
**Trade Policy Review Body
5 and 7 June 2023**

TRADE POLICY REVIEW

EUROPEAN UNION

MINUTES OF THE MEETING

Chairperson: H.E. Mr Saqer Abdullah Almoqbel (Kingdom of Saudi Arabia)

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1 INTRODUCTORY REMARKS BY THE CHAIRPERSON

1.1. The 15th Trade Policy Review of the European Union was held on 5 and 7 June 2023. The Chairperson, H.E. Mr Saqer Abdullah Almoqbel (Kingdom of Saudi Arabia) welcomed the delegation of the European Union, headed by H.E. Ms Sabine Weyand Director-General, Directorate-General for Trade, European Commission; H.E. Ambassador João Aguiar Machado, Permanent Representative of the European Union to the WTO; the rest of the delegation; and the discussant, H.E. Mrs Pimchanok Pitfield (Thailand).

1.2. The Chairperson was pleased that, in addition to physical presence, the meeting also benefited from the Interprefy online connection, allowing for a wider participation of the Membership. The Chairperson informed Members that, in agreement with the European Union, a group of students from the University of West Indies who were visiting the WTO would attend the first day of the meeting.

1.3. The Chairperson recalled the purpose of TPRs and the main elements of procedures for the meeting. The Report by the European Union is contained in document WT/TPR/G/442, and that of the WTO Secretariat in document WT/TPR/S/442.

1.4. Questions by the following delegations were submitted in writing before the deadline: Guatemala; United Kingdom; Canada; Ecuador; Philippines; Thailand; Australia; Japan; Singapore; Chinese Taipei; Norway; Hong Kong, China; Russian Federation; China, Colombia, Israel, Brunei Darussalam; Argentina; Chile; Mauritius; New Zealand; Dominican Republic; Costa Rica; United States; Switzerland; Brazil; Ukraine; and India. The following delegations submitted written questions after the deadline: Honduras, Republic of Korea, Kingdom of Saudi Arabia, Paraguay, Türkiye, Pakistan, Kazakhstan, Bangladesh, Iceland, El Salvador, Malaysia, Indonesia, Uruguay, South Africa, and Tunisia.

1.5. The Chairperson first recalled some elements of the European Union's previous Review and developments since then, as well as by identified some key issues arising from the advance written questions submitted by Members for the current TPR.

1.6. At the time of the previous TPRB meeting on 18 and 20 February 2020, Members had commended the European Union for its leadership role and strong support to the multilateral trading system. They also highlighted its efforts to further facilitate and liberalize trade through an extensive RTAs' network as well as non-reciprocal trade arrangements that support exporters in developing economies. Members further noted that the EU is the most important trading partner for some 80 economies.

1.7. At that time, Members acknowledged the many initiatives aimed at further harmonizing the single market, but also pointed to areas where policies continued to be divergent. Members raised some concerns regarding some SPS and TBT measures, developments in investment policies, and the usage of trade remedies. Regarding agricultural policies, Members highlighted positive developments, such as the movement towards more market orientation and the elimination of export subsidies, while referring to the continued high levels of domestic support.

1.8. The European Union's agricultural policies remained a topic of interest in the current Review. Energy and environmental policies, also discussed at the time of the previous Review, also attracted significant interest by Members this time, in particular the adoption of the European Green Deal. In this regard, Members sought further information about its implementation and related legislative proposals such as the adoption of a Carbon Border Adjustment Mechanism (CBAM). The new trade strategy entitled "An Open, Sustainable, and Assertive Trade Policy", has also raised great interest among Members in the current Review.

1.9. In the advance written questions for the current Review, Members sought information regarding notably the proposal for a new generalized scheme of tariff preferences (GSP), a regulation to counteract economic coercion by third countries and the recently enacted regulation establishing a mechanism to address foreign subsidies.

1.10. Members also showed keen interest in a wide range of trade and investment issues including the implementation of the EU common framework for the screening of FDI; the ratification of the

Agreement on Fisheries Subsidies; WTO reform; the deepening of RTAs; EU digital Partnerships; the current GSP; rules of origin; the implementation of the electronic customs systems, excise duties; export controls for dual-use goods; export credits; trade remedies; the new Common Agricultural Policy; the proposed Regulation on deforestation-free products; State Aid; emissions trading and energy subsidies; the Digital Services Act; and gender- and trade-related policies.

1.11. In total, the European Union received over 1,600 advance written questions from 41 delegations for the current Review, out of which 1,321 questions from 28 delegations were sent within the established deadline. Prior to the meeting, the European Union provided written replies to questions submitted within the established deadline.

1.12. The meeting was a good opportunity for Members to discuss in greater detail issues of interest to them and of systemic importance to the multilateral trading system. The Chairperson looked forward to a fruitful exchange

1.13. The Chairperson closed his introductory remarks by wishing the European Union a very successful 15th Trade Policy Review.

2 OPENING STATEMENT BY THE REPRESENTATIVE OF THE EUROPEAN UNION (H.E. SABINE WEYAND)

2.1. It is an honour for me to lead the EU delegation at the 15th Trade Policy Review of the European Union today. On behalf of the EU, I would like to thank Ambassador H.E. Mrs Pimchanok Pitfield (Thailand) for acting as discussant for this review, as well as the Chair of the Trade Policy Review Body, Ambassador H.E. Mr Saqer Abdullah Almoqbel (Kingdom of Saudi Arabia) also for the setting the scene. I would like to extend our appreciation to the WTO Secretariat for their hard work on the Secretariat Report.

2.2. The EU attaches great importance to the monitoring and transparency functions of the WTO for which the Trade Policy Review Mechanism is a key tool. It is an intensive process for the Member under review. I don't need to repeat the figures already mentioned by Ambassador Almoqbel. Just to reassure you that in addition to the 1,200 questions we already replied to, we will of course respond to the questions received after the deadline.

2.3. The European project started almost 70 years ago to bring peace and prosperity to a group of countries that had often been in conflict. The Treaty drafters opted to use economic instruments to bring member States together into a common market without internal borders. The pursuit of a single, common trade policy was one of its most important features and this remains the case to this day.

2.4. The economic integration brought about by the EU's single market, and its openness to the world has benefited not just EU member States, companies, and citizens, but all of our trading partners as well. In the same way that our member States are anchored in the EU, the rules-based multilateral trading system remains a strategic anchor for the EU's trade policy.

2.5. Today, despite the challenging trading environment, EU trade policy continues to be driven by the principle of openness. Openness keeps the EU competitive and is the bedrock of our long-term competitiveness and prosperity.

2.6. Let me illustrate our openness with some figures. EU trade with the rest of the world represents over 16% of world trade, counting both goods and services. This is more than the EU's share in global GDP, meaning we punch above our weight in the area of trade. The EU is the world's largest single trading entity and the number one trading partner for 53 countries around the world that represent almost half of the world's GDP. We are the first partner of Asia as a whole, Africa, the US, the Western Balkans and the EU's Neighbourhood.

2.7. Despite a rising tide of protectionism around the world, the EU maintains very low tariffs: the average weighted tariff on our imports is below 4%. These low tariffs are complemented by a wide network of preferential trade agreements and arrangements that continued to grow during the review period and will go on growing.

2.8. The EU is the world's largest investor abroad, with 34% of the global total. It is also the most attractive destination for investments, hosting a stock of investments of more than EUR 10 trillion, or 28% of the global stock.

2.9. Openness is a key feature of other policies too. The EU practices openness in international public procurement markets and is one of its main advocates.

2.10. This open trade policy is underpinned by unparalleled strict disciplines on subsidies within the EU providing a safeguard against market distortions.

2.11. The commitment to openness extends also to our approach to supporting development.

2.12. For five decades, the EU Generalized Scheme of Preferences has supported vulnerable countries to grow in a sustainable manner by giving them preferential access to the EU market. Our GSP system is the most comprehensive in the world in terms of market access offered. The EU currently grants partial or full tariff reductions for two-thirds of tariff lines to 19 countries under its GSP and GSP+ schemes. The Everything But Arms (EBA) arrangement, gives Least Developed Countries (LDCs) tariff-free, quota-free access to the EU market for all products except arms and

ammunition. Forty-six Least Developed Countries benefited from the EU's EBA in 2022. Thanks to EBA, only 5% of EU imports from LDCs actually paid a tariff in 2021. In the review period, the EU is revamping its GSP system to make it more sustainable, more flexible and to focus the advantages on those most in need.

2.13. To support developing countries' integration into the world economy, poverty reduction and sustainable development, Aid for Trade is a crucial tool. The EU and its member States collectively constitute the world's largest Aid for Trade donor, accounting for around 40% of global Aid for Trade.

2.14. To bridge investment gaps beyond European borders, the EU launched Global Gateway. Our aim is to mobilize EUR 300 billion by 2027 in smart, clean, and secure links in digital, energy and transport sectors and to strengthen health, education, and research systems across the world.

2.15. During the experienced serious external shocks, which have impacted the global economy and revealed weaknesses in international supply chains.

2.16. The Russian Federation's unprovoked, unjustified, and brutal invasion of Ukraine brought war once again to our continent, resulting in an unspeakable loss of life and devastating destruction. The EU will stand with Ukraine as long as it takes. For trade relations that means the EU has granted temporary trade liberalization – the suspension of all remaining customs duties, quotas and trade defence measures on Ukrainian exports to the EU.

2.17. We provide massive financial support, including macro-financial assistance of EUR 18 billion this year to cover the budgetary needs of Ukraine and we provide EUR 1 billion for fast recovery to re-build critical infrastructure. As the most important sign of our political commitment, the EU decided to grant candidate country status to Ukraine – this is also a logical step economically to start closer integration of Ukraine into our Single Market.

2.18. We are now discussing our 11th package of sanctions against the Russian Federation, in coordination with international partners. Our sanctions are designed and targeted carefully at the Russian Federation's military and industrial capacity to wage its barbaric war.

2.19. Since this is also a war of disinformation, let me clearly dispel any confusion: EU sanctions do not target food or fertilizers and they are not the cause of the looming food crisis around the globe. On the contrary, the EU created the Solidarity Lanes to continue to support Ukraine and preserve its capabilities to export its grains. Ukrainian production is critical to feed the world and keep food prices down, in face of the huge challenges posed by the Russian aggression.

2.20. EU trade policy had to react to the major external shocks that we are experiencing. As a result, it has become more assertive, while remaining fully consistent with the law and spirit of the WTO. We have taken legislative action to better protect the Single Market from unfair practices. The International Procurement Instrument will strengthen reciprocity in public procurement. Our new Foreign Subsidies Regulation creates a framework to deal with unfair subsidies affecting operations, procurement, and mergers in the EU's Single Market.

2.21. But this is not enough. In the current geostrategic environment of increased uncertainty and risks, marked by systemic rivalry, there is a growing need for a comprehensive economic security strategy that brings together in a coherent fashion internal and external action and deepening our understanding of the risks we face. These include notably the risk of economic coercion and more broadly the risk of weaponization of dependencies.

2.22. We are therefore assessing our strategic dependencies and we are in the process of adopting an anti-coercion instrument.

2.23. More broadly, the Commission will publish later this month a Communication on economic security which will continue to be anchored in the WTO and stress the need for a well-functioning rules-based trading system.

2.24. The EU has despite the challenges remained during the review period steadfast in its commitment to openness and multilateralism.

2.25. For instance, during the pandemic, we managed the shocks better thanks to openness and diversification. For every dose of vaccine distributed inside Europe, one dose was shipped abroad. Our vaccine export authorization scheme was fully transparent and provided exceptions in favour of the most vulnerable countries. Further, we have increased our support to the development of manufacturing capacity in other parts of the world.

2.26. But economic openness is of course not confined for us to internal and autonomous measures, or to just our own choices. It is about cooperation with partners and globally, too, rooted in the rules-based international order.

2.27. The rules-based multilateral system governs the majority of EU trade and remains our best guardrail against global economic fragmentation. The EU has a fundamental strategic interest in a strong and reformed WTO. This is why we put the multilateral trading system at the centre of our trade strategy during the review period.

2.28. However, there is no rules-based system without an ability to enforce those rules. A fully functioning Dispute Settlement System by 2024 that preserves the core characteristics of the system put in place in 1995 – binding, two-tier and independent adjudication – is the most critical goal that the Organization has to achieve. This will be the key issue for MC13.

2.29. In the meantime, the Multi-Party Interim Appeal Arbitration Arrangement (MPIA) preserves a fully functioning Dispute Settlement System among its participants. The EU invites WTO Members to join the MPIA as the best interim solution until a permanent one is found.

2.30. The EU plays a proactive and positive role in the WTO in other areas too. The Secretariat Report highlighted the EU's key contributions in the run up to and at MC12 across the full range of topics, promoting a more effective multilateral trading system. We have tabled proposals and submissions on WTO reform, trade and health, e-commerce, fisheries subsidies, food security, and trade-distorting policies in agriculture.

2.31. Moreover, the EU participates actively in the intensive work of Joint Statement Initiatives on E-Commerce, Investment Facilitation for Development and Services Domestic Regulation. These open, flexible, plurilateral initiatives are vital for the negotiating function of the WTO. They demonstrate that the WTO can deliver on issues that are pertinent for modern trade.

2.32. In this vein, we also look forward to the renewal of the WTO's E-Commerce Work Programme at MC13, and to the continuation of the moratorium on customs duties on electronic transmissions. Together with the JSI on E-Commerce, this is important to make a timely contribution to the digital transition we all have to deal with.

2.33. The EU will continue its leadership in the agricultural negotiations calling for solutions to food security challenges, improved transparency, as well as reforms of agricultural policies towards less trade distortion and towards more environmentally sustainable approaches.

2.34. The EU is also keen on promoting the positive contribution that the WTO can play in the fight against climate change and environmental degradation. We are actively participating in three plurilateral initiatives, namely, the Trade and Environmental Sustainability Structured Discussions, the Dialogue on Plastic Pollution, and Fossil Fuel Subsidies Reform.

2.35. The EU also proudly co-leads political level dialogue on trade, climate and development in the Coalition of Trade Ministers on Climate. Conscious of the need for all to be involved in what is the global challenge of our age, we are also now feeding the multilateral debate on this through a revitalized Committee on Trade and Environment.

2.36. During the last Ministerial Conference, the EU was instrumental to find the necessary solutions on fisheries subsidies. Now we are working to give effect to what was agreed. The internal EU procedure for the acceptance of the Fisheries Subsidies Agreement is finalized. The EU stands ready to contribute to the to the WTO Fisheries Funding Mechanism to assist developing countries to implement the new disciplines, and as you are aware some EU member States have already announced contributions.

2.37. MC12 put the WTO back on track because it delivered on specific files that matter, but also because Members were ready to acknowledge the need to reform. MC13 must confirm that we are on our way to a more effective Organization. This requires first and foremost a fully and well-functioning Dispute Settlement Mechanism, as well as other concrete outcomes in the process of WTO reform.

2.38. A second focus must be for the WTO to tackle the critical topics for global trade today. If the WTO is unable to respond to the challenges of our time, there is a serious risk of the erosion of the system and loss of credibility.

2.39. This is why the EU has submitted recently its Communication on "Reinforcing the deliberative function of the WTO to respond to global trade policy challenges". This communication covers the areas of state support, environment, and inclusiveness.

2.40. Taking deeper policy deliberation forward as part of WTO reform could not only reinforce the WTO as the key international forum for global trade governance but could also help Members when designing their domestic policies in response to these global challenges.

2.41. The most pressing challenge we are all facing is how to drive the green and digital twin transitions with the development of the right policy framework.

2.42. Climate change – magnified by environmental degradation – is the civilizational challenge of our time. We must tackle it as a global community. And we must act now.

2.43. Openness and sustainability have to go hand in hand.

2.44. The EU is fully engaged internationally and domestically to create the drivers of the green transition and climate neutrality.

2.45. The EU's "Net Zero" goal is our central policy objective responding to this challenge, and our trade policy is playing its role here.

2.46. The EU has laid out the path towards climate neutrality by 2050 through the ambitious 55% reduction of greenhouse gas emissions goal by 2030 under the European Green Deal.

2.47. The Green Deal comprises many policy actions tackling reduction of carbon footprint and halting biodiversity loss from a number of angles. Boosting circular economy, creating sustainable food systems, greening of our Common Agricultural Policy, investing in renewable energy are just a few examples of the policy initiatives taken in this context.

2.48. The European Green Deal is not only our plan to fight climate change and to become the first climate-neutral continent. It is also our growth model for a prosperous, responsible, and resilient economy.

2.49. To this end, we also need a regulatory environment that allows us to scale up the clean energy transition quickly. Driving the green transition at the EU level helps us prevent the fragmentation of the EU internal market and maintaining this EU Single Market benefits EU and third country traders alike.

2.50. The Repower EU communication, the European Critical Raw Materials Act, the reform of the electricity market design, the Net-Zero Industry Act are key enablers of the EU industry's contribution to the global green transition.

2.51. Drawing on the lessons learnt from the COVID-19 pandemic and the energy crisis sparked by the Russian Federation's war on Ukraine, these measures will help increase the resilience of Europe's clean energy supply chains, while diversifying partnerships to support others in their green transitions.

2.52. We were pleased to see your interest in the new reformed common agricultural policy, which became applicable in January this year. Our modernized policy is expected to contribute to the efforts

in the green transition. It also continues on the path towards market orientation and away from trade-distorting support.

2.53. We have received a lot of questions on the EU policy framework related to the green transition. Individual measures belonging to the European Green Deal package such as the Carbon Border Adjustment Mechanism, Farm to Fork and our measures against deforestation are followed closely by many WTO Members.

2.54. Let's be clear, domestic policy-making is essential to deliver on the Paris Agreement commitments we all made. Non-action is not an option. And addressing the climate challenge is obviously not something that the EU can do on its own. The question is not "if", but how we design policies while ensuring their WTO compatibility and minimizing the negative spill-over effects.

2.55. As we all act to reduce our carbon footprints, we must acknowledge that there might be some impact on trade. This is why the EU is committed to full transparency and non-discrimination when it comes to designing our measures and when it comes to implementation of these measures. As we have done during the review period, we will continue full engagement and cooperation with our trading partners in the context of this TPR exercise, in appropriate WTO bodies, including in the Committee on Trade and Environment, as well as bilaterally.

2.56. The EU is taking a pro-active stance on the implementation of the Green Deal. Our outreach is aimed to ensure that measures can be implemented in a manner that avoids unnecessary impacts on trade. We will continue to facilitate implementation through guidelines and cooperative instruments. Addressing concerns of our developing and least developed partners is a priority area within the capacity building, and the technical assistance we provide. We are also deploying funding streams through Global Gateway to help plug the global investment gap in this area.

2.57. Let me be very clear, we will not succeed in this transition if we do not succeed in the coordination of our national measures.

2.58. So, I would like to stress, the adoption of EU legislation like CBAM or the deforestation instrument will go together with an intensification of our efforts to cooperate with our trading partners in responding to fundamental global challenges both in the WTO and bilaterally.

2.59. Now turning to other Single market developments that has attracted the interest of other WTO Members.

2.60. Digital transformation is another key priority for the EU. During the review period, the EU made strides in the implementation of the Digital Single Market strategy.

2.61. We are updating our regulatory toolbox to reflect the increased socio-economic importance of the digital economy and to ensure safe, fair, transparent, and contestable digital markets.

2.62. To this end, we have adopted the Digital Services Act, which aims to make the Internet safer and protect fundamental rights, and the Digital Markets Act, with the objective of injecting greater competition and innovation into digital markets.

2.63. We have also put forward proposals on data, artificial intelligence, and cyber resilience in order to strengthen the policy framework and enhance trust in and safety of the digital market, foster innovations and help create a level playing field.

