



Foreign Affairs Council (Trade)

11 November 2021

In the Foreign Affairs (Trade) Council meeting, Ministers will exchange views on the state of play of the WTO reform and preparations for the next WTO Ministerial Conference.

Ministers will hold a discussion on the recent developments in EU-US trade relations and the prospects for future engagement.

Under Any Other Business, Ministers will be informed about the latest Commission report on the implementation and enforcement of our trade agreements. They will also address the state of play regarding the review of Trade and Sustainable Development provisions in our trade agreements.

Over lunch, Ministers will be debriefed and will discuss the state of play in other bilateral trade negotiations.

Ministers will also hold an informal exchange of views with the United States Trade Representative, Katherine Tai.

Chair: Zdravko Počivalšek, Slovenian Minister for Economic Development and Technology.

The meeting, which will take place in Brussels, will start at around 9.30. A presidency press conference will be held at the end of the meeting, at around 16.45.

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[Foreign Affairs Council \(Trade\), 11 November 2021](#)

[Press conferences 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 Council press office.

WTO reform and preparations for the 12th WTO Ministerial Conference

Ministers will exchange views on the state of play of the WTO reform and the preparations for the 12th World Trade Organization ministerial conference (MC12), to be held in Geneva from 30 November to 3 December.

Four years after the last WTO ministerial conference, which took place in Buenos Aires in December 2017, the highest decision-making body of the organisation will meet again in the context of the ongoing **COVID-19 pandemic**.

The new WTO leadership under Director-General **Ngozi Okonjo-Iweala**, in office since March 2021, and the unprecedented disruption to the global economy and world trade caused by the pandemic will mark this four-day meeting.

Possible results for the WTO ministerial meeting include: a ministerial declaration and a work programme with substantial outcomes on **trade and health**; agreement on ongoing **fisheries subsidies** negotiations; the launch of a working group on WTO institutional improvements that would make proposals for the next ministerial conference on the **reform of the three core functions of the WTO**; as well as work programmes on **agriculture**. MC12 will also be the occasion for plurilateral progress on the ongoing so-called **Joint Statement Initiatives** (such as those on e-commerce or services domestic regulation) and to launch new Joint Statement Initiatives, such as that on **environmental sustainability**.

In addition to a possible draft ministerial declaration on trade and health, crisis preparedness and resiliency, the question of how to provide a common intellectual property (IP) response to COVID-19 will also be part of the discussions at the WTO ministerial conference. The revised Trade-Related Aspects of Intellectual Property Rights (**TRIPS**) **waiver proposal** first tabled by [South Africa and India](#), as well as the proposal from the [European Union](#) for a draft General Council Declaration on the TRIPS Agreement and Public Health in the circumstances of a pandemic, focusing on the measures related to intellectual property, as provided for in the TRIPS Agreement, in the circumstances of the COVID-19 pandemic and other pandemics, are the two main proposals under discussion in the run-up to MC12.

The Foreign Affairs Council (Trade) will meet again on **29 November in Geneva**, in the margins of the WTO ministerial conference, to set out the EU's position. After a first opening session, the Trade meeting will remain open until the end of the WTO ministerial conference.

The 12th WTO ministerial conference was originally scheduled to take place from 8 to 11 June 2020 in Kazakhstan's capital, Nur-Sultan, but was postponed owing to the COVID-19 pandemic. The conference will be chaired by Kazakhstan's Minister for Trade and Integration, Bakhyt Sultanov, as approved by WTO members in December 2019.

WTO ministerial conferences are usually held once every two years and bring together trade ministers and senior officials from the organisation's 164 members.

[Twelfth WTO Ministerial Conference](#)

EU-US trade relations

The Council will discuss the state of play in EU-US trade relations, with a particular focus on recent developments such as the deal on steel and aluminium, and on the prospects for future engagement on the positive bilateral agenda, for example under the Trade and Technology Council. In the afternoon, ministers will have an opportunity to hold an informal exchange of views with the **United States Trade Representative, Katherine Tai**, during a video conference.

Steel and aluminium deal

On 31 October, European Commission President Ursula von der Leyen and US President Biden announced a deal to resolve the dispute over US tariffs on steel and aluminium imported from the EU, which had been ongoing since June 2018.

In 2018, the previous US administration unilaterally imposed a 25% tariff on steel imports and a 10% tariff on aluminium imports, citing national security concerns under Section 232 of the Trade Expansion Act of 1962. The US tariffs imposed in June 2018 affected €6.4 billion of European steel and aluminium exports, and further tariffs in January 2020 affected around €40 million of EU exports of certain derivative steel and aluminium products.

