

Foreign Affairs Council (Trade), 20 May 2021

Chair: Augusto Santos Silva, Minister of State and Minister for Foreign Affairs (in Brussels).

The meeting will start at 9.00.

In public session, the presidency and the Commission will provide information on the International Procurement Instrument.

The Council will aim to approve the conclusions on the trade policy review. Ministers will review the state of play of the WTO reform and preparations for the next Ministerial Conference of the WTO, and take stock of the latest developments and prospects in EU-US trade relations. Under 'Any other business', the Council will take stock of the state of play on steel safeguards and EU-Mercosur.

Ministers will hold informal exchanges of views with Dr Ngozi Okonjo-Iweala, Director-General of the WTO, and the United States Trade Representative Katherine Tai.

Press conference:

A presidency press conference will be held at around 16.15.

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[Foreign Affairs Council \(Trade\), 20 May 2021](#)

[Press conferences and public events by video streaming](#)

[Video coverage in broadcast quality \(MPEG4\) and photo gallery](#)

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¹ This note has been drawn up under the responsibility of the Press Office.

International Procurement Instrument

The presidency and the Commission will inform the Council about the state-of-play of the negotiations on the International Procurement Instrument (IPI) during a public session under 'Any other business'.

The IPI is a trade policy tool aimed at discouraging the discrimination of EU companies in procurement markets in third countries. It would enable the EU to limit or exclude access to its public procurement market for economic operators from countries that apply discriminatory restrictions to EU businesses. The main objectives of this regulation are to improve the level playing-field, increase the participation of EU businesses in procurement markets in third countries and provide leverage for the EU in the context of negotiations for opening markets in third countries.

In 2016, the Commission presented a revised proposal for a regulation on the IPI to the Council and the European Parliament; that proposal is currently being examined by the Council.

In March 2019, the European Council called on member states to resume discussions, and in October 2020 EU leaders asked for work on the IPI to be accelerated.

The Portuguese presidency has intensified work on the IPI and aims to reach an agreed Council position by the end of its term. This would allow for trilogues with the European Parliament to start during the mandate of the incoming Slovenian presidency.

The existing EU commitments with third countries – including the WTO Government Procurement Agreement (GPA) and bilateral trade agreements – would remain unaffected by the IPI. In addition, the IPI provides for some exceptions to safeguard the public interest, prevent disproportionate increases in procurement costs, and support the least developed countries and SMEs.

[Amended proposal for an International Procurement Instrument](#)

Trade policy review

The Council will aim to approve the conclusions on the trade policy review. On 18 February 2021, the Commission issued its Communication on the 'Trade Policy Review - An Open, Sustainable and Assertive Trade Policy'. Vice-president Vladis Dombrovskis presented this communication at the informal video conference of the Ministers of Foreign Affairs/Trade on 2 March 2021; since then the Council has been working on the text of the conclusions.

The TPR Communication emphasises the fact that the EU should continue to be committed to open, rules-based and fair trade, while at the same time defending its interests and ensuring a level playing field.

The core objectives set out in the communication are to support the recovery and fundamental transformation of the EU economy in line with the green and digital objectives, to shape global rules for a more sustainable and fairer globalisation, and to increase the EU's capacity to pursue its interests and enforce its rights, including autonomously, where necessary.

[Communication on trade policy review \(18 February 2021\)](#)

WTO reform and preparations for the next Ministerial Conference

Ministers will discuss ongoing work regarding WTO reform and negotiations, and take stock of preparations and priorities for the next WTO Ministerial Conference.

The Commission will provide the Council with a state of play report on the preparations for the 12th WTO Ministerial Conference (MC12), which will take place in Geneva from 30 November to 3 December 2021. This would also include the state of play of the preparations for the announced WTO Ministerial meeting on 15 July 2021 (via DVC). The aim would be to advance the text on fisheries to find acceptable landing zones that could be put to ministers for discussion and decision.

[WTO: in brief](#)

EU-US trade relations

Ministers will be informed by the Commission about the state of play in EU-US trade relations. This will include information on the latest developments and exchanges, e.g. as regards the development of a positive EU-US trade agenda, WTO-related issues, as well as matters related to Airbus/Boeing and US Section 232 tariffs on steel and aluminium.

The Commission and the EEAS outlined their ideas on EU-US cooperation with the new US administration in the Joint Communication of 2 December 2020 on a new, forward-looking transatlantic agenda for global cooperation. This agenda focuses on areas where EU-US interests and values converge and where both sides could best exercise their collective leverage.

The initial signals from Washington are encouraging, despite the fact that EU-US trade talks have been progressing rather slowly. Contacts have intensified recently, which is also related to the upcoming EU-US summit and the possibility of agreeing on some trade-related deliverables.

Positive words from President Biden and USTR Tai on the new administration's commitment to multilateralism and re-building relations with allies have been coupled with the opening on **Airbus/Boeing**, resulting in the suspension of US and EU tariffs for four months. The issue of US Section 232 tariffs on steel and aluminium and EU rebalancing measures is to be seen in a new light following the Joint EU-US Statement of 17 May on 'Addressing Global Steel and Aluminium Excess Capacity'.

Other items

Under 'Any other business', ministers will be informed by the Commission about the state-of-play of the ongoing **steel safeguard investigation**. This investigation aims to assess whether the safeguard measures currently in force on imports of certain steel products should be prolonged beyond 30 June 2021.

They will also be provided with information on the state of play regarding the **EU-Mercosur** deal. No substantive discussion on this item is expected.

Ministers will have an informal exchange of views with the **WTO Director-General, Dr Ngozi Okonjo-Iweala**, during lunch.

Ministers will also have the opportunity to informally exchange views (in videoconferencing format) with **United States Trade Representative Katherine Tai**.