2.64. Government support to industrial sectors is increasingly a sign of our times and it is necessary to drive the green and digital transitions. Such intervention must however always be well-designed and non-discriminatory to ensure healthy competition and to minimize negative spill-overs on other WTO Members.

2.65. In the EU, our subsidy policies have been temporarily adapted to the current circumstances, for example in order to accelerate the green transition. But we are doing this while maintaining the key features of state aid disciplines: we remain WTO-consistent; we ensure that subsidies are limited to the strictly necessary; and minimize the impact on trade and competition.

2.66. As we have stated in our submission on reinforcing the deliberative function, the WTO is the place to establish the international consensus on what are the acceptable parameters for countries' interventions in support of industrial sectors and their impact on trade. We propose to launch a deliberative track at MC13. Ministers would then take decisions on the way forward at MC14.

2.67. In order to maintain societal support for open trade, it is indispensable that the benefits of trade are distributed in an equitable manner. To achieve that, we need an active social policy and trade policy that contributes to this.

2.68. Trade policy can play a role in promoting social justice, participation of women in trade and facilitate trade for SMEs. The Trade Policy Review Mechanism provides a good opportunity for WTO Members to exchange experiences on policies that facilitate inclusive trade.

2.69. A key for inclusiveness is transparency and dialogue with stakeholders. Transparency is engraved in the fabric of our overall policy making. The EU's Better Regulation practices ensure evidence-based and transparent EU law-making with an open public consultation available also to non-EU citizens, businesses and stakeholders, as well as to all WTO Members. We also publish all key documents of trade negotiations. This is all to ensure that those who may be affected by a policy of the EU can be heard.

2.70. The EU has pursued these objectives in bilateral trade agreements and in the WTO, and we want the WTO to go further. We would support multilateral work on the theme of trade and inclusiveness, on the one hand to better understand the distributional impacts of trade, and on the other to better cover social and developmental aspects.

2.71. To conclude, we very much welcome this Trade Policy Review as an opportunity to engage with Members on the whole range of our policy developments that are relevant to our trading partners. We look forward to showing that the EU remains committed to openness and to rules-based trade. We are ready on this basis to continue to work with you towards a more effective WTO that can help us all in delivering on the trade challenges that we face.

3 STATEMENT BY THE DISCUSSANT

3.1. First and foremost, I would like to thank the European Union for giving me an honour to serve as a discussant for this 15th Trade Policy Review of the EU.

3.2. I would like to extend my warmest welcome to the delegation of the European Union, headed by H.E. Mrs Sabine Weyand, Director-General, Directorate-General for Trade of the European Commission and my good colleague, Ambassador João Aguiar Machado, and his team in Geneva.

3.3. I would also like to thank Mrs Sabine Weyand again for providing comprehensive overviews of the trade and economic policies of the European Union during the period under review. Also thanks the WTO Secretariat and the EU delegation for the informative reports which I enjoyed reading very much.

3.4. Before I get into the substance, I must say that the EU has always held a special place in my heart since the days that I served as Director of Office of Commercial Affairs of Thailand in Brussels between 2011-15. I have also known Ambassador Machado since 2000 when he headed the EU services negotiation delegation to the WTO and later as Chief Negotiator for the EU-Thailand FTA Negotiations. Ambassador Machado, put it simply, is one of my role models as trade negotiator.

3.5. I will organize my statement today in three broad sections. First of all, I will begin by discussing the general observations of the EU economic growth and trade. This will be followed by a discussion on the latest development and some notable areas of success of the trade policies of the European Union since her previous review in 2020. I will then touch upon some topics that might require further attention regarding the EU's trade and economic policies. My statement will end by highlighting other Members' key issues and areas of interest on the TPR of the EU this year.

General observation of the EU's economic growth and trade

3.6. During the period as short as three years since 2020, the world has undergone significant challenges, including the COVID-19 pandemic, conflict in Ukraine, food and energy crises, and high inflation.

3.7. Despite all those challenges, significant economic clout of the EU on the global stage still remains intact. The EU is the world's largest single market, with a population of approximately 450 million people. The EU is the world's largest trade bloc in both goods and services, the second largest economy after the United States, accounting for about 15% of the global GDP, and the largest exporter after China.

3.8. During the period under review, the GDP of the EU declined by 5.7% in 2020. However, because of the effective response to the pandemic and the successful vaccine roll-out campaign, the GDP bounced back at 5.4% in 2021, just enough for the economy to recover to levels seen before the COVID-19 pandemic.

3.9. With respect to trade, the EU is, without a doubt, a major player in international trade. It is the world's largest trader of goods and services with the total trade value of EUR 6.28 trillion or 16.2% of the global trade value, well ahead of China and the United States. The EU is itself the largest export market for 80 countries. However, I have noted that the share of the EU in world trade has fallen to 14.7% in 2021, the lowest in the last two decades.

3.10. Extra-EU goods trade has recovered from the COVID-19 pandemic with EUR 5.6 trillion in 2022 compared to EUR 4.1 trillion in 2019. As for the merchandise export market, however, the EU highly depends on the United States (18%) and the United Kingdom (13%) which account for almost one-third (31%) of its total export value. Regarding merchandise imports, China stands out as the EU's top import source with almost one quarter (22%) of the total import value, well ahead of the United States (11%) in 2021. This reflects the EU's strong trade ties with both sides of the Pacific.

3.11. The EU is the world's largest trader of services, accounting for one quarter of the total world. However, the EU's trade in services has not quite recovered to the levels seen in the pre-pandemic period, attributable to the travel sector which has yet to recover.

3.12. As the share of GDP, total EU's trade in goods and services account for 43% in 2021 and has been growing steadily over the last decade, indicating the high degree of trade openness of the EU's economy. Having said that, the extra-EU exports as a share of all exports by EU countries fell to 38% in 2022 from 41% in 2020 and its peak at 43% in 2013, implying that the EU economy has become more inward looking in the last decade, particularly under the period under review.

Latest development and notable areas of success

3.13. Over the review period where the world has experienced unprecedented challenges, we have increasingly heard several key words linked to trade policy of the EU: sustainable, digital, enforcement, resilience, autonomous, and openness. These keywords correspond to the areas of focus of the EU's New Trade Policy Strategy 2021 which, in my view, is the most significant shift in the EU trade policy during the review period. I would like to address them as key aspects of the EU current trade policy.

3.14. Openness: openness is in fact always at the heart of the EU's trade policy, aiming to maintain a free, fair, and rules-based global trading system. But since openness was already addressed by the Head of the EU delegation, Mrs Sabine Weyand, I just want to point out one aspect of the EU openness – the RTAs negotiations. Currently, the EU has maintained the largest network of trade agreements in the world with 44 agreements and more than 70 trade partners. In this sense, to borrow Ambassador Machado's words in his discussion on the 15th TPR of Japan, the EU is another "best" friend of Article XXIV. But while the EU pursues and maintains the ever-growing network of regional trade agreements, I wish to point out that the EU remains active and is committed to the multilateral trading system based on the WTO system.

Sustainability

3.15. This is one of the highlights of the EU new trade policy, aiming to ensure that trade and investment contribute to sustainable development, fairness and inclusiveness, and respect labour rights, protect the environment, and combat climate change. The EU has been pushing for more ambitious environmental and sustainability provisions in its trade agreements, as well as initiatives to address deforestation, promote circular economy principles, and reduce carbon emissions. By the same token, the shift of the policy has also been reflected in the EU's active participation in the WTO, not least on its communication on the WTO reform, titled: Reinforcing the Deliberative Function of the WTO to Respond to Global Trade Policy Challenges proposing three areas for re-invigorating the WTO's deliberative function, namely trade policy and state intervention in support of industrial sectors, trade and global environmental challenges, and trade and inclusiveness.

3.16. Under this new policy direction, an impressive number of regulations, standards, and strategies have been put in place, some are inevitably controversial. Notable examples include those under the European Green Deal – CBAM, Fit for 55 package, Biodiversity strategy for 2030, Zero Pollution Action Plan, and Circular Economy Action Plan, and Farm to Fork strategy, to name but a few. While the EU's high regulatory standards are often adopted as benchmarks by other countries and regions, potentially influencing global norms and regulations, I believe that Membership would like to hear view from the European Union how it ensures that any trade-related measures by the EU to promote sustainability are implemented in a fair and non-discriminatory manner and not a disguised trade restriction and how the EU engages and increase cooperation with trading partners to collectively tackle these global challenges. Moreover, how does the EU ensure the balance between economic growth and environmental preservation it holds dear.

3.17. Assertiveness: during the time of increasing geopolitical tensions, it is no surprise that the EU seeks to be more assertive in safeguarding its economic interests and ensuring a levelled playing field. This includes measures to address unfair trade practices, such as subsidies, forced technology transfers, and market access barriers. The EU has also been working on enhancing its tools for enforcing trade rules and addressing challenges related to intellectual property rights, state-owned enterprises, and public procurement. An interesting question I believe Membership would like to ask the EU delegation today is how the EU ensures the balance between addressing its "own" concerns on the one hand and understanding and accommodating the others' concerns on the other.

3.18. Based on the new trade policy of the EU, it is no surprise that the EU has made continuous contributions to improving the multilateral trading system and pushing forward the WTO Reform in all three functions – dispute settlement, negotiation, and deliberation and monitoring which I believe has been well-received by the membership.

3.19. Trade and development – it would be a remiss of me not to mention the enormous contribution of the EU to promote development. The EU has always been a generous preference-granting Member to LDCs. Sixty-six percent of all goods imported from LDCs or about EUR 22 billion use Everything But Arms (EBA) preferences. According to Global Trade Alert, LDCs are also relatively less exposed to the EU's restrictive trade measures and more exposed to the EU trade reforms. The EU and its member States are also the largest Aid for Trade donors where 13% of which goes to the LDCs.

Challenges and areas for improvements

Trade and Environment

3.20. The first area I would like to discuss regarding the challenges surrounding the EU's trade policy is its trade-related environmental policy. Chief among them is the European Green Deal, which is an integral part for the implementation of the UN 2030 Agenda on Sustainable Development and is a cornerstone of the EU's agenda for sustainable growth. In the WTO, Members have recognized and appraised the EU strong commitment and its ambition to address climate challenge and environmental sustainability to reach climate-neutral target with net-zero greenhouse gas emissions by 2050.

3.21. During the review period, the EU environmental policies and trade-related measures including the Fit-for-55 package are guided by the overall objectives of the European Green Deal. Against this backdrop, many Members have posed questions and expressed interest particularly in the implementation of a carbon border adjustment mechanism (CBAM), deforestation regulation, and due diligence regarding on how the EU visions the principle of "Common but Differentiated and Responsibilities (CBDR)" to be incorporated within its policy as well as a mechanism to support countries to adjust to EU environmental measures.

3.22. While it is true that trade and environmental policies have become inextricably intertwined, I believe that trade policy should demonstrate complementary characteristics to environmental objectives and trade-related measures should conform to multilateral trade rules, mutually support the green transition, and do not serve as a tool to restrict trade or create trade disruption in global supply chains.

Agriculture

3.23. Agriculture is another outstanding issue that the EU could have done more in its new trade policy direction. During the review period, the EU's Common Agricultural Policy (CAP) has undergone the reform process towards further market orientation, reducing the trade-distorting supports, and greater environmental sustainability. The new CAP was finally adopted in 2021 and the new legislation has just been fully applied as from 1 January 2023. Therefore, there were no substantial changes during the review period (2021-2022) where the transitional legislation was put in place and it remains to be seen how far the new CAP and the implementation thereof, ensues. It is worth mentioning that the EU has removed all export subsidy provisions from its regulations. This means that the EU no longer has any legal basis for granting any export subsidies in the agricultural sector, although the process of certifying the EU's revised schedule, regarding the elimination of annual export subsidies commitment levels, remains pending.

3.24. In terms of the market access, the EU's agricultural sector continues to stand out due to its high tariffs and tariff peaks, with the overall tariff averages (14.9%), more than three times higher than industrial ones (4.3%). Numerous tariff quotas and complex tariffs (i.e. specific, compound, mixed, agricultural components) also remain prominent in the agricultural sector with the EU's continued use of agricultural special safeguards for certain products, such as poultry and egg products, during the review period.

Digital trade

3.25. Besides the green transformation, digital transformation is also at the core of the EU's trade policy. To that end, the European Union adopted a Digital Strategy to maximize the benefits of technological progress. The EU's Digital Strategy comprises several acts but the most relevant ones to trade are the Digital Services Act and Digital Market Act. While these two acts aim to tackle some of the major issues facing the EU's digital market at the moment to create safer digital space and ensure level playing field, it goes without saying that the implementation of these two laws will be challenging and contentious, with implications for international trade relations and the EU's internal market alike.

Questions and areas of interest of members

3.26. As I mentioned earlier, the EU is the largest trade bloc and one of the largest economies in the world and plays a critical role in the world trading system, it comes as no surprise that its TPR has received considerable attention by Members, 42 of whom have submitted more than 1,600 advance written questions for this review. The questions unsurprisingly cover wide variety of issues, some of which are new and the others remains from the last TPR. I, therefore, will just briefly summarize the main topics that Members are interested about the EU trade policy.

3.27. I believe that there are four key areas which Members have shown interest to and seek clarifications from the EU.

3.28. First and foremost, it is the EU's trade policy relating to sustainability that is of the greatest interest to Members. The questions centre around the policies on climate change and decarbonization, fairness, gender equality, and inclusiveness as well as the Farm to Fork strategy.

3.29. Secondly, the topics of enforcement and responding to trade distortive practices and how to EU goes about in defending its interest and values also received much attention from wide Membership.

3.30. The third area of issues is measures affecting production and trade, particularly, standards and technical requirements, sanitary and phytosanitary measures, intellectual property rights, and competition policy.

3.31. Last but not least, Members are also interested in other trade matters that the EU pursues including the EU's policies on bilateral trade agreements, the WTO Reform as well as agriculture, fisheries and service sectors.

Concluding Remarks

3.32. To conclude, one thing was very clear to me while reading the TPR reports, that during the period under review, the EU has demonstrated its outstanding leadership in setting the course of its trade and economic policy in a forward-looking and strategic manner. And the policy direction the EU has taken will have a significant influence both within its borders and globally due to its economic size and position. However, as the EU advances its new trade policy to address contemporary trade challenges such as digital trade and sustainability issues, I hope that it will seek a good balance between economic growth, sustainable objectives, and increasing multilateral cooperation. However, as the EU has always been a staunch supporter of a rules-based multilateral trading system and main proponent to reform the WTO, I am strongly confident that the EU will lead by example to ensure that the EU's objectives are met in the spirit of multilateralism and cooperation. With that, I conclude my statement and I wish the EU all the success in its 15th Trade Policy Review.

4 STATEMENTS BY MEMBERS

GUATEMALA

4.1. On behalf of Guatemala, I would like to extend a warm welcome to the delegation led by Ms Sabine Weyand, Director-General for Trade at the European Commission, and to H.E. Ambassador Mr João Aguiar Machado.

4.2. We would like to draw attention to the quality of the work done by the WTO Secretariat, which is reflected in the Report it has presented on the European Union's trade policies. The valuable information in the Report gives us a detailed insight into relevant aspects of the general situation under the economic and trade framework of such an important trading partner to us as the European Union.

4.3. We also extend our thanks to the Ambassador of Thailand, Ms Pimchanok Pitfield, for her presentation, which we thought very objective and direct.

4.4. In view of this, it is important to state how vital to us it is to have trade relations with an economic and trading bloc as large as the European Union. That importance was highlighted by the signing of the Association Agreement between the European Union and Central America that led to an extensive programme of cooperation in various development areas and a favourable trade regime.

4.5. In 2022, Guatemalan imports from the European Union stood at USD 2,178.8 million, whereas Guatemalan exports to European countries amounted to USD 1,531.4 million. Guatemala's leading exports to the European Union include crude palm oil, green coffee, ferro-nickel and fresh bananas. Additionally, our imports from the European Union include products such as ricins, urea, medicines for human use and unroasted malt.

4.6. However since 2017 Guatemala has repeatedly raised concerns about changing maximum pesticide residue limits (MRLs) without a pre-defined risk analysis, a move that has a serious impact on our export production sector.

4.7. We extend our thanks to the European Union for its readiness to agree to the space for technical dialogue held on 17 March this year; it involved a frank and constructive exchange of information and questions that was necessary to the process. We note with regret that the European Union was unable to proffer solutions to the concerns raised; however, we are open to continuing the dialogue in order to reach technical solutions that provide a level playing field to producers in both regions.

4.8. Guatemala has raised a series of questions concerning the Trade Policy Review of the European Union, which were submitted in timely fashion, and we express our thanks in advance for the replies.

4.9. Generally speaking, we recognize the European Union's efforts in important areas and hope that those efforts will enable it to move progressively towards attaining its objectives.

4.10. Lastly, we wish the European Union and the delegation visiting us today a successful conclusion to this Trade Policy Review.

UNITED KINGDOM

4.11. May I warmly welcome the EU's delegation, led by Director-General for Trade, Mrs Sabine Weyand, to their 15th Trade Policy Review and thank our discussant, Ambassador Pimchanok Pitfield, and you, Chair, for your insightful comments.

4.12. Let me acknowledge the uniqueness of this moment. It will not escape the notice of my ever-observant colleagues that for the first time, the UK is participating in this Trade Policy Review not as a member State of the EU, but as an independent WTO Member. And although we may no longer sit next to each other in this chamber, we remain close allies not just at the WTO, but indeed on the wider global stage, fostering a relationship built on shared values, and cooperation across our shared interests.

4.13. Despite the change in our relationship, and some of the challenges we have worked on together in that process, we are fully committed to maintaining a strong partnership that benefits both our citizens and the global community.

4.14. The trade relationship between the EU and UK is one of the world's great economic partnerships. Total trade between the UK and the EU was worth more than GBP 730 billion last year. Member States of the EU are still the largest overseas investors in the British economy, and Britain is one of the biggest investors in member States of the EU, with thousands of British and continental European companies and millions of jobs relying on ties between our markets.

4.15. Challenges to trade exist of course, but together we can – and must – overcome them. And we are making progress. Our Trade and Cooperation Agreement is the EU's biggest and broadest FTA to date, and a cornerstone of our bilateral relationship. And the recently agreed Windsor Framework marks a turning point in how the UK and the EU will work together collaboratively to fully exploit the potential of this agreement and maximize the relationship between us.

4.16. This close partnership is what allows us to tackle shared priorities including trade, energy, security, migration, and climate. And it has of course underpinned our consistent collaboration against President Putin's brutal invasion of Ukraine. Together, we sanctioned the Russian economy by delivering bans on goods and services trade to restrict the funding of the Russian war machine. We welcome our close co-ordination of sanctions packages with the EU, including through the new Enforcement Coordination Mechanism.

4.17. The EU's leadership and influence within the WTO are instrumental to shaping the future of global trade. We are committed to working with our EU allies and partners to address the challenges we face and harness fresh opportunities for growth.

4.18. And we have already seen the fruits of our close collaboration. We worked together throughout the pandemic, whether that be in promoting the widely supported Trade and Health Initiative, the Declaration on Food Insecurity at MC12, and in the WTO Committee on Market Access, which has created a rich resource for future policy makers addressing crises in the future. We appreciate the EU's promotion of open trade principles in negotiations on Fisheries and E-Commerce and welcome the EU's recent proposal for WTO dialogues on State Intervention. We must carry this spirit of collaboration into all our shared challenges, such as strengthening trade resilience through diversifying supply chains, which the Director-General and the G7 have also called for.