In response to the US tariffs, in June 2018 the EU adopted rebalancing measures and initiated a WTO dispute against the US. The EU measures consisted of additional duties imposed on a [list of US products](#) worth €2.8 billion. The remaining rebalancing measures, affecting exports valued at up to €3.6 billion, were scheduled to enter into force on 1 June 2021. The EU suspended those measures until 1 December 2021 in order to give the parties the opportunity to work together on a longer-term solution.

Following the US announcement of the unilateral replacement of "Section 232" tariffs with tariff rate quotas, based on historic imports of steel and aluminium from the EU, the EU side announced its intention to suspend unilaterally the additional tariffs imposed on US goods in response to the "Section 232" tariffs (still subject to a decision in the comitology framework). The EU continues to consider the US tariffs to be incompatible with WTO rules. The EU and the US negotiators agreed to suspend their respective dispute settlement cases in the WTO, and to start negotiations on a Global Arrangement on Sustainable Steel and Aluminium, and on several elements concerning ongoing cooperation (trade remedies, customs cooperation, monitoring of bilateral steel and trade flows, and cooperation on non-market excess capacity).

EU-US Trade and Technology Council

After the establishment of the EU-US Trade and Technology Council (TTC) at the bilateral summit held in Brussels last June, the **first ministerial level meeting** of the TTC was held in Pittsburgh on 29 September. The "Pittsburgh package" consists of a horizontal Pittsburgh Statement, an overview of the future scope of work for the ten TTC working groups, and five specific annexes concerning investment screening, export controls, artificial intelligence, semiconductor supply chains and global trade challenges. In the joint statement, the EU and the US pledged to deliver "concrete outcomes" on these issues by the time of the next ministerial level TTC meeting.

Informal exchange of views with United States Trade Representative Katherine Tai

Ministers will hold a video conference with the United States Trade Representative (USTR) Katherine Tai.

Since the summit in June several important steps have been taken in transatlantic relations - the suspension of tariffs under the aircraft disputes, the inaugural meeting of the EU-US Trade and Technology Council, agreement on digital services taxation, and the recent announcement concerning steel and aluminium trade.

Our current collaboration offers new opportunities to work closely together on the green and digital transformation of our economies. It also opens up the opportunity to work together on the reform of the WTO, including by reinforcing its capacity to tackle competitive distortions and to contribute to sustainable development.

In October, USTR Tai made some important political announcements as regards the Biden administration's policy vis-à-vis China and the WTO. During the videoconference, the discussion could address these issues as well as various aspects of bilateral trade relations of interest to both sides.

[Announcement of the steel and aluminium tariffs deal \(European Commission\)](#)

[Agreement on DSTs Joint Statement](#)

[EU-US Trade and Technology Council Inaugural Joint Statement \(European Commission\)](#)

Implementation and enforcement of EU trade agreements

Ministers will have an opportunity to comment on the recent Commission report on the implementation and enforcement of EU trade agreements under any other business.

On 27 October, the Commission published its fifth annual report on the implementation and enforcement of the EU's trade agreements. The report offers a snapshot of the evolution of the EU's preferential trade in 2020. It examines 37 main trade agreements with 67 partners, and summarises the results of implementation and enforcement activities in 2020 and the first half of 2021.

[Commission report on the implementation and enforcement of EU's trade agreements](#)

Trade and Sustainable Development (TSD)

Ministers will address, also under any other business, the ongoing review of the implementation and enforcement of sustainable development chapters in EU trade agreements. The Commission will set out the state of play and outline the next steps regarding the review of its 15-Point Action Plan, following a request from the Netherlands.

The Commission's 15-Point Action Plan of February 2018 has guided the improvement of the implementation and enforcement of the TSD chapters in EU trade agreements. The Commission is currently conducting a review of this Action Plan that will cover all relevant aspects of TSD implementation and enforcement, including the scope of commitments, monitoring mechanisms, the possibility of sanctions for non-compliance, as well as the institutional set-up and resources required.

[Review of Trade and Sustainable Development provisions in trade agreements](#)

Ongoing bilateral trade negotiations

Over lunch, Ministers will discuss the state of play of ongoing bilateral negotiations, with a particular focus on the most advanced negotiations, such as those with Chile and New Zealand.
