTOS Chair of the European Affairs Committee Palácio de S. Bento P – 1249-068 LISBOA

cc Mr Eduardo FERRO RODRIGUES
President of the Assembleia da República
Palácio de S. Bento
P – 1249-068 LISBOA

Dear Chair,

The Commission would like to thank the Assembleia da República for its Opinion on the proposal for a Council Decision on the conclusion of the Economic Partnership Agreement between the European Union and Japan {COM(2018) 192 final}.

The Commission has taken due note of the views expressed in the Opinion and welcomes the active engagement of the Assembleia da República. The Commission attaches great importance to the fact that national Parliaments are involved, as they play a key role in monitoring their government's positioning towards trade negotiations of the European Union. The Commission therefore encourages Member States to continue and, whenever possible, ensure the involvement of national Parliaments in trade talks at the earliest possible stage.

It is in this context that the Commission has ensured transparency throughout the process in order to enable national governments, national Parliaments and the public at large to contribute to the negotiation of the Economic Partnership Agreement and to exercise democratic control over both the process and its outcome. The European Parliament and the Council of the European Union are now to decide on the conclusion of the Agreement, thereby ensuring that decisions are taken by democratically elected representatives of all Member States of the European Union.

The Commission fully shares the assessment of the Assembleia da República concerning the economic importance of the Economic Partnership Agreement between the European Union and Japan. It is indeed a major agreement with a highly industrialised country, which opens up an array of new economic opportunities for farmers, manufacturers, service providers and creators in the European Union. This Agreement will create significant gains through trade liberalisation, in a manner consistent with the safeguarding of social and environmental standards and in full respect of each Party's

_

¹ See for example Commission Communication "A Balanced and Progressive Trade Policy to Harness Globalisation" of 13 September 2017", COM(2017) 492 final.

right to set its desired levels of protection in domestic regulations. Furthermore, it comes at a pivotal moment for the world economy, which is being challenged by a rise in unilateral protectionist actions and a challenge of rules-based economic governance. The significance of the Economic Partnership Agreement goes thus even beyond the economic benefits that it should deliver to the European Union and Japan.

The Commission would like to recall that the Economic Partnership Agreement does not include investment protection rules and, therefore, there are no special mechanisms for investors to rely on. This issue is subject to separate negotiations with Japan, which, if successful, should be the object of a separate ratification procedure involving national Parliaments.

The Commission hopes that these clarifications address the issues raised by the Assembleia da República and looks forward to continuing the political dialogue in the future.

Yours faithfully,

Frans Timmermans First Vice-President Cecilia Malmström Member of the Commission