4.19. However, as we set our sights on the future, we must not lose sight of the pressing need to reform the WTO. We all know that this institution has faced significant challenges in recent years. Its ability to address emerging trade issues and disputes has been called into question. To safeguard the benefits of free trade and ensure that it remains an enabler of global growth and prosperity, we must reinvigorate the WTO and adapt it to the realities of the 21st century.

4.20. In this endeavour, we look to the EU as a key partner. EU leadership and influence within the WTO are instrumental in shaping the future of global trade. We encourage the EU to continue its efforts to promote transparency, inclusivity, and effectiveness within the Organization, and its deep and valuable engagement on Dispute Settlement Reform.

4.21. On this World Environment Day, we welcome the EU's ambition on climate and the emphasis placed on open trade through its Green Deal Industrial Plan. However, the global challenges we face cannot be resolved through unilateral action alone, and we must ensure that the green transition does not come through acting at each other's expense or at the expense of our rules-based international system. The UK and EU have mutual trade obligations under the TCA and WTO. We must work together to avoid a subsidy race that could distort trade or negatively impact emerging sectors.

4.22. The UK shares the EU's concerns about carbon leakage risks, which could undermine our joint efforts to reduce global emissions. The UK has strongly advocated and supported international solutions to carbon leakage risk. We have an ambitious Emissions Trading Scheme and Carbon Price Support mechanism which we expect the EU to take into account when implementing its own Carbon Border Adjustment Mechanism.

4.23. The UK shares the EU's ambition of identifying effective approaches to shortage management in future crises, however we have questions over the trade impacts of the EU's Single Market Emergency Instrument. The framework seems to be an overly inward-looking response to managing supply chains in a crisis, which risks trade with third countries at a time of potential global shortage. We submitted written questions about the SMEI, and we encourage the EU to pursue closer coordination with third countries as part of planning for future crises.

4.24. The UK recognizes that the complexity and variety of semiconductors makes it impossible for any country to address the challenges of semiconductor supply chain resilience alone. We also submitted written questions to understand the trade implications of the EU's approach. We want to work with the EU and other partners to pursue a coordinated, multilateral approach to this issue. Our vision is that a coordinated approach will work in tandem with industry to increase the resilience in key sectors.

4.25. We also encourage the EU to ensure its digital sovereignty agenda maintains fair market access for British businesses, in keeping with the UK's high data protection standards and upholding our shared interests in digital trade and competitiveness.

4.26. As we navigate the uncharted waters of the green transition and the digital revolution, it is imperative that we reinforce our commitment to one another. We must collaborate to leverage our collective strengths, and work tirelessly to reform the WTO. Together, we can protect and promote free and open trade, ensuring a prosperous future for all. In that critical endeavour, we look to the EU as a formidable and crucial ally.

CANADA

4.27. I would like to extend a warm welcome to the EU delegation and to my colleague H.E. Ambassador João Aguiar Machado. I would also like to thank H.E. Ambassador Pimachok Pitfield (Thailand) and the Secretariat for their preparations for today.

4.28. Canada appreciates the EU's continued commitment to rules-based multilateral trade in context of the WTO, as one of the most active voices for reform and advancement of fresh ideas. We are deeply glad to have the EU's participation in the Ottawa Group, and to have partnered with the EU on several initiatives, including the Trade and Health Declaration and the MPIA. We look forward to working with the EU to advance discussions at the WTO on industrial policy, climate, and inclusiveness.

4.29. Last year marked the fifth anniversary of the Canada-EU Comprehensive Economic and Trade Agreement (CETA). While the increase of our bilateral trade resulting from this agreement, and its resilience to the effects of COVID-19, have been impressive, CETA represents more than just a trade agreement: it is a platform for partnership on a wide range of economic and strategic issues, including sustainable and inclusive trade, and the foremost example of our joint commitment to a rules-based trading system. Canada welcomes further progress towards the implementation and ratification of CETA by all EU member States.

4.30. Turning to the review itself, we wish to seize this opportunity to raise questions about developments during the review period with respect to the EU's sanitary and phytosanitary regulatory requirements. While we recognize the EU's right to adopt measures to achieve legitimate health and food safety objectives, such measures must be implemented in a way that does not unjustifiably restrict international trade.

4.31. Canada is concerned that the EU has begun to integrate consideration that are unrelated to the health and safety of the people who use or are exposed to a product in their Maximum Residue Limit and import tolerance setting processes. This has far-reaching implications that have not been fully addressed, is potentially in conflict with well-established international trade rules, and is likely not the most effective approach to addressing important global environmental objectives.

4.32. The implementation of the EU Circular Economy Action Plan is also of keen interest for Canada, as we prepare to host the World Circular Economy Forum in Toronto from 29 September to 1 October this year. Canada is also following closely the implementation of the EU's Regulation on

deforestation-free products to ensure that the rules will be applied equally and fairly to both EU and foreign producers.

4.33. Lastly, although the newly-approved European Green Deal falls outside the scope of this Trade Policy Review, Canada welcomes this opportunity for the EU to elaborate on how the strategy will be considered in its trade policies, and the process by which it will set priorities and assess potential trade-offs.

4.34. In closing, Canada appreciates the EU's partnership as a strong supporter of the rules-based multilateral trading system with the WTO at its core. We wish the delegation of the EU the utmost success during this review process.

PHILIPPINES

4.35. The Philippines warmly welcomes and congratulates the delegation of the European Union led by H.E. Mrs Sabine Weyand, Director-General for Trade of the European Commission as well as H.E. Mr João Aguiar Machado of the Permanent Mission of the European Union on their 15th Trade Policy Review. We also thank H.E. Ambassador Pimchanok Pitfield of Thailand for her perspective as discussant, and the WTO Secretariat for its comprehensive Report. I had the honour to Chair the last Trade Policy Review of the European Union in February 2020 as the Chairperson of the TPRB.

4.36. We also associate with the ASEAN statement to be delivered by Indonesia noting the significant role that the EU plays in the region as its third largest trading partner and second-largest source of FDI in 2021. A proof of this increasing relationship is the recently signed Comprehensive Air Transport Agreement or ASEAN-EU CATA which is the world's first bloc-to-bloc air transport agreement. The agreement is expected to provide greater opportunities for airlines of ASEAN and the EU to operate passenger and cargo services between and beyond both regions. The Philippines is also pleased to be the ASEAN Country Coordinator of the EU from 2021 until 2024.

4.37. Bilaterally, the EU is one of the most important economic partners of the Philippines. It is one of the largest foreign investors of the country and the fourth largest trading partner with total bilateral trade valued at USD 16.5 billion in 2022. Among the top Philippine exports to the EU in 2022 are digital monolithic integrated circuits, crude coconut oil, semiconductor devices and storage units. While the main exports of the EU to the Philippines are dominated by machinery, aircraft, pharmaceutical products, and frozen meat.

4.38. The Philippines is a beneficiary of the EU Generalized Scheme of Preferences plus (GSP+) which covers duty-free entry for over 6,000 tariff lines and translates to enhanced access of Philippine exports to the EU market. The Philippines has been laying the groundwork and is intent on reapplying to the new GSP+ programme in 2024 as the current preferential scheme is set to expire in December this year. Further, the Philippines is keen to resume negotiations and forge a bilateral FTA to further deepen our relations with the EU. It promises to achieve our mutually beneficial economic goals, while maintaining consistency with the EU's core ideals of sustainable development and environment protection, as well as with EU's Indo-Pacific Strategy. The FTA is also solidly founded on the Philippines-EU Partnership and Cooperation Agreement (PCA) that entered into force in March 2018 which if we recall correctly involved Ambassador Machado. The Philippines is also a beneficiary of the ARISE Plus project, funded by the EU through the ITC, which aims to foster inclusive economic growth in the country through improved international trade performance and competitiveness as well as economic integration.

4.39. Turning to the TPR reports, as noted in both reports by the Secretariat and the EU, the EU economy had a strong recovery in 2021 from the outbreak of the COVID-19 pandemic and remained resilient despite the war in Ukraine. The period under review, as noted in the Secretariat's Report, is characterized by a major change in development and political goals and priorities, which among others include the adoption of the European Green Deal and a Europe fit for the digital age. We also note that the EU adopted a new trade strategy entitled "An Open, Sustainable, and Assertive Trade Policy" in February 2021. This is seen to integrate EU trade policy within its economic priorities in facing challenges such as economic recovery, climate change and environmental degradation, geopolitical developments, and its consequences for multilateral institutions. We also note that new measures such as the Digital Services Act (DSA), Digital Markets Act (DMA), and Carbon Border Adjustment Mechanism (CBAM) regulation have already been adopted, while other measures are

still a work in progress such as on green taxation and green government procurement. We note the strong level of ambition on these critical areas and would stress the importance of EU ensuring equitable support for just economic transition in developing countries.

4.40. Likewise, the EU is a firm supporter of the multilateral trading system and an active Member of the WTO, demonstrated by its dynamic participation through joint proposals/initiatives involving WTO's core functions and plurilateral discussions, as one of the main donors for capacity-building and technical assistance activities, and has led the establishment of the Multi-Party Interim Appeal Arbitration Arrangement with other WTO Members. We also note that the ratification process for the Agreement on Fisheries Subsidies is progressing quickly following the EU Council adoption two weeks ago.

4.41. We note the significant developments in the economic policies of the EU, and we appreciate the opportunity to learn more about these policies through this Trade Policy Review. Our delegation has submitted advance written questions and we thank the delegation of the EU for its timely responses.

4.42. In closing, the Philippines looks forward to further enhancing the mutually beneficial economic relations with the EU in the bilateral, regional, and multilateral fora.

THAILAND

4.43. Thailand would like to associate itself with the ASEAN statement to be delivered by Indonesia.

4.44. Thailand is pleased to participate in the 15th Trade Policy Review of the European Union and we would like to join others in welcoming the European Union delegation led by Director-General Sabine Weyand from Directorate-General for Trade of the European Commission. We also thank the European Union and the WTO Secretariat for preparing such comprehensive reports.

4.45. Thailand and the European Union have enjoyed robust trade and economic relations for 45 years when the Office of the Delegation of the European Economic Community was first established in Bangkok in 1978 which was the first such office in South-East Asia.

4.46. The European Union has always been one of Thailand's major trading partners. More recently during the past five years, bilateral trade between Thailand and the European Union averaged USD 38 billion. In 2022, Thailand's trade with the European Union amounted to USD 41 billion, increasing by 11.5% on average annually from 2020. The European Union was Thailand's 4th largest trading partner and Thailand is the European Union's 29th trading partner in the world. The European Union has been Thailand's 4th largest export destination and is our 3rd largest source of imports.

4.47. Additionally, Thailand and the European Union have enjoyed continuous cooperation and dialogues through the Thai-European Union Senior Officials' Meeting and Thailand-EU Working Group on Trade and Investment (or WGTI), both of which have been held for 16 times. In the most recent WGTI meeting, the two sides exchanged information and initiatives on various policy-related issues and reaffirmed the importance of working together to strengthen the bilateral trade and investment relationship.

4.48. Most recently, in December 2022, Thailand and the European Union have concluded and signed the "Framework Agreement on Comprehensive Partnership and Cooperation between the European Union and its Member States, on one part, and the Kingdom of Thailand, of the other Part" or "Partnership and Co-operation Agreement or PCA in short". The PCA is a reaffirmation of these growing links and marks a big step forward in Thailand-EU relations. The Agreement will give more scope for sectoral cooperation in a broad number of areas such as tourism, employment, education, transport, environment, and trade and industry such as automotive and parts, organic agri-business, and jewellery.

4.49. Thailand acknowledges and welcomes the European Union's long-standing efforts to uphold the open, inclusive, and rules-based multilateral trading system.

4.50. The European Union has played an active and indispensable role in all spheres of WTO discussions and negotiations in both multilateral and plurilateral fronts, notably in the areas of trade and environment, agriculture, joint statements initiatives, trade and gender, and trade and development where the European Union is one of the major donors for capacity building and technical assistance and, last but not least, its positive engagement and crucial contribution leading up to the success of the 12th Ministerial Conference.

4.51. Thailand applauds the contribution of the European Union in the reform of the WTO in all functions, including dispute settlement, negotiations and deliberation. In particular, we recognize the European Union's proposal on Reinforcing the Deliberative Function of the WTO to Respond to Global Trade Policy Challenges and appreciate the three areas in the proposal for further deliberation, namely trade policy and state intervention in support of industrial sectors, trade and global environmental challenges, and trade and inclusiveness. We are ready to work with the European Union and other Members to advance our mutual interest on this matter.

4.52. Thailand closely follows the European Union's new trade policy which seeks to promote more openness, sustainability, and to defend the European Union's interests and core values. In this regard, we strongly hope and are ready to work with the European Union to ensure that its new trade policies will remain non-discriminatory, cooperative, and supportive of the development of LDCs and developing countries.

4.53. Thailand takes note of the environmental policies and trade-related measures of the European Union, including the Carbon Border Adjustment Mechanism and the Fit-for-55 package, legislated as part of the European Green Deal. Although we value the European Union's constructive engagement in trade and environment in multiple WTO bodies and fully share the firm commitment of the European Union to addressing the pressing global issue of climate change, we are also concerned and believe that it is important to ensure that well-established international rules and principles, including the WTO's principle of Most-Favoured Nation and National Treatment obligations and the principles of "Common but Differentiated Responsibilities and Respective Capabilities", firmly enshrined in the Paris Agreement and the UNFCCC, are respected.

4.54. On agriculture, Thailand recognizes the European Union's effort to reform its Common Agricultural Policy and welcomes its application in January this year. We hope that, with this new CAP, the European Union can achieve greater market orientation and significant reduction of distortions to international trade. We also note that agricultural sector of the European Union remains highly protected with high and complex tariffs. We, therefore, encourage the European Union to further improve the market access of its agricultural sector.

4.55. In this review, Thailand submitted questions to the European Union regarding various aspects of its trade and economic policies. We thank the European Union for responding to our questions.

4.56. In closing, Thailand appreciates the opportunity to participate in the 15th Trade Policy Review of the European Union today. We would also like to commend the able leadership of Ambassador João Aguiar Machado and his team in Geneva. We are thankful of the corporation between our two missions and wish the European Union every success in its 15th Trade Policy Review.

AUSTRALIA

4.57. Australia is pleased to participate in this 15th Trade Policy Review of the European Union and thanks the EU and the Secretariat for their comprehensive reports.

4.58. Australia and the EU have a significant relationship built on shared values, a commitment to the rules-based order, human rights and multilateralism, as well as significant economic, trade and investment ties.

4.59. Australia has welcomed EU leadership in holding the Russian Federation to account for its illegal invasion of Ukraine. The Russian Federation's continued unilateral, illegal, and immoral aggression against the people of Ukraine remains a gross violation of international law.

4.60. We share a strong interest in an effective rules-based global trading system, with the WTO at its core. Australia greatly values EU leadership within the WTO and the EU's commitment to continue

working with others to achieve broad-based, tangible outcomes. We believe we share the EU's view that global trade rules can and must help WTO Members address current and emerging challenges, such as the imperative to reduce greenhouse gas emissions and the development of sustainable, market-based approaches to promoting economic growth and resilience.

4.61. A major WTO reform priority shared by Australia and the EU is to achieve a fully functioning Dispute Settlement System by 2024, in line with the mandate from the WTO's 12th Ministerial Conference (MC12). We are pleased to work closely with the EU in the informal dispute settlement reform process and appreciate our close collaboration on the Multi-Party Interim Appeal Arbitration Arrangement (MPIA).

4.62. We value the EU's leadership on the broader WTO reform agenda, including its efforts to reinvigorate the deliberative function. We have welcomed early EU engagement with Australia's proposal to reform WTO Ministerial Conferences and look forward to further discussions to progress the EU's important contribution on revitalizing the WTO's deliberative function.

4.63. Australia has welcomed significant EU contributions to new rulemaking efforts, including the Joint Statements on Services Domestic Regulation and E-Commerce. Such open, transparent plurilaterals can help ensure that the WTO remains responsive to modern trade realities.

4.64. The EU is in a position to show more leadership on agriculture, given its reforms to its own subsidy regime. We would welcome the EU's leadership in advancing reforms to domestic support, in order to promote food security and help address the negative environmental impact of such subsidies. The Cairns Group is committed to working with all Members to reform trade-distorting domestic support in particular.

4.65. Australia and the EU share the view that trade has an important role in contributing to environmental outcomes. We are both committed to advancing trade and environment discussions, both through WTO fora and the newly established Coalition of Trade Ministers on Climate. Australia recognizes the importance of tackling carbon leakage globally and acknowledges EU efforts to discuss with Members its recently approved Carbon Border Adjustment Mechanism (CBAM). We look forward to continued cooperation with the EU to ensure that domestic environmental sustainability measures are science- and evidence-based and the least trade restrictive possible.

4.66. We welcome improvements to the EU's internal market outlined in the new Single Market Strategy to the extent that these deliver positive impacts for the global trading system. We encourage the EU to continue deepening the Single Market in ways that do not establish greater barriers for third countries seeking access to the EU but instead reduce them.

4.67. The EU is one of Australia's largest trading partners and a significant source of investment. The Australian Government is committed to concluding a comprehensive and ambitious Australia-EU free trade agreement to strengthen these links further. We welcome progress so far and look forward to finalizing a deal that delivers for both parties.

4.68. As we have seen in the three years since the EU's last TPR, developments such as pandemics, conflict, natural disasters, and global economic downturns can put stress on the rules-based order. As Australia and the EU have committed, it is critical that we continue to invest in the health and relevance of multilateral institutions such as the WTO.

4.69. Australia wishes the European Union a successful Trade Policy Review.

JAPAN

4.70. First of all, Japan warmly welcomes the delegation of the European Union, headed by Mrs Sabine Weyand, Director-General for Trade, European Commission. We also thank the WTO Secretariat in preparing the comprehensive reports for today's review and the discussant, Ambassador Pimchanok Pitfield for her insightful comments. Japan would also like to express our special appreciation to Ambassador João Aguiar Machado and his delegation for ongoing contribution to this Organization and would like to say again *Arigato* for Ambassador João Aguiar Machado for serving as the discussant for Japan's most recent TPR in March this year.

4.71. As one of the world's largest economies, the EU is a vital global partner for Japan and we highly value our many years of close dialogue and cooperation at the multilateral and bilateral levels. This alliance becomes all the more important under the current severe geopolitical circumstances, especially unlawful Russian aggression to Ukraine.

4.72. In the broader context, Japan appreciates that the EU has contributed to upholding and strengthening the multilateral trading system through its active engagements in the WTO. In particular, Japan commends the EU's leadership in MC12 negotiations such as the WTO response to the COVID-19 pandemic. For WTO Dispute Settlement Reform, noting the EU's commendable engagement in this area, we look forward to working together in advancing the current informal session for the text-based discussion after the summer break. We are also pleased to acknowledge the EU's efforts to promote transparency—as pointed out in the Secretariat's Report, these efforts have been exemplified by the EU's submission of a large number of notifications. Moreover, the EU has also been actively contributing to the regular activities of the WTO by proposing useful and concrete ideas in many areas.

4.73. Noting the significance of the TPR of the EU, in addition to the written questions, I would like to take this opportunity to highlight a few points.

4.74. First, on WTO reform, I would like to touch upon the EU's efforts for WTO reform. As stated in Paragraph 3 of the MC12 outcome document, Japan would like to cooperate with the EU in the run up to the next Ministerial Conference. In this regard, we believe that the three areas proposed by the EU in the recent discussions, particularly state intervention in support of industrial sectors, accurately capture the challenges posed by the current global economic situation; it is therefore meaningful to advance these discussions ahead of the MC13 and toward the 14th.

4.75. On trade and environment, as for the efforts made by the EU in response to current global challenges such as the environment and digital issues, we recognize the EU's active contribution as a co-sponsor to the TESSD and other initiatives. In addition to this, the EU led the establishment of the Coalition of Trade Ministers on Climate as a co-lead. In order to address climate change, Japan will work together with the EU to promote climate-focused trade policies. As for other trade and environment related efforts, the EU has been voluntarily explaining its measures such as the Green Deal in the CTE. From the perspective of transparency, we commend its efforts to respond to questions from other WTO Members.

4.76. We greatly welcome the launch of the Japan-EU Digital Partnership at the Japan-EU Summit in May 2022. The Partnership is a framework to take our relations in the digital field to a higher level, and we hope to make steady progress.

4.77. In the area of personal data protection, Japan welcomes the recent joint review of the mutual adequacy arrangement, which has reaffirmed the high standard of personal data and privacy protection systems between both Japan and the EU. As demonstrated by the successful conclusion of this first review, we look forward to continuing to deepen our bilateral cooperation on the protection of personal information.

4.78. Turning to the Cyber Resilience Act, we would like to seek clarification on the scope of "critical products containing digital elements" for which third-party conformity assessment is required, as well as the relationship with relevant regulations being developed in the EU. We also believe that considering the utilization of existing international standards and mutual compatibility with similar systems will be beneficial and Japan hopes this exercise will be ensured through the exchange of information with other countries including Japan.

4.79. In addition, since the NIS2 covers a wide range of industries, we hope that more specific guidance will be provided on the requirements to be complied with by the target industries before the regulation comes into effect in October 2024.

4.80. Finally, we would like to address another important area: intellectual property. Until recently, each EU member State had administered different patent systems. Nevertheless, we welcome the launch of the Single European Patent System and the Unified Patent Court System on 1 June of this year. In this respect, we appreciate the EU's efforts to ensure the appropriate operation of the unified

patent system and to reduce the burden on its users. We also hope that sufficient information will be provided to them on how to use the system.

4.81. To conclude, Japan and the EU share our strong commitment on maintaining free and open trade, securing a level playing field, and addressing non-market and unfair trade practices. As reaffirmed at the most recent G7 Summit in Hiroshima, Japan will continue to work together with the EU and its member States to facilitate trade and promote economic resilience, based on the rules-based multilateral trading system with the WTO at its core.

4.82. We would like to thank the EU for providing answers to our written questions and wish the EU a successful and productive 15th Trade Policy Review.

SINGAPORE

4.83. The Singapore delegation warmly welcomes Director-General for Trade of the European Commission, Sabine Weyand, and the EU delegation to Geneva. We would like to express our appreciation to the EU for the comprehensive Government Report and statement. We also thank the Chair, Ambassador Saqer Abdullah Almoqbel and the discussant, Ambassador Pimchanok Pitfield, for their insightful statements and the Secretariat for its detailed Report. Allow me to make three points.

4.84. First, Singapore and the EU share a steadfast and longstanding relationship that is underpinned by robust, multi-faceted and forward-looking cooperation in a wide range of areas. The EU is Singapore's fifth largest trading partner for goods, and second largest trading partner for services. In 2022, our total goods trade was USD 113.5 billion, which represents a 11.3% increase from 2021. In turn, Singapore is the EU's largest trading partner in ASEAN and Singapore is proud to be the first ASEAN member State to sign an FTA with the EU which entered into force in 2019. The comprehensive EU-Singapore FTA (or EUSFTA) has delivered significant tangible benefits to our consumers and businesses. Since its entry into force, annual merchandise trade between the EU and Singapore has grown by 22% and services trade has grown by 12.1% from 2019 to 2021. It is also worth highlighting that the EU-Singapore FTA is the first one for Singapore that includes a dedicated Chapter on Trade and Sustainable Development, which reflects the progressive and forward-looking character of Singapore-EU relations.

4.85. In this context, Singapore and the EU are equally invested in future-proofing our economies, particularly in the face of rapid digital transformation. Hence, Singapore and the EU signed the EU-Singapore Digital Partnership in February this year. This Partnership underscored our mutual commitment to promote an open, fair, and competitive digital ecosystem and includes cooperation in emerging areas such as artificial intelligence and digital identities.

4.86. Second, as one of the top three economies in the world accounting for 16.2% of total world trade, the EU's trade policies have far-reaching impact on its trading partners and the global economy. For example, the EU's policy initiatives such as the European Green Deal and Foreign Subsidies Regulations will impact its trading partners. It is concerning that the Global Trade Alert has reported that out of the EU's 8,014 commercial policy measures currently in force, 96% would cause the EU's trading partners to become less competitive. For small countries like Singapore, it is extremely important that the EU ensures that its trade policies are consistent with WTO rules and reinforce the multilateral trading system. While we appreciate the EU's efforts to be transparent, it is equally important that the EU takes Members' views and concerns into account in the implementation of these measures, and align them with our shared objective of strengthening the rules-based multilateral trading system. Singapore looks forward to working closely with the EU in this area.

4.87. Third, Singapore commends the EU's active and constructive role at the WTO. The smooth and efficient functioning of the EU is underpinned by trust and cooperation among its 27 member States, which has enabled the EU to be greater than the sum of its parts. Likewise, the WTO needs all its 164 Members to be aligned in pursuing the common goal of strengthening the rules-based multilateral trading system. In this connection, the EU has "walked the talk. In particular, Singapore appreciates the EU's contributions in the JSI on E-Commerce and we count on the EU's continued support so that we can achieve our collective target of substantial conclusion by end 2023. The EU's initiative to establish the MPIA, following the paralysis of the Appellate Body, is another illustration

of its leadership in the WTO. Singapore is committed to work closely with the EU and other MPIA Members to achieve the MC12 mandate of "having a fully and well-functioning Dispute Settlement System accessible to all Members by 2024".

4.88. In closing, allow me to quote a founding father of the EU, Jean Monnet, who eloquently said that "nothing is possible without men, but nothing lasts without institutions". Singapore will work closely with the EU and all Members to ensure that the WTO remains relevant and continues to generate concrete benefits for its Members.

4.89. Finally, I must acknowledge the active, constructive, and valuable role that my good friend Ambassador João Aguiar Machado has played, as well as the significant contributions of his excellent team at the EU Mission in Geneva. We wish the EU a very successful 15th Trade Policy Review.

SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU

4.90. On behalf of the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu, I would like to extend my warm welcome to the EU delegation, led by Director-General for Trade, Mrs Sabine Weyand, for its 15th Trade Policy Review. I would also like to express our sincere thanks to the Chair and to the discussant, Ambassador Pimchanok Pitfield, for her in-depth introduction, as well as the WTO Secretariat for their hard work in preparing the reports.

4.91. Let me start by commending the EU and its member States for the great efforts in supporting Ukraine to resist unjustifiable invasion. I also like to recognize EU's economy being always robust and stable, even it has experienced the COVID-19 pandemic and the war in Ukraine. It is notable of EU's reform of its economic governance framework. It is also important for Members to note the adoption of the European Green Deal, a Europe fit for the digital age and a new political agenda to reinforce the European Union's global influence. These will have profound implications for international trade and economy.

4.92. The background and causes of adopting the environmental related policies are understandable and should be appreciated. However, many uncertainties potentially caused by the Carbon Border Adjustment Mechanism (CBAM), green taxation, and green government procurement need to be carefully addressed at the WTO.

4.93. On its role at the WTO, EU remains one of the most active and leading Members supporting open, inclusive, and sustainable multilateral trading system and making efforts to improve the operation of the Organization. On many issues, we share the same views with the EU and work closely with colleagues from the EU. In this regard, we would like to take this opportunity to acknowledge the EU Mission in Geneva, headed by Ambassador João Aguiar Machado, for its efforts. We expect that EU continues taking the leading role in promoting WTO reforms on many important issues. We will work closely with EU to help improve the WTO.

4.94. On the bilateral front, we have strong economic ties with the EU for decades. The EU is our fourth largest trading partner and largest source of foreign investment. Last year, the value of bilateral trade between us amounted to USD 75 billion, increasing for 9.46% compared with the previous year. Earlier this year, both sides held a Trade and Investment Dialogue, which was a useful event to allow the parties engaging in in-depth exchanges on important issues, including strategic trade and investment security, offshore wind power investment, development of electric buses, and cooperation on concrete digital trade facilitation project. We believe our economic relations can be further enhanced by more interactive exchanges and cooperations of similar type.

4.95. Having said the above, we like to remind, as indicated above, that the potential impact and concerns of the CBAM need to be eased, not only at the multilateral level, but also at the bilateral level for our export. Another concern relates to Temporary Crisis and Transition Framework (TCTF), where more detail is required. In particular, we would like to learn how TCTF will affect the EU's production and trade and how EU will avoid global subsidy race.

4.96. We wish the EU a successful 15th Trade Policy Review.

NORWAY

4.97. Norway would like to join others in welcoming Sabine Weyand and the delegation from the European Union to this 15th Review of EU's trade policy and we thank the Secretariat and the EU for their reports.

4.98. Let me start by saying that The EU and Norway enjoy a particularly strong relationship as neighbours, partners, and allies. We share the same values which also are reflected in positions we take in the WTO, including our wish for transparency and openness and engagement with stakeholders. More particularly on trade, Norway and the EU have invested in a strong relationship that benefits both parties. The EEA Agreement ensures that we share a common set of rules with our most important trading partners and is the cornerstone of Norway's relationship with the EU.

4.99. We note with great interest the EU's increased ability to respond quickly to global and geopolitical developments, with concrete actions and instruments. Norway is part of the EU's internal market, and to ensure its level playing field and resilience is equally important for us.

4.100. Norway values our close and longstanding cooperation with the EU in the WTO. The EU is a key player in shaping the multilateral trading system. We appreciate the EU's active engagement to strengthen and modernize the WTO through various reform initiatives and in ongoing negotiation processes.

4.101. Let me in this context highlight the trade and health initiative in response to the pandemic, the establishment of the MPIA as a response to the Appellate Body crisis, and the recent proposals to strengthen the deliberative function as an important element of WTO reform. We recognize the EU's efforts to prevent a subsidies war, and in this context the need for the WTO to take action to address the demand for new rules.

4.102. I would also like to commend the EU for its active role in the various plurilateral initiatives, in particular on domestic regulations in services trade. The EU's active engagement in the plurilateral negotiations on e-commerce, which represents a key opportunity to update the rulebook and address the opportunities and challenges of the digital economy, has been and is an important force moving us forward.

4.103. The EU is also an important participant in the ongoing fisheries subsidies negotiations in the WTO. To prohibit certain forms of subsidies that contribute to overcapacity and overfishing is the most important part of the mandate of SDG 14.6. These negotiations must lead to real reductions in global fisheries subsidies. Norway expects major subsidizers and big fishing nations to make the strongest commitments to reduce harmful fisheries subsidies. We encourage the EU to indicate how it will contribute accordingly.

4.104. We commend the EU for its leadership in the green transition. If anything, your already high ambitions seem to increase as multiple challenges continue to face Europe and the world. We stand with you in this.

4.105. We cooperate to meet our climate targets. And we recently established a Green Alliance, preparing the ground for further cooperation on climate, the environment, energy, and green industrial transition.

4.106. Together, we will build a more secure, smarter, and greener future, while safeguarding open and rules-based trade and the integrity of the internal market which has served us all so well for the past three decades.

4.107. In closing, I would like to say that Norway is looking forward to continuing the close cooperation on trade related issues, including on how to strengthen and modernize the WTO.

ECUADOR

4.108. My delegation would like to begin by thanking the European Union and the Secretariat for the reports that have been presented, and for the EU's replies to the Members of our Organization. We also acknowledge the presentation given by Ambassador Pimchanok Pitfield, the discussant in this exercise.

4.109. I would like to extend a welcome to the delegation of the European Union, led by Ms Sabine Weyand, Director-General for Trade at the European Commission. Warmest greetings also to my colleague João Aguiar Machado and the members of the European representation at Geneva; we appreciate their professionalism and have a dynamic, fruitful working relationship.

4.110. Along with other nations, Ecuador and the European Union share a common interest in promoting a multilateral agenda that contributes to peace, sustainable development and cooperation in the world. The WTO is an essential Organization for achieving those aims in the field of trade.

4.111. The EU is one of Ecuador's most important trading partners and a multilateral agreement is in force between us, to which Colombia and Peru are also Parties. We have a fruitful relationship with the countries of the Union in other areas apart from trade.

4.112. Ecuador and the EU are committed to protect the environment and combat the climate crisis. At the WTO we are party to initiatives that create spaces with an emphasis on trade and sustainable development, for example the Trade and Environmental Sustainability Structured Discussions and the Informal Dialogue on Plastics Pollution. Additionally, together with Kenya and New Zealand, Ecuador and the EU have pushed for the establishment of the coalition of trade ministers on climate issues. In that regard, and given that the initiatives I am referring to are led by WTO Members, allow me to take this opportunity to call on the EU to include consideration of the specificities of developing countries as part of discussions on the e-commerce initiative.

4.113. Ecuador is pleased to have reached agreement with the EU and other Members of the WTO on efforts to mainstream gender into our Organization's work, bolster the economic and commercial role of MSMEs and construct mechanisms to facilitate the promotion of investment for development.

4.114. Additionally, we agree with the EU on the need to have a fully functioning Dispute Settlement Body with appropriate appeal mechanisms in order to consolidate effective implementation of the multilateral trading system. Until these essential WTO tools are restored, we will be party to the Multi-Party Interim Appeal Arbitration Arrangement pursuant to Article 25 of the DSU, known as the MPIA.

4.115. Since 2017 when the Multiparty Trade Agreement entered into force, access to the European market for Ecuadorian products has improved markedly, especially for agricultural and fisheries products. Similarly, products of European origin have been able to enter our country under the agreed specific tariff conditions. Prominent among the products we purchase from the EU are medicinal products, vaccines, heavy and light vehicles, parts for machinery and agrochemical products.

4.116. Over the period 2020-21 the European Union became our country's primary investor. The main destination for inflows from Europe was the construction sector, followed by business services and manufacturing. Ecuador welcomes the confidence and engagement of European investors, who have also taken advantage of state policies to promote productive investment in our country.

4.117. There is always room for our trade to grow and improve utilizing the mechanisms provided under WTO Agreements, in particular with regard to technical barriers to trade, sanitary and phytosanitary measures and agriculture.

4.118. Drawing on the interest that we share with the EU in environmental protection and sustainable development, we are of the view that there is room for the Union to consider the concerns expressed by developing WTO Members, including Ecuador, on its environmental programmes and their impacts on our systems of production and, ironically, our own environmental, social and economic sustainability.

4.119. The different production and climate realities, vulnerabilities and objectives in the fight against poverty in Europe and the developing world, such as Latin America, call for coordinated analysis of European measures to conserve the environment and protect human health in order to prevent unintended consequences for trade that resemble non-tariff barriers.

4.120. Ecuador thanks the European Union for the responses to the questions it has raised and wishes the EU every success in the conduct and outcomes of this exercise.

HONG KONG, CHINA

4.121. I would like to start by welcoming the delegation of the European Union led by Mrs Sabine Weyand, Director-General for Trade of the European Commission. I would also thank Ambassador Pimchanok Pitfield of Thailand for serving as the discussant and the Secretariat for preparing the comprehensive Report.

4.122. The trade and economic relationship between Hong Kong, China (HKC) and the EU has continued to remain strong over the years, as evident in the high value of trade flow between us. In 2022, the EU was HKC's third largest trading partner, ninth largest domestic export market, second largest re-export market, and sixth largest supplier in merchandise trade. Our bilateral merchandise trade amounted to USD 67 billion in 2022, while bilateral services trade amounted to US 15 billion in 2021.

4.123. We highly appreciate the EU's unwavering commitment to strengthening the multilateral trading system and its longstanding constructive engagement in WTO's work on all fronts, including participation in the work on WTO response to COVID-19 pandemic and the Joint Statement Initiative on E-commerce. The EU's active role in driving WTO reform is commendable, ensuring the continued relevance of the WTO in our ever-changing global environment. We share the EU's view that having a fully and well-functioning Dispute Settlement System accessible to all by 2024 is critical and a top priority of the WTO, and HKC would work together with the EU and other Members towards a lasting multilateral solution.

4.124. We have the following observations on the EU's trade policy regime.

4.125. First, we recognize the EU's proactive participation in the Joint Statement Initiative on Investment Facilitation for Development. HKC will continue to work closely with the EU and other like-minded Members to finalize the substantive text negotiation before the summer break and participate in relevant outreach efforts to non-participants in the coming months.

4.126. We commend the EU for its exemplary efforts in trade facilitation. The EU not only actively implemented the Agreement on Trade Facilitation itself, but also provided supports to developing and least-developed country Members through grants, technical assistance, and capacity building. During the review period, the EU introduced customs flexibilities to address pandemic-related challenges and launched initiatives such as the Import One-Stop Shop to simplify procedures. We appreciate the EU's dedication to digitalizing customs processes and look forward to the upcoming implementation of its fully automated export procedures and exit formalities by the end of 2023.

4.127. Regarding tariff, we appreciate that the EU has bound all of its tariff lines and that the simple average applied rate stands at 6.5%, with a slight increased number of duty-free lines. However, we note that the proportion of non-*ad valorem* tariffs continue to account for about 10% of all tariff lines, and the agricultural sector continues to maintain high tariff levels and tariff peaks. We would encourage the EU to further liberalize its tariff regime on agricultural products and convert its non-*ad valorem* rates to *ad valorem* rates as far as possible to enhance their predictability.

4.128. On standards and other technical requirements, we note that the EU has identified standardization as a strategic tool for advancing its green, digital, industrial and trade strategies. While appreciating the objectives of these strategies, we would encourage the EU to consider other relevant international initiatives and the concerns of Members to guard against creating unnecessary technical trade barriers.

4.129. Lastly, on services, we are pleased to note the gradual relaxation of different restrictions over the years and the consistent improvements in the availability of electronic procedures in the EU.

We also appreciate the EU's efforts in trying to resolve the objections raised by some WTO Members in the certification procedure for the proposed improvements in Services Domestic Regulation by the JSI participants. We look forward to further facilitation for trade in services within the Single Market and continuation of the close cooperation in multilateral efforts to further liberalize services trade.

4.130. As we navigate the global economic challenges, we look forward to working closely with the EU to strengthen the multilateral trading system and drive WTO reform. Together, we can address pressing issues such as restoring a fully functioning Dispute Settlement System which is core to the security and predictability of the multilateral trading system. We thank the EU for their answers to our written questions and wish the EU a fruitful and successful Trade Policy Review.

RUSSIAN FEDERATION

4.131. To begin with, I would like to bring to the attention of the Membership the unfortunate trend of selective compliance with the WTO rules within the framework of the TPR exercise. We have always considered the EU to be a stalwart defender of the multilateral trading system. In fact, just this morning the head of the EU delegation reiterated support for and adherence to the rules and principles of the WTO. In practice, Brussels has chosen to succumb to political emotions and not answer a significant number of advance written questions. By doing so, the EU blatantly broke the rules of this Organization - an action that has no excuse. We find it highly regrettable that the EU has decided to kick off its TPR by discrediting itself and undermining its reputation of a reliable trading partner.

4.132. With this out of the way, let me now highlight Russian Federation's key concerns, which are reflected in our written questions:

4.133. The extreme focus of the EU's trade policy on sanctions is rather perplexing. Trade statistics prove that unilateral restrictive measures generate a "boomerang effect", affecting trade interests not only of sanctioned States, but also the economies of those who impose them. It is hard to understand the strange fondness for self-harm, developed by the EU, but even more so – the lack of care for the spill over effects on other WTO Members. Some of the direct costs from sanctions and respective global trade disruptions caused by the EU's actions include: skyrocketing commodity prices, rising inflation and mounting uncertainty, as well as food insecurity that has hit developing and least developed countries the most.

4.134. Sadly, my previous point serves as yet another example of EU's duplicity and use of double standards. Right in this very room the EU claimed that its sanctions "explicitly exclude food and foodstuffs", all the while knowing perfectly well that in reality it has created numerous barriers for Russian food exporters. Among them - blocked payments; endless restrictions and prohibitions in transportation and logistics; disruptions in the supply of agricultural machinery, etc.

4.135. On a similar note - the ongoing situation with the Black Sea Grain Initiative (the Grain Deal) is also rather worrisome. It would be interesting to hear the EU's explanation of the fact that its member States have turned out to be the main beneficiaries of the Grain Deal, instead of the least developed and economically vulnerable countries in food insecure regions that were supposed to benefit from grain supplies. Just think about this: countries that need them the most have received hardly anything - a little over 700,000 tonnes (or 2.5%) of the total amount of 30 million tonnes that have been moved from Ukrainian ports over the nine months. Compare this to almost 12 million tonnes that European countries got, which amounts to around 40% of the grand total (official data provided by the Joint Coordination Center).

4.136. Speaking more broadly, we regret the EU's recent shift to flagrant protectionism in the formulation of its trade policy. In particular, we would like to highlight the following measures:

- i. an anti-coercion instrument, which allows the EU to develop and implement unauthorized unilateral "anti-coercion" measures under the pretext of "national security", instead of resolving trade disputes in accordance with the WTO rules;
- ii. numerous policies introduced within the framework of the Green Deal, focused not on environmental protection, but rather on the acquisition of economic benefits through non-market tools, such as massive subsidies, bans and restrictions on the production

and circulation of various goods under the pretext of their non-environmental character;

- iii. import substitution policies, in particular in light of the EU Critical Raw Materials Act, pursued under the guise of "economic sovereignty";
- iv. the EU CBAM, which will not only become a new significant challenge for the exporters, but will also fundamentally challenge the structure of global goods flows and the state of competition in the worlds' largest markets;
- v. the EU's deforestation strategy and its' mandatory due diligence rules for all operators and traders which is a plain import restriction, preventing the exportation of products such as palm oil, beef, timber, coffee, cocoa, rubber, and soy into the EU market;
- vi. finally, the Global Arrangement on Sustainable Steel and Aluminium the legitimacy and compliance with the GATT 1994 and the Agreement on Safeguards of which is also under question.

4.137. These are just some of the worrisome elements of the EU's trade policy in recent years. I would like to end my statement by expressing hope that in time the EU will come to reason and abandon its attempts to unilaterally impose its will on others. After all, sanctions and other forms of pressure were never an effective instrument to force sovereign States to change their decisions. Hopefully, the EU will choose the approaches that are indeed effective - constructive dialogue and cooperation, readiness to compromise and resolve differences.

4.138. I join others in wishing our once largest trading partner a successful Trade Policy Review.

CHINA

4.139. Let me first warmly welcome Director-General Sabine Weyand, and the delegation of EU to this Trade Policy Review. I would like to thank Chair and the Secretariat for their preparation of this TPR. My thanks also go to the discussant, Ambassador Pitfield for her insightful remarks. Please allow me to also express our sincere thanks to Ambassador Aguiar Machado for his personal efforts and contributions to this Organization.

4.140. As a key Member in the WTO, EU has played an important role, especially at a time when the WTO is facing unprecedented challenges. We appreciate its leadership in establishing the MPIA after the paralysis of Appellate Body. We also commend its active and constructive role in the WTO reform and JSI negotiations on Services Domestic Regulation, E-commerce, Investment Facilitation for Development, and its engagements with non-participants. EU's contribution to the successful MC12 is highly appreciated. We look forward to EU's continuing leadership in the run up to MC13.

4.141. More broadly, as economic globalization is facing headwinds, and when trade has been politicized and weaponized, the strategic autonomy is crucial to a member like EU and we appreciate EU's efforts in this regard.

4.142. While China would like to join others to commend EU for its leadership in upholding the multilateral trading system, we would like to express our concerns on some trade and trade-related policies recently taken by EU, which we believe have deviated from agreed international principles and rules, including those in the WTO.

4.143. We share those concerns expressed both in this TPR and relevant WTO bodies over the increasing measures by EU on climate change. We fully understand EU's environmental objective and appreciate its efforts. It is believed when such measures are taken, they should abide by international rules, including UN and WTO principles and agreements. They should not undermine the rights and benefits of others, especially those of developing Members. However, it is regrettable to see the measures taken by EU, such as CBAM, failed to follow the basic principles under the UNFCCC and Paris Agreements, as well as the WTO rules. In fact, such measures would discriminate against imported products and restrict market access, especially to those from developing Members. According to the latest study by the African Climate Foundation, CBAM will cause an annual loss of USD 25 billion for African countries. EU Net-Zero Industry Act also limits the market share of

net-zero products from third parties, which runs counter to the market principles and the basic rules of multilateral trading system.

4.144. We also note with regret that EU has increasingly enhanced its defensive economic and trade instruments, which are unfair and inconsistent with WTO rules. We are severely concerned of certain new EU policy tools which could result in serious ramification to the international trade, global supply chain and the WTO. Here, I just name some of them. Deviating from WTO rules in trade remedy practices by creating new concepts, such as "transnational subsidies"; introducing unjustified and discriminatory foreign investment review system, even taking measures to restrict investments from specific enterprises of certain Members; imposing quantitative restrictions on imports from other Members such as its Critical Raw Materials Act; granting substantial amount of industrial subsidies and expanding "export control measures", such as the European Chips Act; and legitimizing its unilateral trade actions through its Foreign Subsidies Regulation.

4.145. The EU statement acknowledges that "today's challenges require more rather than less global cooperation". China fully agrees with this. To achieve climate goals and address economic and trade concerns, more dialogues and cooperation are needed. However, such dialogue and cooperation shall never be in a way against third parties, nor use so-called defensive tools to replace dialogue and cooperation. We believe EU, which has made enormous efforts to safeguard the multilateral trading system, could well recognize the potential threats of its recent actions to this system. We, therefore, request EU to be prudent and refrain from developing and implementing such measures. Moreover, we expect EU to continue to be the one that plays the leading role in defending the multilateral trading system.

4.146. This year marks the 20th anniversary of the China-EU Comprehensive Strategic Partnership. The two sides are the second largest trading partners to each other. Last year, the bilateral trade hit a new record of USD 847.3 billion. This means, every minute, over USD 1.6 million worth of goods and services are traded between China and the EU on average. The two-way investment is also expanding. In 2022, the EU's investment to China increased rapidly by 97% to USD 10 billion; 350 products were added to the new list of Geographical Indications (GIs) under the bilateral Agreement. Tokaj wine from Hungary, Baileys cream from Ireland, and aceto balsamico di Modena from Italy have all become very popular products for Chinese consumers.

4.147. In concluding, I want to highlight that China and EU share many commonalities. We are both strong supporters of the multilateral trading system and are working hard to revitalize the WTO. We also share many common ideas, such as openness and green development. We are looking forward to deepening the dialogue and cooperation with EU in the fight against global challenges while safeguarding the multilateral trading system.

4.148. Finally, we thank EU for providing replies to our advance questions. I wish the TPR of the EU a full success and the delegation of the EU a good stay in Geneva.

COLOMBIA

4.149. My delegation welcomes Sabine Weyand, Ambassador Aguiar Machado, Deputy Representative Hiddo Houben and the delegation of the European Union from Brussels and Geneva, and wishes them every success in this Trade Policy Review. We appreciate the Government and Secretariat reports, and the prompt replies to the questions we raised. We are also grateful for the report by Ambassador Pimchanok Pitfield of Thailand, and the work of the Secretariat.

4.150. Colombia highly values its historical strategic partnership with the European Union, which spans areas as varied as strengthening democracy, peacebuilding, the fight against drug trafficking and, of course, promoting bilateral trade, to which end we have a free trade agreement that will already have been in force for 10 years in August.

4.151. At this Trade Policy Review, Colombia welcomes the fact that the European economy is growing. Growth in the European Union is always good news to exporters and producers all over the world. Additionally, we note the leading role the EU plays in the global economy and in particular its leadership role within the WTO through its proposals on many topics and the dynamic and constructive fashion in which it makes them.

4.152. We would very much like to refer to a number of issues and support some of the initiatives for negotiation and reform proposed by the European Union in respect of the WTO, but today, on this occasion, when we are focused more particularly on its current trade policies, I would prefer instead to express Colombia's concerns at the significant, unrelenting rise in various trade-distorting measures that affect or threaten to affect Colombian exports. We will focus on two aspects only: first, certain elements of the Green Deal. Secondly, the levels of subsidies provided in the European Union. Finally we will close with a series of observations on the future of the multilateral trading system and the role of one of its main drivers – the European Union.

4.153. First, certain elements of the Green Deal. Some of the measures under the Green Deal, which we understand as an umbrella covering measures such as "From Farm to Fork", the Carbon Border Adjustment Mechanism (CBAM), measures that link trade to deforestation, certain directives on transport, due diligence requirements and others, all affect or threaten to affect our participation in international trade. Each of these measures taken individually, let alone as a set, builds an ever-growing rampart against imports and significantly and disproportionately affects countries that are dependent on agricultural exports.

4.154. Traditional remedies, namely anti-dumping, countervailing duties and safeguards, are heavily used by the European Union; in our view, this approach is proper and even desirable. However, in various elements of the Green Deal we see growing, repeated recourse to non-traditional remedies, adjustment mechanisms, "mirror" mechanisms, and measures that are typically difficult to define but that have equivalent effects to traditional remedies. Moreover, this growing package of measures is consistently based on internal rather than multilateral provisions, justified under ever more extensive and varied objectives (combining the environment, health, safety, resilience, etc.) and associated increasingly with defending measures that are introduced by way of "exemptions" rather than by way of the multilateral rules.

4.155. In that connection, we would draw attention to a critical point in these measures, namely criteria for exempting certain EU producers from the Green Deal measures. Indeed, all the measures are associated with exemption regimes that apply only to EU producers. For example, the European rules on Maximum Residue Limits for agricultural products include exemptions that can be used only by European producers. Take another example: the measures on biofuels in the transport sector exclude biofuels produced in Europe. The criteria could even be in conflict with the multilateral principles of non-discrimination or most favoured nation treatment.

4.156. Furthermore, we are concerned that although there are many forms of environmental strategies that the European Union has full discretion to select, it has chosen strategies whose costs are borne by other parties, often developing countries. Thus, faced with the list of options available for capping emissions, from fossil fuels to aviation, domestic consumption, etc. a significant share of the measures under the Green Deal umbrella would appear to shift the bulk of the burden to cuts and adjustments implemented by others.

4.157. We call on the European Union to build the elements of the Green Deal in full compliance with WTO rules rather than by way of exemptions. The construction of the Green Deal and its elements cannot continue on a unilateral basis, therefore we call on the European Union to establish a procedure for cooperation that shares the costs of achieving its goals in an equitable manner that respects sovereignty, differing geographical conditions and the variety of means by which each of our countries can achieve its own aims. A constructive policy scenario is achievable, but the growing number of unilateral measures threatens to shatter our collective purposes and the multilateral rules.

4.158. The second point, linked of course to the first, is that we are concerned by the growth in the levels of European Union subsidies in recent years. The costs that should be borne by European sectors under the Green Deal and other measures are rapidly offset by subsidies. Since 2018, large sums have been injected into agriculture under the Common Agricultural Policy. They are troubling given that the most important objectives of the WTO Agriculture Agreement are to minimize distortions in international markets and prevent damage to industries in other countries. Where industry is concerned, the levels of the new subsidies announced for cleaner energy and production projects (many of them in response to subsidies in other economies) are unprecedented.

4.159. These substantial incentives affect our ability to compete and develop a sustainable agricultural or industrial sector. Colombia is more concerned about this new race for subsidies and aggressive industrial policies by larger economies: a middle-income country with limited fiscal space, such as Colombia, can neither compete nor prosper under such unequal conditions. Small and medium-sized countries like ours can only ever come off badly in this situation. It is also in the larger economies' own interests to regulate subsidy proliferation. One of the objectives of trade rules is to establish a level playing field and promote competitiveness.

4.160. In short, the combination of higher and higher barriers to trade, often with exemptions available only to those on the inside, and the proliferation of subsidies as the ultimate adjustment mechanism is a matter of extreme concern. This Trade Policy Review is an important opportunity to note that in our view these two pillars of European trade policy are incompatible both with a competitive, level playing field for world trade and with the expectations of those Members who nailed their trade negotiations to the mast of access to the European market.

4.161. The European Union has traditionally been a driving force in the multilateral trading system and has played a prominent leadership role in this Organization. In view of the current systemic challenges and opportunities, the European Union is a beacon of ideas and proposals to improve, strengthen and end the impasse within this Organization. However, these very valuable efforts that bring advantages to us all should not be tainted by new barriers, trade imbalance, the absence of a level playing field and the erosion of multilateral rules.

4.162. In calling on the EU to redouble its efforts to maintain its defence and full implementation of multilateralism at the WTO, we wish the delegation of the EU a successful Trade Policy Review. Colombia is open to continuing, deepening, and strengthening its strategic trade relationship and wishes to acknowledge the excellent working relationship between the two missions in Geneva.

ISRAEL

4.163. Chair, Israel would like to thank you, the discussant H.E. Ambassador Pimchanok Pitfield of Thailand, EU Ambassador Aguiar Machado, and the Secretariat for the comprehensive reports. Israel also welcomes Sabine Weyand, Director-General, Directorate-General for Trade, from the European Commission, as the Head of Delegation.

4.164. Israel and the EU have had broad close relations extending beyond trade for many decades. But specifically, in trade, it is worth pointing out that Israel signed its first Free Trade Agreement with the EU way back in July 1975.

4.165. For Israel, as is the case for many other Members, the EU is a crucial economic ally. This is due to our strong bilateral ties but also because the EU plays a leading role here at the WTO.

4.166. Since the last Review, the EU has been marked by a significant change in priorities, primarily exemplified by the European Green Deal, to name just one. Another example is the EU's leading role in regulating the digital age, to name another example. These developments are essential for Israel because they impact many trade and investment policies.

4.167. The EU is Israel's biggest trade partner. In 2022, Israel's exports of goods to the EU amounted to around USD 16.6 billion, while Israel's imports from the EU amounted to around USD 25.9 billion.

4.168. When it comes to business services, 2021 and 2022 saw a stable growth trend in Israel's and the EU's exports.

4.169. We want to highlight that our relationship is also characterized by strong scientific and academic ties and solid technological cooperation, epitomized by Israel's association to Horizon Europe, the EU's funding programme for research and innovation.

4.170. On the multilateral front, the EU's active participation and leadership remain vital for this Organization. Israel appreciates the EU's constructive role across the various topics we are currently discussing. We want to note the EU's recent proposal on WTO reform. Israel has reviewed it, and we note some areas of convergence across some of the proposals Israel has co-sponsored. Israel is

confident that we can build on these commonalities, as the ultimate motivation behind them is similar, making our work at the WTO more effective and efficient. Israel looks forward to our continued dialogue leading to MC13.

4.171. In the plurilateral arena, Israel shares similar goals with the EU across various initiatives, namely Services Domestic Regulation and the Joint Statement Initiative on E-commerce. On Services Domestic Regulation, we look forward to the certification of schedules, which is bound to have significant benefits for the entire Membership.

4.172. On the E-commerce JSI, the negotiations have intensified in the last months, and we are gearing up to make substantial progress before the end of the year leading up to MC13.

4.173. During this exercise, Israel submitted various questions to the EU, we look forward to reviewing the replies carefully. Although we do not intend to address all the questions here, we would like to highlight some areas of interest for Israel during this period.

4.174. With regard to the European Green Deal, Israel has been closely following the process leading up to the establishment of the carbon border adjustment mechanism (EU CBAM), which was recently finalized. We will continue to monitor its implementation, noting that some key aspects relating to the functioning of the mechanism have been left to be defined at the implementation stage. We thus look forward to receiving further information from the EU in this respect.

4.175. Still under the European Green Deal umbrella, Israel seeks clarification on the EU's work relating to circular economy and setting eco-design requirements for products, most notably in terms of how the new requirements will tie-in with existing sector - or product - specific legislation, such as chemicals legislation.

4.176. Israel is interested in hearing from the EU how it plans to support businesses and third countries in understanding all these new requirements, so as to ensure their smooth and effective application, while also minimizing the resulting administrative burden and any negative impact on trade flows.

4.177. Israel also continues to watch closely developments regarding SPS measures, most notably the EU's decision to lower maximum residue levels (MRLs) due to environmental concerns. We remain concerned about the implementation of an SPS measure for an objective that – according to our understanding - does not fall within the remit of the Agreement.

4.178. Israel has been following the EU's ambitions in becoming a global leader in setting standards and norms for the digital economy. Efficiently supporting digital trade and innovation is key to addressing the rapid development of new technologies. We are therefore interested in obtaining clarifications on the EU's approach to regulating data flows through legislation, such as the Data Act, and how the EU plans on ensuring it fosters a competitive and accessible environment. Additionally, we hope to obtain further information and guidance regarding important changes the EU has made through its Digital Services Act.

4.179. The EU and Israel have a strong and dynamic ties when it comes to trade in Medical Devices. Israel hopes to see this trade continue to flourish and has therefore paid attention to the EU's gradual entry into force of its medical devices MDR & IVDR legislation and certain implementation challenges in this regard for both new and legacy products. We are interested to get a better understanding of how the EU intends to proceed to ensure that the new rules enable a smooth continuation of trade.

4.180. Finally, we would like to note the excellent work by the EU delegation, ably led by Ambassador Machado. Israel looks forward to continuing our fruitful working relationship with him and his team.

4.181. We wish the EU a very successful TPR.

BRUNEI DARUSSALAM

4.182. Brunei Darussalam joins others in warmly welcoming the delegation from the European Union led by H.E. Sabine Weyand, Director-General of the Directorate-General for Trade of the European Commission and associates itself with the ASEAN statement to be delivered by Indonesia.

4.183. We thank the EU and the WTO Secretariat for their comprehensive reports and H.E. Ambassador Pimchanok Pitfield of Thailand for her role as the discussant.

4.184. We welcome the expansion of cooperation between Brunei Darussalam and the EU since the establishment of our diplomatic relations on 18 July 2003. This includes the recently launched "Brunei Darussalam-EU Partnership Facility" that aims to promote two-way exchanges in the field of political affairs; economic cooperation; higher education and research; environment, climate and sustainable growth, among others.

4.185. Furthermore, we hope to improve our trade, which remains in favour of the EU where our main trade commodities include machinery; electrical and transport equipment; chemicals; foodstuff and beverages.

4.186. In a regional and multilateral context, we value our engagement with the EU in the various multilateral fora including ASEM and ASEAN. In 2022, we celebrated the 45th Anniversary of ASEAN-EU Dialogue Relations, which is a significant milestone, where our Leaders agreed to establish the ASEAN-EU Strategic Partnership that aims to increase the level of engagement across wide range of areas, including sustainable trade and investment and economic recovery.

4.187. While we note that the EU has established trade agreements with a number of ASEAN member States, we are interested to hear the EU's short and long-term plans in improving economic engagement with the wider ASEAN bloc in the absence of regional ASEAN-EU FTA.

4.188. Like others, we commend the EU for its continued commitment to rules-based multilateral trading system and the EU's active engagement in this Organization, particularly on WTO Reform and sustainability agenda.

4.189. We also commend the EU for setting out an ambitious and forward-looking 2021 trade strategy in responding to global challenges including on green and digital transitions. We appreciate the EU's effort in presenting some of these policies, such as the European Green Deal and the Carbon Border Adjustment Mechanism (CBAM), in the relevant WTO bodies and we look forward to learn more on the progress of their design and implementation, and how any adverse impacts on global trade and to Members could be avoided.

4.190. Brunei Darussalam has submitted several questions in relations to the reports by the EU and we thank them for their responses.

4.191. Finally, we would like to take this opportunity to wish the EU a successful 15th Trade Policy Review.

ARGENTINA

4.192. I extend a welcome to the delegation of the European Union, led by Ms Sabine Weyand, Director-General for Trade at the European Commission. Allow me also to thank Ambassador Pimchanok Pitfield of Thailand for her presentation.

4.193. The bilateral relationship between Argentina and the European Union is positive because the values and principles we share lie at the heart of both countries' agendas. The relationship is currently conducted under the Framework Agreement for Trade and Economic Cooperation formulated using "Political Dialogues". The Dialogues cover a broad range of topics such as human rights, gender, digital dialogue, science and technology, macroeconomic dialogue, dialogue on biotechnology as applied to agriculture and dialogue on energy.

4.194. Following the severe slow-down in the first year of the COVID-19 pandemic, bilateral trade between Argentina and the European Union bounced back strongly as of 2021, reaching USD 21,962 million in 2022 – a 29.2% rise on the prior year's figure. This is the highest level ever recorded for our bilateral trade with the EU. The trade balance between the two parties is in equilibrium.

4.195. Moving beyond the historically good performance in bilateral trade, there are opportunities to encourage the trading relationship and the flow of investments between both parties.

4.196. Argentina and the EU are working on two agreements of strategic importance to the global challenges we face: a Memorandum of Understanding on a Strategic Partnership on Sustainable Raw Materials Value Chains and a Memorandum of Understanding on energy cooperation, which we expect to finalize in the coming months.

4.197. Also under negotiation is the Agreement on Reciprocal Equivalences for Organic Production, which will replace the current unilateral equivalence scheme granted by the EU to Argentina, and will provide a framework for continuity and legal certainty for exports from various regional economies in my country.

4.198. On the bi-regional level involving EU and Latin America/the Caribbean, Argentina welcomes the reinvigoration of structured policy dialogue between the EU, Latin America and the Caribbean under the CELAC-EU mechanism. We are therefore particularly interested in the CELAC-EU Summit of Heads of State and Government to be held on 17 and 18 July 2023 in Brussels to strengthen the relationship between the EU and Latin America and the Caribbean in the new international environment.

4.199. Where MERCOSUR is concerned, Argentina is working actively with regional partners to achieve substantive progress during Argentina's Pro Tempore Presidency of MERCOSUR to reach an agreement that is mutually beneficial to the parties.

4.200. Argentina has an important environmental commitment and shares European concerns on climate change; in particular it shares the objective of sustainable food production, taking into account the current challenges involved in safeguarding food security in changing climatic conditions. We understand that within this framework it is vitally important to make progress in the long overdue reform of multilateral trade rules, having regard above all to the negative impact of agricultural subsidies on the environment, and the positive effect that reform will have on achieving sustainable development, trade and food security. Argentina is also paying close attention to the EU's regulatory work on environmental matters. Our export matrix to the community market means that our leading products are exposed to European market access restrictions as a result of European Green Deal policy instruments. In view of this, the new rules under the European Green Deal need to be consistent with the EU's WTO commitments and based on scientific evidence in order to ensure that the measures do not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade.

4.201. Argentina appreciates the European Union's contributions to the rules-based multilateral trading system and its active participation in the activities and bodies of the WTO. Like the EU, Argentina regards it as essential to re-establish a fully functioning and operational dispute settlement system as a binding mechanism that provides guarantees that current and future provisions will be respected.

4.202. We would like in particular to draw attention to the EU's leadership in the national regulation of services and its positive contribution to discussions on trade and gender, in particular the plan to develop a gender lens for WTO work.

4.203. Argentina thanks the EU for its replies to our questions relating to this Trade Policy Review, which will be carefully examined by our colleagues in Buenos Aires.

4.204. To conclude, while reiterating our appreciation of this renewed opportunity to exchange opinions and comments on the trade policies and practices of the European Union, we would like to draw attention once again to the importance of this exercise in transparency from every point of view, and to wish the authorities a successful conclusion to this review.

CHILE

4.205. We extend a warm welcome to the delegation of the European Union led by Sabine Weyand, Director-General for Trade at the European Commission.

4.206. We thank the European Union for its replies to our questions in this review, and the Secretariat for the report it has prepared for this exercise, and indeed Ambassador Ms Pimchanok Pitfield (Thailand) for her presentation as discussant.

4.207. We also extend special greetings to the Mission of the European Union to the WTO in Geneva led by Ambassador Aguiar Machado.

4.208. Generally speaking, in Chile, the European Union is perceived as a successful political project that has a sound economic foundation centred on cooperation whose main objective has been and continues to be ensuring peace and development.

4.209. Chile's relationship with the European Community goes back a long way. In 1963, the first agreement for scientific and technological cooperation was signed between Chile and the European Southern Observatory, providing a framework which to this day covers major space observation programmes based in Northern Chile.

4.210. This significant step paved the way for our political relationship with the then European Economic Community, which set up its Latin American Office in Santiago in 1964. Thereafter, our relationship progressed at various levels and was reaffirmed, first, through the third-generation Agreement signed in 1990, then the preparatory Agreement for the Strategic Partnership signed in 1996, and finally the Association Agreement of 2002.

4.211. This year, 2023, marked the 20th anniversary of the entry into force of the Association Agreement between Chile and the European Union giving rise to the development not only of close economic and trade relations between both markets but also of shared values including a commitment to democracy, world peace and security, human rights, open trade and multilateral cooperation.

4.212. Since the entry into force, economic and trade relations with the EU have developed in very positive fashion: the EU has become our fourth-largest trading partner and trade has doubled, growing at an average annual rate of 4.5%. This is chiefly the consequence of the progressive tariff-reduction process that concluded in 2013, encouraging greater diversity in the products, businesses and regional sources of our exports, with greater benefits in the fruit, wine and processed food sectors among others. Moreover, the EU is the leading investor in Chile, and accounts for 26% of total investment, thereby promoting employment and exports to third markets.

4.213. Since the signing of the Association Agreement, relations between Chile and the European Union have been strengthened through "Structured Dialogues". These are thematic cooperation frameworks for the development of common projects and the exchange of information and best practices in various domains, such as the environment, energy, ocean and fishery governance, SMEs, and human rights.

4.214. The political phase of modernizing the Chile-European Union Association Agreement concluded last December. This important achievement was the fruit of six years' hard work with our historically, the EU. We anticipate that the new agreement will be signed in late 2023.

4.215. The EU has also been a strategic partner in the work carried out both at the OECD and the in framework of the Pacific Alliance. Chile and the EU are facing new common challenges that give renewed impetus to the strategic aspect of Chile-EU relations, as reflected in the spirit of the current Association Agreement and its ongoing modernization.

4.216. Chile and the EU firmly support multilateralism and the role of the WTO. Where reform of the Organization is concerned, we agree that making progress in strengthening and modernizing the WTO in its three pillars is a priority. We thank the European Union for its proposal on deliberation and support for industry, sustainable development and inclusivity.

4.217. Within this framework, and in view of the priority that Chile affords to inclusive, sustainable trade, we regard the ideas for strengthening discussions in the Committee on Trade and Environment as interesting opportunities, given that environmental policies should be designed to meet environmental objectives and have the lowest possible impact on trade, while remaining consistent with WTO commitments and provisions. International trade can help to address the challenges of sustainability and the climate crisis, which require a coordinated multilateral response that includes speeding up knowledge spill-overs and dissemination of relevant technologies, incentivizing innovation and creating a less concentrated market in environmental goods and services. Similarly, the EU proposal on inclusivity provides an opportunity for the WTO also to consider how it and international trade can help to tackle the particular challenges faced by sectors that are under-represented in the global economy such as SMEs and women. Where the proposal on state support for industrial policies is concerned, Chile has spelled out its concern at the distortion that can be wrought on international trade by subsidies in agriculture or fisheries for example, and therefore we are in favour of an opportunity to have a wide-ranging discussion in this area, to include the industrial sector.

4.218. Likewise, discussions concerning disciplines on subsidies that contribute to overfishing and overcapacity provide an opportunity to make progress towards the sustainability objectives shared and pursued by Chile and the EU, and to strengthen the role of the multilateral trading system in overcoming the global challenges we face. Therefore we note the EU's readiness to reach consensus in this area before the 13th Ministerial Conference, and reaffirm the importance of disciplining subsidies that contribute to overfishing and overcapacity while taking appropriate account of the needs of developing Members.

4.219. On agriculture, we welcome the EU's commitment to improve aspects concerning notifications and transparency. Overall we are of the view that these efforts will be not be equal to the task unless they are supported by ambitious progress in agricultural reform as provided for in the Agriculture Agreement, in particular reducing the most distorting support within EU territory.

4.220. As regards the situation involving the DSB, we agree with the EU on the importance of having a fully operational system that is accessible to Members. Additionally, we both participate in the MPIA, which issued its first award in the dispute between Colombia and the EU, and in that regard we would note the role that both parties have in making the process a success. Likewise, our delegations are participating in the current informal discussions on a dispute settlement system with a view to achieving consensus that can have it up and running again as soon as possible.

4.221. Additionally, both Chile and the EU are active participants in joint initiatives in areas such as electronic commerce and investment facilitation for development, and in that regard, in my capacity as co-Coordinator I extend my thanks for the huge contribution the European Union has made to the process. We also agree on informal initiatives that seek to address current challenges from an international trade perspective such as environmental sustainability, the climate emergency and women's empowerment, as referred to previously.

4.222. We have submitted more than 20 questions for this Review on subjects such as trade and development, SME inclusion and female empowerment, trade and investment regimes, sanitary and phytosanitary measures, agriculture policy, fisheries, energy and services. We are grateful for the replies received, which we are processing with our technical teams.

4.223. In this respect we wish to note the resilience of the European Union which, despite having been affected by the economic ups and downs of the most recent period, has strong growth projections for 2023. We partly share its use of trade policy to promote universal values such as the right to legislate in areas of public interest.

4.224. Lastly, we wish the European Union a successful Trade Policy Review.

MAURITIUS

4.225. I make this statement on behalf of my Ambassador who is unfortunately not able to be personally present as we have a Ministerial delegation in Geneva. Unfortunately, as a small delegation, we often have to make hard choices, including when required to cover important meetings being held concurrently.

4.226. Mauritius would like to welcome the EU delegation led by H.E. Sabine Weyand, Director-General of DG Trade of the European Commission for the EU's 15th Trade Policy Review.

4.227. We thank the Secretariat and the European Union for their respective reports. We also thank Ambassador Pitfield for her insightful remarks as discussant for today's exercise.

4.228. We further thank the EU for the replies to our advance written questions. These replies are being studied by our colleagues in capital.

4.229. The EU remains a very important development partner for Mauritius and we thank them for the support they have provided over the years. We have read with much interest about the new trade strategy adopted by the EU to enhance its ability in playing a leadership role. A role based on the belief that addressing the multiple challenges we all face require global cooperation. We note with appreciation that for the EU, with a global trade share of around 17%, the multilateral trading system and the WTO remains at the centre of its trade policy.

4.230. We have all been successively subject to the negative impacts of the COVID-19 pandemic, and the ongoing geopolitical situations that have affected economies around the world, although at varying degrees. We congratulate the EU and its members for having taken appropriate policy actions, including the Next Generation Recovery Plan, to alleviate such impacts and to contain the downturn.

4.231. As a small island developing state that is highly reliant on external trade and the EU being one of our major trading partners, we would like to join the call by other developing economies, especially the smaller and vulnerable ones, as we face unprecedented economic and financial difficulties. The policies adopted and actions taken by the EU directly affects us – the external impact of EU internal policies can often be huge for small and vulnerable economies.

4.232. We, therefore, call on the EU and its members to comprehensively consider the implications of such policy actions on global trade, especially how the exports of small developing countries are affected and consequently constrain us in meeting our legitimate development objectives.

4.233. For instance, we acknowledge the need to adopt measures such as the CBAM or the EU regulation on deforestation to address challenges of climate change and environmental degradation. However, these should not become unduly trade restrictive. There should be a constructive dialogue with Members on how they can be supported, including through transfer of technology, to meet new standards that are reasonable.

4.234. Mauritius commends the EU for its active engagement in strengthening the principles of the multilateral trading system. We also acknowledge the need to reform the WTO – we need an Organization that is responsive to new challenges, ensures equity, caters for the differences in production and trading capacities of its Members, and provides for a rules-based, stable and predictable trading environment. The ultimate objective should be to help Members meet their development objectives. We look forward to working with our partners, including the EU, to restore a fully functional Dispute Settlement System, improve the negotiating function of the Organization, address the imbalance in the system such as the use of subsidies, including in agriculture and fisheries, and bring development to the centre.

4.235. We further note the proactive approach of the EU in the various Joint Statement Initiatives on Investment Facilitation, MSMEs, E-commerce and Services Domestic Regulation. Mauritius is also actively engaged in these discussions and we feel that it is important, at some stage, to assess the implications of these initiatives on small economies.

4.236. As said earlier, Mauritius and the EU enjoy excellent relations that have expanded and deepened over decades. We are confident that new dimensions will be added to our relations through the conclusion of a full Economic Partnership Agreement. An agreement that will respond to the development needs of the Eastern and Southern Africa countries and provide adequate policy space to develop our economies. In this regard, a development chapter that will provide for financial and non-financial support to implement the various commitments, including on sustainable development, will be crucial for the successful implementation of the agreement.

4.237. In conclusion, we would like to commend Ambassador Aguiar Machado and his team for their proactive role in Geneva and express our commitment to working with them in further strengthening our relations and cooperation with the EU both bilaterally and within the WTO framework.

4.238. We wish the European Union a successful Trade Policy Review.

NEW ZEALAND

4.239. New Zealand welcomes the EU delegation to Geneva, led by DG Trade Sabine Weyand. We also thank the discussant Ambassador Pitfield for her remarks, and to Ambassador Aguiar Machado and his team for all their work.

4.240. New Zealand has a strong, long-standing, and broad relationship with the European Union. We share a deep commitment to democracy, human rights, international citizenship, and the importance of the global rules-based system. We share many common values and approaches to free trade. We are both committed to institutions such as the World Trade Organization and the United Nations, which have helped to foster international rules and cooperation for decades.

4.241. As the third largest economy globally, and New Zealand's fourth largest trading partner, the EU is a significant and highly valued economic partner, and New Zealand takes an active interest in its trade and investment policy. Our relationship is reinforced by the Partnership Agreement on Relations and Cooperation, which entered into force in 2022,

4.242. In June 2022, New Zealand and the EU also concluded negotiations on a comprehensive and high-quality free trade agreement. The FTA will deliver important economic, commercial and broader benefits to consumers, small and large businesses, and farmers in New Zealand and in the EU as our economies deal with the ongoing impact of Russian Federation's illegal invasion of Ukraine, and the recovery from the COVID-19 pandemic. The FTA also contains ground-breaking outcomes to promote inclusive and sustainable trade, including on climate change, labour rights, harmful environmental subsidies, gender equity and a chapter to facilitate economic engagement between the EU and New Zealand's indigenous Maori. We look forward to signing and bringing the FTA into force as soon as possible.

4.243. For New Zealand, the WTO is of critical importance to protecting the rules-based international trading system. New Zealand looks to the EU as a champion of the multilateral trading system to continue its leadership to build consensus on our mutual WTO objectives, including the second wave of fisheries subsidies negotiations, concluding new rules in the E-commerce JSI and bringing into effect the Services Domestic Regulation JSI disciplines. The EU is a valued partner in efforts to progress contemporary issues, including support for a permanent moratorium on customs duties for electronic transmissions and to advance agriculture discussions. We appreciate the EU's leadership in supporting micro, small and medium sized enterprises and women's economic empowerment.

4.244. We welcome that, as a major international economic player committed to a rules-based international system, the EU sees a responsibility for leadership and constructive engagement across the suite of reform discussions, including a fully functioning dispute resolution mechanism by 2024.

4.245. On agriculture, New Zealand has previously expressed concerns about aspects of the EU's Common Agricultural Policy (CAP). New Zealand recognizes and commends the ongoing efforts of the EU to reform the CAP and joins others in encouraging the EU in the direction of greater market orientation and reduction of distortions to international trade.

4.246. New Zealand shares the EU's ambition to lift global sustainability and environmental standards in agricultural production. However, a proliferation of unilateral trade measures for environmental and sustainability purposes risks excluding third countries, slowing technological progress and shared learning, fragmenting food trade, and risks potentially perverse environmental and food security outcomes. New Zealand has questions about how the EU intends to ensure its policies support and strengthen the multilateral system, and is inclusive of third countries.

4.247. On climate, we have welcomed the opportunity to work with the EU, Kenya, and Ecuador on the establishment of the Trade Ministers on Climate. New Zealand commends the EU's efforts to

increase global mitigation ambition. We have asked if the EU has considered how the Carbon Border Adjustment Mechanism (CBAM) will interact with other plurilateral and multilateral initiatives to mitigate the risk of fragmented and competing global approaches to addressing the issue of carbon leakage.

4.248. In this review, New Zealand has encouraged the EU to provide further detail on how it intends to rationalize inefficient fossil-fuel subsidies that encourage wasteful consumption, so as to contribute to the reduction of greenhouse gas emissions and support renewable energy uptake. We also posed some questions around the EU's Deforestation Law, including how it will safeguard against negative consequences for the multilateral rules-based trading system arising from use of this instrument.

4.249. Finally, on fish, New Zealand commends the EU for its leadership in support of the Agreement on Fisheries Subsidies. We look forward to working constructively with the EU and other Members in establishing further disciplines in relation to overcapacity and overfishing. In this review, New Zealand has lodged questions regarding the European Maritime, Fisheries and Aquaculture Fund, including its consistency with both the Fisheries Subsidies Agreement and UN Sustainable Development Goal 14.6.

4.250. The preservation of a stable rules-based international trading environment is of fundamental interest to New Zealand. We note the importance of the European Union – as one of the world's largest economies - maintaining and continuing to strengthen its broadly open and market-orientated approach to international trade policy. This is vital not only for the health of the global economy and the multilateral trading system, but also for the EU's own ambitions for jobs, growth and investment.

4.251. With those comments, we congratulate the European Union, in particular to Ambassador João Aguiar Machado and his excellent team, on its successful Trade Policy Review. We look forward to working together as we build on our already productive economic relationship.

DOMINICAN REPUBLIC

4.252. The delegation of the Dominican Republic welcomes the report presented by Ms Sabine Weyand, Director-General for Trade at the European Commission and Head of the Delegation. We also appreciate the enriching presentation by Ambassador Pimchanok Pitfield, Permanent Representative of Thailand. Furthermore, our Mission recognizes the important work being done by Ambassador João Aguiar Machado and his team in Geneva to ensure that discussions between Members are substantive and fruitful.

4.253. In the three years since the last Trade Policy Review, the European Union's trade policy has operated in a complex international environment. As was the case for most WTO Members, the COVID-19 pandemic negatively impacted its economy, with economic activity contracting 5.7% in 2020.

4.254. However, the European Union rolled out a successful vaccination campaign, worked to adapt businesses and households to the constraints caused by the pandemic, and coordinated policies at the national and Union levels.

4.255. Allow me to draw attention to the important macroeconomic context, particularly the actions of the European Central Bank. Like in other advanced economies, the European Central Bank expanded monetary policy using all possible tools, including new formal public communication techniques.

4.256. The end of the unusually relaxed monetary policy stance prevalent since the late first decade of this millennium was precipitated by Europe's rising inflation. Increasing the monetary policy interest rate is the correct measure according to economic models.

4.257. The authorities of the European Central Bank understand the magnitude of the problem. For this reason, during the period covered by this WTO review and in conjunction with the first interest rate increase in 11 years, they announced a mechanism for the protection of monetary policy transmission. Like in other advanced countries, keeping inflation under control continues to be a

priority for the European Union. Macroeconomic stability is a condition for thriving international trade.

4.258. Focusing on trade policy, it is important to highlight the new communication strategy on the European Union's trade policy to meet the challenges facing the bloc and to support the green and digital transitions.

4.259. With regard to the Economic Partnership Agreement between the European Union and CARIFORUM, of which the Dominican Republic is a part, negotiations are under way to protect geographical indications in the context of the Agreement's implementation.

4.260. The economic, trade and cooperation relations between the Dominican Republic and the member States of the European Union are of great importance to our country and become stronger every day. The relations cover trade in goods, tourism, investments and remittances.

4.261. The Dominican Republic appreciates the European Union's cooperation with our country through the European Development Fund and the Lomé and Cotonou agreements, signed with the States of the Organisation of African, Caribbean and Pacific States. The Fund has contributed to programmes in multiple areas, including health, education and trade.

4.262. Our delegation is grateful for the European Union's answers to the questions we asked in writing.

4.263. Lastly, we thank the delegation of the European Union for its contribution to the smooth operation of the global trading system and reiterate our wishes for a successful conclusion of the review that has brought us together today.

COSTA RICA

4.264. I would like to begin by extending greetings to the delegation of the European Union, headed by Ms Sabine Weyand, Ambassador João Aguiar Machado and the distinguished team from Geneva and Brussels with us here today.

4.265. Likewise, I welcome the reflections of the discussant, Ambassador Pimchanok Pitfield of Thailand, and the usual support of the WTO Secretariat.

4.266. It is a pleasure to be part of this Trade Policy Review. To start, I would like to emphasize the close relationship we have with the European Union. This productive and respectful relationship is based on common values and aspirations in areas such as respect for the rule of law, the promotion and protection of human rights and fundamental freedoms, the promotion of peace, sustainable development, international cooperation, political dialogue and foreign trade.

4.267. We agree with the European Union that the multilateral trading system is essential for trade policy, which has contributed to the resilient capacity of our economies to tackle the challenges we face due to the impacts of the COVID-19 pandemic and current geopolitical tensions. Furthermore, we recognize the European Union's contributions to strengthen the WTO, particularly its reform process, in which Costa Rica is also actively involved. We also share the European Union's interest in plurilateral initiatives on the domestic regulation of services, e-commerce and investment facilitation.

4.268. The European Union is our second largest trade partner, a position it has held consistently over the past seven years. This relationship has become stronger through the implementation of the trade pillar of the Association Agreement between Central America and the European Union since 2013. In the last decade, our bilateral trade has grown 7% on average, with 18% of our exports heading to that market in the past year, along with 9% of our imports. Costa Rica has secured its position as this region's exporter not only of traditional agricultural products, but also of high value-added goods and services, complying with high international standards.

4.269. For this trade relationship to grow and continue to generate benefits, we must keep working together, particularly when faced with the challenge of increasingly striving for fairer, more sustainable and more inclusive trade. We share the European Union's legitimate objectives to tackle

climate change and protect the health and well-being of humans, animals and plants by implementing the Green Deal. Our conviction regarding the relevance of those issues to trade is reflected in the inclusion of these themes in many of our bilateral trade agreements, including the one we have with the European Union together with the rest of the Central American countries, our participation in the plurilateral initiative for the Agreement on Climate Change, Trade and Sustainability (ACCTS), which is being negotiated, and the coordination of the Trade and Environmental Sustainability Structured Discussions, which we know as TESSD.

4.270. Nevertheless, we are currently facing significant challenges due to the impact on the conditions surrounding the entry of our exports into the European market as a result of the various regulations being implemented based on the Green Deal objectives, which introduce new requirements for our producers and exporters. Joint work and dialogue become even more relevant in this context and as new regulations emerge.

4.271. Specifically in relation to the policy on pesticides and maximum residue limits, Costa Rica has used multiple forums to consistently highlight the importance of ensuring that any changes to maximum residue limits are based on conclusive scientific evidence to allow for the application of the least trade-restrictive measure and that these changes are made in the framework of the Codex Alimentarius through the coordinated work of the international community for the benefit of trade harmonization and facilitation. Costa Rica would like to thank the European Union for the constructive dialogue in this regard with countries of the American continent. We therefore encourage continuing this dialogue so that the concerns of our agri-export sector are given consideration.

4.272. Another regulation of particular interest is the one on deforestation-free products, in respect of which we, along with various countries, have shared our concerns with the European Union as well. In our case, doubts linger as to how the particularities, domestic regulation and situation of each country will effectively be considered, especially given that the due diligence assessment takes into account aspects beyond those linked to the environment. We would also like to have more clarity on the manner in which the European Union will fulfil its commitment to establish partnerships and cooperation mechanisms with the affected countries. Lastly, we would like to know more about the European Union's position on the notification of this regulation under the Agreement on Technical Barriers to Trade.

4.273. We hope to continue working with the European Union on these and other initiatives arising from the Green Deal or those that may in any way affect the entry of our products into this important market for our country, while promoting ongoing open dialogue that recognizes the realities of our producers and their ability to adapt and that gives this consideration both in the regulation drafting process and in initiatives that anticipate changes, inform adequately and promote adaptation to new requirements.

4.274. Moreover, Costa Rica is more than ready to continue working with the European Union on all projects of common interest and, in so doing, keep building a strong and long-lasting trade track record that continues to benefit our citizens.

UNITED STATES

4.275. On behalf of the United States, I am pleased to participate in the European Union's 15th Trade Policy Review and extend a warm welcome to the EU delegation, led by Director-General Sabine Weyand.

4.276. The EU and the United States are vital strategic partners and share the largest trade and investment relationship in the world. The United States highly values its close working relationship with the EU in the WTO and in multiple other fora.

4.277. We are also grateful for the EU's partnership over the past two and a half years in finding solutions to trade-related disagreements, including some longstanding ones.

4.278. Notwithstanding our close strategic partnership, it is important to acknowledge in the context of this TPR that certain U.S. goods and services face persistent barriers in the EU market. These barriers limit the opportunity of U.S. workers and businesses to benefit from transatlantic trade. It

is important that we are able to speak honestly with one another about issues of concern, always with a view to finding ways to resolve them.

4.279. I want to highlight a few specific examples.

4.280. First, U.S. stakeholders have longstanding concerns with the EU's lack of adequate opportunities to offer meaningful comments on proposed regulations and decisions. EU notifications often are made at a procedural stage when it is too late to revise proposed measures to take into consideration substantive concerns raised by other WTO Members.

4.281. In addition, we have had longstanding concerns regarding the EU's hazard-based approach to regulations, which can lead to measures that limit U.S. market access. One well-known example is the EU regulation known as REACH. It relies on an unduly restrictive hazard-based approach instead of a scientific assessment of the actual risks of exposure to a chemical in a specific use. U.S. stakeholders have raised concerns that, as part of the registration process under REACH, they must provide data that is not relevant to the specific hazards and proposed uses of a registered substance. Additionally, EU member States' application of REACH appears to be inconsistent and lacks transparency, resulting in requirements that are more onerous for U.S. exporters than for EU businesses and products that are already in the EU single market.

4.282. Third, U.S. agricultural products continue to face a number of market access barriers. For example, U.S. stakeholders are concerned that implementing regulations for the EU's Farm to Fork strategy require the adoption of EU production practices in order to access the EU market. These practices are not appropriate, effective, or efficient in other parts of the world, and these requirements could unnecessarily restrict trade or force farmers in the United States and other countries outside the EU to produce crops in less sustainable ways than they otherwise would have.

4.283. Additionally, despite having succeeded in litigation years ago, the United States continues to have concerns regarding the lack of predictability, excessive data requirements, and delays in the EU's approval process for genetically engineered crops, which have prevented safe products from being exported to the EU.

4.284. The EU also continues to restrict the use of "traditional terms", such as "tawny", "ruby", and "chateau", on labels on imported wine. This impedes U.S. wine exports to the EU, including U.S. wines that include these traditional terms within their trademarks. We also remain troubled by the EU's overbroad protection of geographical indications and approach on geographical indications with its trading partners, which adversely impacts both protection of U.S. trademarks and market access for U.S. products that use common names in the EU and third country markets.

4.285. Fourth, the EU has proposed a new cybersecurity certification scheme for procurement of cloud services that would close access to foreign suppliers. U.S. stakeholders have expressed concerns about provisions of the proposed scheme, including restrictions on domestic ownership requirements. The EU covers cloud services in its GPA commitments and is required to provide non-discriminatory access to covered procurement.

4.286. Fifth, U.S. companies across a range of sectors also continue to cite concerns about the EU's exclusionary approach to standards-related measures, including its conformity assessment framework, and its efforts to encourage governments around the world to adopt this restrictive approach. The EU's approach impedes market access for products that do not conform to European regional standards (ENs), even if they conform to international standards that meet or exceed the EU regulatory requirements. Products regulated by the EU must conform to these EU-specific regional standards – and must then be certified by European testing bodies – in order to benefit from a presumption of conformity with the EU's essential regulatory requirements.

4.287. The new European Standardization Strategy raises concerns that the EU is moving away from cooperation with trading partners in standardization. Under it, European Standardization Organizations will constrain the involvement of non-EU interests in the development of harmonized EN standards. In addition, new Commission policies, such as a refusal to reference underlying standards developed outside of Europe and new restrictions on participation in expert advisory committees, signal a deliberate effort to exclude foreign participants, undermine the acceptance of

international standards developed in the United States, and impose European regional standards on foreign trade partners.

4.288. Finally, notwithstanding the existence of EU-wide customs legislation, the EU does not have a single customs administration. EU customs law is administered by agencies in each Member State, making it difficult for the EU to ensure that its rules and decisions on classification, valuation, origin, and customs procedures are applied uniformly across member States. The EU also lacks tribunals or procedures for the prompt review and EU-wide correction of administrative actions relating to customs matters. Although differences in member State tribunal decisions can be taken to the Court of Justice of the European Union, referral of a question to the Court is generally discretionary, may take many years, and may not afford sufficient redress.

4.289. Notwithstanding the particular concerns we have raised, the United States looks forward to continued close partnership with the EU in working towards our shared trade policy goals and reform of the WTO. I heard today a clear vision to use and adapt trade policy to serve important global and societal goals, and the need for cooperation and consultation at the WTO to improve understanding by trading partners of the balancing and trade off necessary. We want to work with the EU to better understand its objective and hope the EU will work with the rest of the Membership with an open mind as we all seek to adapt trade policies to meet global challenges.

4.290. Finally, I want to recognize the strong leadership of Ambassador João Aguiar Machado here at the WTO and look forward to continued collaboration on many areas of joint interest with him and his team.

SWITZERLAND

4.291. Thank you, Chair, and thank you, Director Weyand, for your opening statement clearly outlining the EU trade policy.

4.292. Many thanks also go to Ambassador Pitfield of Thailand for her highly relevant introductory remarks and to the Secretariat for its detailed report.

4.293. Switzerland welcomes the EU's ongoing commitment to the WTO and its constructive support of the Organization's reform. In substance, Switzerland and the EU share the same objectives as to the relevance and credibility of the multilateral trade system, including when it comes to defending the dispute settlement mechanism. Both Switzerland and the EU are also party to the MPIA.

4.294. This EU commitment to the WTO is crucial because, even after the United Kingdom's withdrawal, the EU is the trading bloc with the largest foreign trade in the world. Like many others, Switzerland has very close ties with the EU and is one of its top trade partners. This is why the EU's economic stability and the stability of its foreign trade are closely scrutinized in Switzerland and also why we welcome the significant economic stabilization measures that the EU and its member States took during the pandemic and in the wake of Russia's aggression against Ukraine. The EU economy returned to growth in 2021 and maintained the growth momentum overall in 2022, despite the supply chain challenges caused by the war in Ukraine.

4.295. From a trade standpoint, the health crisis strengthened our conviction that it is precisely when supply becomes uncertain that keeping trade flows open is most important. For that reason, Switzerland watched with concern as EU member States introduced many trade restrictions at the beginning of the pandemic, and we then welcomed the quick lifting of most of those measures. Looking ahead, we would nevertheless like to know whether the EU has put in place specific mechanisms to prevent such reactions during future crises.

4.296. We commend the EU's climate protection ambitions and its efforts to implement them quickly. Switzerland has also set equivalent targets for itself, particularly the target of zero net CO₂ emissions by 2050. In that context, allow me to make three remarks:

1. First, we recognize that the Carbon Border Adjustment Mechanism (CBAM) is likely to help the EU reach its CO₂ reduction targets. For Switzerland, however, it is important that the implementation of this measure have as little effect as possible on international trade and not create discrimination between similar products. In that regard, we note

that the exemption Switzerland enjoys is due to the coupling of its emission trading scheme with that of the EU, better known by its acronym ETS.

2. Switzerland is following with interest the EU's work to curb "greenwashing" of financial instruments, and we wonder what the specific effects will be on the sustainable finance of the EU's Taxonomy Regulation as part of its Green Deal. We would be especially interested in knowing whether the Commission is taking follow-up action in this regard.
3. Lastly, since the Swiss steel and aluminium sector is very closely linked to the EU and US sectors, we take great interest in developments in the Global Arrangement on Sustainable Steel (GSA). We applaud the intention to open this initiative to other countries and are particularly interested in how it will reduce trade-related CO2 emissions.

4.297. In closing, allow me to reaffirm that Switzerland will continue to engage with the EU in favour of a fair multilateral trade system and an effective WTO. We look forward to cooperating with our colleagues from the Mission in Geneva under the wise and competent direction of Ambassador Aguiar Machado.

4.298. I again extend my warm thanks to the EU for the information provided in its report and for the answers to our numerous questions. I wish it a successful review of its trade policy.

BRAZIL

4.299. Allow me to extend a warm welcome to the European delegation, led by DG Trade Sabine Weyand, as well as Ambassador João Machado and his team. I would also like to express our gratitude to the EU, the Secretariat, and the discussant, Ambassador Pitfield, for their valuable contributions. Moreover, I commend you, Mr Chair, Ambassador Almoqbel, for your sharp opening remarks.

4.300. Firstly, I wish to emphasize that the review of the EU's trade policies serves as a testament to the significance of the monitoring pillar of the WTO. It provides us with an opportunity to examine and comment on various aspects of the EU's contributions to the multilateral trading system, a matter of great importance to Brazil.

4.301. Such an exercise is fitting given the longstanding political and economic relationship between Brazil and the EU. In fact, Brazil was among the first countries to establish diplomatic relations with the European Economic Community back in 1960. Over the years, this relationship has evolved and gained high prominence within the framework of Brazilian foreign policy, moving into a Strategic Partnership in 2007, now encompassing over 30 Sectorial Dialogues.

4.302. Despite the challenges posed by the COVID-19 pandemic and the subsequent slow social and economic recovery, Brazil has maintained intense high-level engagement with European authorities on crucial matters. These dialogues underscore the strength and diversity of the Brazil-EU Strategic Partnership. In this regard, we look forward to the imminent implementation of the SPS Bilateral Consultation Mechanism, following a prolonged period of inactivity.

4.303. Within this context, we hold great hope for the future growth and fortification of our economic relationship with the EU, particularly as both parties strive for the conclusion of the MERCOSUR-EU Association Agreement.

4.304. As we delve into the Secretariat and Government reports, Brazil would like to address specific topics relating to the EU's trade policy within the framework of our bilateral relationship.

4.305. Firstly, I would like to draw attention to the agricultural sector, which continues to present challenges in terms of openness within the EU. The average tariff rate on agricultural goods, currently standing at around 14%, is more than three times higher than the overall EU average of around 4%. Tariff escalation, as well as the extensive use of non-*ad valorem* rates and tariff quotas, remain significant barriers to imports.

4.306. Even after carefully examining the Secretariat's Report, gaining a clear understanding of the complex array of agricultural support policies implemented by the EU and its member States poses a significant challenge, as highlighted by the discussant. Additionally, we note that the most recent EU Domestic Support notification to the WTO covers the marketing year 2016/2017. We encourage the EU to promptly notify more recent measures.

4.307. Furthermore, in the areas of Technical Barriers to Trade and Sanitary and Phytosanitary Measures, Brazil has identified specific instances where the EU has adopted measures that appear to be more trade restrictive than necessary, without due consideration for international standards and scientific justification. Our concerns encompass issues such as the registration of pesticides and the reduced transitional periods for the entry into force of new Maximum Residue Levels (MRLs).

4.308. I would like to express some concerns regarding certain aspects of the European Union's trade policy. It is important to address these matters as we engage in constructive dialogue.

4.309. In light of our shared commitment to preserve the multilateral trading system and achieve a sustainable future and a decarbonized economy, Brazil expresses its concerns with the EU's unilateral measures proposed under the European Green Deal. Three measures, in particular, appear to present risks to both the trade and the environmental multilateral regimes: the Deforestation-Free Commodities Regulation, the Carbon Border Adjustment Mechanism and the establishment of maximum residue limit requirements that deviate from the purpose of addressing sanitary risk.

4.310. The proposed European Deforestation-Free Commodities Regulation includes a country-based benchmarking system with a tiered classification that would impose different treatments to Members according to criteria unilaterally set by the European Union. The proposed regulation could promote trade diversion, as operators interested in avoiding heavy compliance burdens would have an incentive to reduce exchanges with countries deemed as "high risk". It could also undermine our common goals of curbing deforestation and forest degradation.

4.311. In turn, the proposed Carbon Border Adjustment Mechanism appears to pose challenges to a broad array of WTO rules, including in disciplines related to tariffs and TBT, as well as in the fundamental principles of non-discrimination and national treatment. From an environmental perspective, it fails to recognize the CBDR principle. Importantly, it also lacks a provision to account for decarbonization efforts that do not involve carbon pricing, such as regulatory approaches.

4.312. Brazil urges the EU to observe the need for its trade-related environmental measures to comply with both trade and environmental multilateral rules. In that sense, we call upon the EU to avoid attempts to impose specific standards and decarbonization strategies on other economies. We remain committed to work together with the EU to shape a fair and effective multilateral treatment for the nexus between trade and sustainability that aligns with and supports the commitments made by Members in environmental fora, such as the Nationally Determined Contributions under the Paris Agreement.

4.313. Another aspect of concern in the European Union's recent trade policy is the substantial increase in subsidy volumes allocated to various economic sectors. The COVID-19 pandemic, the conflict in Ukraine, and the EU's green and digital transitions have prompted the establishment of new funds, as well as the expansion of existing funds, with more flexible conditions for access. This has led to the provision of higher amounts of direct transfers and financing at subsidized interest rates.

4.314. In conclusion, we appreciate the responses provided by the EU delegation to Brazil's inquiries. We extend our best wishes to the European Union for a fruitful Trade Policy Review, and we remain committed to engaging in encouraging discussions on these matters.

UKRAINE

4.315. On behalf of Ukraine, we would like to extend a very warm welcome to the distinguished delegation of the European Union led by the Directorate-General for Trade, European Commission Sabine Weyand and express our appreciation to the EU team and to the WTO Secretariat for their hard work in preparation of the 15th Trade Policy Review of the EU.

4.316. I would also like to thank the discussant, H.E. Ambassador Pimchanok Pitfield, for her introductory remarks.

4.317. I would like to express my sincere gratitude to H.E. Ambassador João Aguiar Machado and his esteemed team for the excellent cooperation between our two missions in every level which serves our mutual interests and thank them for their active engagement in all WTO activities.

4.318. It is a great honour for us to participate in this TPR, which provides an important opportunity to enhance our understanding on the wide range of aspects concerning trade policy and practices of the biggest trading bloc in the world.

4.319. The EU is a largest trading partner and a very important strategic ally for Ukraine, in the WTO and beyond. The share of EU trade in goods constituted almost 55% of our external trade (in January-February 2023).

4.320. Last year, the volume of our bilateral trade in goods and services decreased by 5.2% compared to 2021, although it was not such severe contraction, as we experienced in trade with other partners against the disastrous repercussions of Russian Federation's war of aggression against Ukraine.

4.321. Our bilateral trade performance remains rather strong due to longstanding close cooperation with the EU that continues to be guided by the Ukraine-EU Association Agreement, including a Deep and Comprehensive Free Trade Area, covering a substantial part of the EU acquis in different areas.

4.322. Unprecedented comprehensive support of the EU, given to Ukraine in response to Russian Federation's war, has helped to alleviate its disruptive impact and to make trade more resilient as well.

4.323. Taking this opportunity, we would like to express our sincere respect and gratitude to the EU its continued support and assistance to Ukraine and its people, for recognition of our European perspective and granting a candidate status to Ukraine, for all measures taken to mitigate the subsequent shocks, arisen from Russian Federation's unprovoked full-scale military aggression against Ukraine, and to reduce the war capacity of the aggressor state.

4.324. Today, Ukraine sets itself the ambitious goal of moving from being a candidate to the EU member State as soon as possible and, even before obtaining membership, to ensure full integration into the EU single market.

4.325. One of our most important tasks is the further approximation of Ukraine's legal and institutional system with the relevant EU system, as well as the start of the negotiations on the EU membership.

4.326. Thus, we would welcome the involvement of our country into the EU economic governance system to the extent our candidate status allows.

4.327. Since the beginning of the application of the trade provisions of the Association Agreement, Ukraine has been actively implementing the legislation, in particular in areas of raising quality standards and product safety. The number of enterprises whose production conditions meet the EU requirements is constantly growing.

4.328. Ukraine remains to be a reliable and predictable trade partner. We are ready to continue to guarantee food security and provide consumers with quality Ukrainian products, even in the face of changing traditional supply chains for agricultural products.

4.329. We highly appreciate temporary trade-liberalization measures supplementing trade concessions applicable under the Ukraine-EU Association Agreement that have made it possible to maintain the dynamics of our exports to the European markets, support displaced production, and lay the basis for further economic integration, helping Ukrainian exporters to withstand the burden of Russia's war and strengthen their position.

4.330. Ukraine is counting on the further support of the European Union in this regard.

4.331. We are working on the implementation of the recommendations, outlined in the Decision of the EU Council and in the conclusion of the European Commission. Preparations for the official start of negotiations on acquiring full membership in the EU are underway as well.

4.332. We highly value the EU's leadership at the multilateral level, its active contribution to the WTO's core functions and putting the WTO reform issues at the heart of its trade policy agenda. We are looking forward to further collaborating with the EU on the ongoing negotiations to provide a fully- and well-functioning Dispute Settlement Mechanism by 2024 and to improve deliberative function of the WTO.

4.333. To underline importance of our close cooperation in this context, I would like to thank the EU for the conclusion that Ukraine "has a good level" and "good administrative capacity to manage commitments in external commercial relations", considering, in particular, Ukraine's membership in the WTO, which was recently made in Commission Analytical report on Ukraine's alignment with the EU acquis.

4.334. Ukraine also notes movement of the EU's trade policy towards a circular economy and believes that effective implementation of its new trade strategy and relevant action plans will allow to reach established objectives and to amplify development trends, fostering growth, green and digital transitions in the coming years.

4.335. Given the importance of this TPR exercise, we submitted questions to the EU concerning Carbon Border Adjustment Mechanism, trends in services trade, the state of play with the appointment of digital services coordinators, IPRs enforcement in the digital environment, updated tax regime, particularities of new Common Agricultural Policy, subsidization, and other aspects of the EU's trade policy and practices.

4.336. We wish the EU a very successful Trade Policy Review and hope that the next TPR we will undergo together following further enlargement of the EU with Ukraine as one of its new member States.

HONDURAS

4.337. On behalf of the State of Honduras, we would like to extend a warm welcome to the entire European Union team, led by its Head of Delegation, H.E. Sabine Weyand, Director-General for Trade at the European Commission, as well as the team of the Permanent Mission to the WTO brilliantly led by Ambassador João Aguiar Machado and the EU authorities joining us.

4.338. We are grateful for their valuable report and opening statement.

4.339. We extend our thanks to you, Chair, for your leadership and guidance, to the discussant, Ambassador Pimchanok Pitfield, for her valuable comments and to the WTO Secretariat for its report and valuable work.

4.340. The European Union is one of the world's most outward-oriented economies, and free trade between its member States was one of the founding principles.

4.341. The EU remains the number one trading bloc in the world if we consider imports and exports of goods and services combined. In 2021, it accounted for 16.2% of total world trade in goods and services. Moreover, international trade was the equivalent of 21.5% of EU GDP.

4.342. In that respect, Honduras highlights the important role that this political and economic union plays in this Organization as a driver of international investment and trade in goods and services as well as a promoter of development through cooperation in trade.

4.343. The reports indicate that during the review period, a number of events led to increased volatility and uncertainty.

4.344. The COVID-19 pandemic resulted in the largest recession since the 2008-09 financial crisis, and real GDP declined by 5.7% in 2020. However, in part due to lessons learned from the earlier

crisis and swift measures put in place by the EU member States, the reopening in 2021 resulted in a stronger recovery and GDP rebounded to 5.4% growth in 2021.

4.345. We note that, during the review period, a number of legislative initiatives were concluded, such as those pertaining to European data governance, contestable and fair markets in the digital sector, digital single market regulation and the modernization of the Union's consumer protection rules, to name a few.

4.346. On the bilateral side, Europe has always had strong cultural, political and historical ties with Honduras since the 1999 Stockholm Declaration, which covered aspects such as governance, human rights and aid effectiveness, where joint action plans were developed.

4.347. At the regional level, the EU and Central America have continued the dynamic implementation of the trade pillar of their Association Agreement.

4.348. The EU and Central America signed the Protocol of Accession of Croatia to the Association Agreement in 2020. Moreover, the EU agreed to protect 11 new Central American geographical indications in June 2022, and an *ex post* evaluation published by the EU in September 2022 showed that provisional implementation of the trade pillar of the Agreement since 2013 had helped strengthen regional integration, create jobs, increase welfare and decrease poverty, among others.

4.349. In March 2023, Honduras had a surplus in trade with Europe of USD 157 million, although the year-on-year figure was lower at USD 31 million due in part to lower coffee exports, mainly toward Italy and Germany.

4.350. The main products that Honduras exports to the European Union are coffee, vegetable oils and seafood. In contrast, the most imported products from the European Union are those for mechanical and electrical machinery and pharmaceutical products.

4.351. Our country considers the European Union to be an extremely important ally, with which we have held meaningful strategic dialogues and with which we share the vision that preserving a stable and predictable international trading environment, based on clear and enforceable rules by which all WTO Members must abide, is of strategic interest.

4.352. In this and other contexts, we hope to continue making our best efforts and strengthening dialogue to achieve common understandings through which we can forge a partnership to help us build more resilient and inclusive economies, protect our democracies and reinforce social cohesion.

4.353. To conclude, we would like to reiterate our appreciation of this latest opportunity to exchange comments on the European Union's trade practices and thank you for the replies to the initial questions submitted by Honduras. We wish you every success.

REPUBLIC OF KOREA

4.354. Let me join the previous speakers in extending a warm welcome to Dr Sabine Weyand, Director-General for Trade from the European Commission, Ambassador Machado and the delegation of the European Union for its 15th Trade Policy Review.

4.355. My special thanks also go to Ambassador Pitfield of Thailand for her contribution as the discussant today and to the Secretariat for its comprehensive and informative Report.

4.356. This year marks the 60th anniversary of the diplomatic relations between the Republic of Korea and the European Union. With this symbolic number of long-standing relationship, it is also worth mentioning that the Republic of Korea particularly values the mutual trust and cooperation that we have built upon the Korea-EU FTA for more than a decade.

4.357. Through the high-level and comprehensive FTA, both sides had nearly free access to each other's market which has served as a solid foundation for economic cooperation despite the growing global uncertainties.

4.358. Even during the pandemic, our bilateral trade continued to increase. The trade volume even recorded an all-time high for two consecutive years. The amount of mutual investment also significantly increased in 2021 and remains at a high level since then.

4.359. Building on this close trade partnership, the Republic of Korea and the EU have recently expanded their cooperation in areas such as digital, supply chain, and climate change. The Republic of Korea looks forward to seeing positive results from our joint efforts to improve digital trade rules in a way to incorporate various digital aspects and elements of cooperation. In addition, as a strong supporter of the multilateral trading system as well as a partner who shares common values with the EU, the Republic of Korea is seeking cooperation with the EU at various levels to establish a stable global supply chain and to effectively respond to climate change.

4.360. The Republic of Korea appreciates that the EU shows leadership in maintaining openness, fairness, and sustainability of the global trade and investment. Along with its contribution to discussions in international organizations including the WTO, European Union internally introduces various policy tools in order to achieve carbon neutrality, to promote high-tech industries, and to ensure the foundation of fair competition. We also observe the cooperation with global partners continues to be strengthening. The Republic of Korea believes that the core value of these efforts is no different from the direction that Members are headed to enhance the relevance of multilateral trade norms at the WTO.

4.361. We note that the EU is seeking new trade policies to implement carbon-neutral goals and lay the foundation for fair competition. While we can agree with the objective of these policies, we would like to point out that given the size and status of the EU in the global economy, it may have considerable repercussions in global trade and investment. Hence, when implementing these policies, it is necessary to minimize corporate burden and resolve uncertainties so as not to hinder free economic activities among stakeholders.

4.362. We encourage the EU to ensure the WTO consistency and non-discriminatory legislation and implementation of the policies. To be specific, the Republic of Korea expects the CBAM Implementation Regulation to sufficiently reflect each country's Carbon Reduction Mechanism. With regard to the Foreign Subsidies Regulation, we also urge the EU to address the issue of heavy administrative burden imposed on companies complying with the regulation.

4.363. When it comes to the EU's recent subsidy policy, we understand that the EU believes it is necessary to achieve various policy goals. Our view is that policy should be implemented in a way that maintains the global trade order and keep it from triggering subsidy competition, or in other words, a race to the bottom.

4.364. Throughout the process of enacting and implementing the EU directives and regulations in general, we look forward to active information sharing and consultation, whenever appropriate and possible. Guidelines to those directives and regulations published in a timely manner could also provide further clarity to relevant businesses and trading partners.

4.365. Another area of interest for the Republic of Korea is the progress of the EU-US GSSA consultations. Since the Republic of Korea expects the agreement to be open and transparent from its early stage of rule-making, we encourage the EU to consider engaging third countries and sharing information in a transparent manner.

4.366. Ensuring fair competition in trade should be based on WTO trade rules. The Republic of Korea is concerned, however, about the EU's steel Safeguard measures in this respect. Thus, we are disappointed to hear the last week's decision to prolong the measure. We expect a meaningful consultation on this matter could be held in near time.

4.367. Turning to the WTO, the Republic of Korea commends the EU for making meaningful contribution in various aspects to restore the functioning of the WTO which is the foundation of a rules-based multilateral trading system.

4.368. The Republic of Korea, as a country that has grown through trade, values WTO reform as one of the major agenda in our trade policy. We wish to work closely with the EU, based on mutual understanding, in relevant discussions including restoration of the Dispute Settlement System.

4.369. Further, we hope that the Republic of Korea and the European Union join forces together to establish new trade rules so that the WTO becomes relevant Organization responding to the future. The Republic of Korea believes that both sides could enhance cooperation to coordinate Members' trade-related climate measures, and promote liberalization of environmental goods and services. We also wish to enhance efforts together with the EU to conclude the text negotiation on the future IFD agreement soon and to incorporate it into the WTO rule book. E-commerce is another area where the two digital leaders, the Republic of Korea and the EU, could support the WTO to set appropriate rules in line with digital transformation.

4.370. To conclude, the Republic of Korea would like to reiterate its commitment to keep close cooperation with the EU in addressing emerging trade issues as well as future discussion on the WTO reform.

4.371. Let me once again express my gratitude to the EU delegation for its hard work for this Trade Policy Review. We appreciate the responses from the EU to our written questions and we will closely review them back in Seoul.

KINGDOM OF SAUDI ARABIA

4.372. The Kingdom of Saudi Arabia is very pleased to take part in the 15th Trade Policy Review of the European Union and would like to extend a very warm welcome to the distinguished delegation of the European Union headed by H.E. Mrs Sabine Weyand, Director-General of the Directorate General for Trade in the European Commission.

4.373. We thank the European Union and the WTO Secretariat for their detailed and comprehensive Trade Policy Review Reports. We also thank the discussant H.E. Mrs Pimchanok Pitfield, Ambassador and Permanent Representative of Thailand to the WTO for her insightful comments.

4.374. The Kingdom of Saudi Arabia commends the European Union for the many years of stability when its GDP growth averaged 2.1% although it declined by 5.7% in 2020 due to the COVID-19 pandemic, and yet, in 2021, a strong recovery occurred, and it reached 5.4%.

4.375. The period under review was marked by a major change in development goals and priorities led by the new measures of the Digital Services Act (DSA), the Digital Markets Act (DMA), the Import One-Stop Shop (IOSS) and the Regulation on the EU Single Window Environment for Customs.

4.376. The Kingdom of Saudi Arabia appreciates the efforts of the European Union into the reinforcement of the multilateral trading system which remains an integral component of the European Union's trade policy and actively contributes to the WTO's core functions including the discussions through joint proposals and initiatives in many areas such as WTO's reform, transparency, domestic regulation of trade in services, e-commerce, investment facilitation and MSMEs.

4.377. Trade exchange between the Kingdom of Saudi Arabia and the European Union exceeded SAR 200 billion in 2021 which ranks the European Union as the second largest partner of the Kingdom of Saudi Arabia. Mineral products are the major commodities exported by the Kingdom of Saudi Arabia to the European Union. Machinery appliances, on the other hand, are the main commodities imported by the Kingdom of Saudi Arabia from the European Union. In addition, the Kingdom of Saudi Arabia has a strong trade relationship with the European Union supported by the shared membership in the G20. Moreover, Business Councils remain very active in paving the way for closer economic cooperation and generating valuable business opportunities between the Kingdom of Saudi Arabia and 11 countries from the European Union which are: Austria, Czech Republic, Denmark, France, Germany, Hungary, Ireland, Italy, Poland, Spain, and Sweden.

4.378. Before I conclude, I would like to express my thanks to H.E. Mr João Aguiar Machado, Ambassador and Permanent Representative of the European Union to the WTO, and his delegation for the excellent cooperation between our two missions.

4.379. Finally, the Kingdom of Saudi Arabia congratulates the European Union for its solid economic performance and wishes the delegation of the European Union a very successful Trade Policy Review.

PARAGUAY

4.380. The Republic of Paraguay conveys its warmest greetings to the delegation of the European Union, represented by the Head of Delegation, H.E. Sabine Weyand, Director-General for Trade at the European Commission, and the representation of the European Union to the WTO, headed by our colleague, Ambassador João Aguiar Machado. We would also like to express our gratitude to you, Chair, for your leadership in this review as well as to the discussant, Ambassador Pimchanok Pitfield of Thailand, and to the Secretariat for the comprehensive report.

4.381. As highlighted in the Secretariat's report, the European Union continues to be the world's largest trader, with a substantial share of both imports and exports globally. The number of questions Members asked during this review and today's attendance are therefore not surprising.

4.382. When a market is as large as that of the European Union, unilateral measures with trade implications can affect global trade and production, including those not destined for that market. Paraguay is therefore keeping a close watch on developments in the European Union's policies and measures with trade implications. In that respect, we submitted a series of questions, which we appreciated having had answered and which we are analysing so that we can ask follow-up questions, if need be.

4.383. Paraguay and the European Union share friendship and trade ties, as well as years of negotiations, in which I have had the honour of participating directly, on a Bi-regional Association Agreement that includes the Trade Chapter between MERCOSUR and the European Union. We hope this agreement serves to finalize the pending procedures and initiate signature, subsequent ratification and incorporation into the respective legal systems for prompt entry into force.

4.384. Within the WTO, we thank the EU for the joint work we have carried out and its active participation in all the areas we share as well as in the core issues of this Organization, such as its reform and the negotiations for the liberalization of trade in goods and services.

4.385. However, I would like to take advantage of this statement to refer to three specific points mentioned by the EU in its report:

- i. the importance of the regular work of WTO councils and committees and transparency commitments;
- ii. the need to reform the agricultural sector; and
- iii. commitments regarding the scientific and technical support of the measures under the SPS and TBT Agreements.

4.386. We appreciate and share the EU's interest in continuing to improve the regular work of WTO councils and committees through the deliberative function and the transparency commitments established within the WTO. It is these aspects that on a day-to-day basis provide the answers to many of the specific trade concerns that give rise to measures among Members.

4.387. However, some of the questions posed to the European Union, not only by Paraguay, but by many other Members as well, are not answered or are answered only in part, despite having been submitted in writing well in advance.

4.388. Moreover, we noted that both SPS and TBT notifications receive replies in writing, but Members' comments are at no time taken into account.

4.389. Despite the availability of other forums and channels, it is the WTO that gives some smaller and less advanced developing Members access to this information, which is why we hope to continue working together to improve this aspect.

4.390. The agricultural reform mandated by Article 20 of the Agreement on Agriculture is a key issue for Paraguay, a sector that is most overlooked in the WTO, especially in relation to the pillars of market access and domestic support. Although we note that the EU has indicated that it is reforming its domestic support to move it to the Green Box category, even in this category, domestic

support is a game accessible to just developed countries in which many developing and less advanced countries cannot participate. We therefore believe that what is needed is not just a restructuring, but also an effective reduction and strict discipline to avoid what we informally call "box painting."

4.391. Market access for these products will also result in a significant improvement both for the producers of countries that depend on agriculture and for global sustainability by enabling better and more efficient use of natural resources. For this reason, we hope to have the support of the European Union to advance in the negotiations and effective reform of the sector.

4.392. Lastly, with regard to scientific backing, as mentioned earlier, the decisions with a trade impact made by the world's top trade player affect production and trade globally, including those not destined for this market. We therefore hope that the EU fulfils the obligations of scientific and technical rigour by imposing measures and seeks consensus that benefits everyone, instead of imposing unilateral measures.

4.393. Paraguay is ready to continue working jointly with the EU in these areas, within both the WTO and all relevant forums, to reach consensus results of benefit to all.

4.394. On behalf of my country, I wish to reiterate my congratulations to those responsible for conducting this review and express my appreciation to Ambassador Aguiar Machado and the delegates of the Permanent Mission of the European Union to the WTO.

TÜRKİYE

4.395. We welcome the delegation of the European Union headed by Sabine Weyand, Director-General for Trade of the European Commission.

4.396. We thank the Secretariat and the EU for their detailed reports as well as discussant Ambassador Pimchanok Pitfield of Thailand for her insightful remarks.

4.397. We also would like to thank the EU for its responses to our questions.

4.398. As the world's top trader, the EU has a leading role in the trade of goods and services as well as in foreign direct investments on a global scale. Thus, any change in the EU policies has wider effect.

4.399. We understand that the EU's revamped trade policy is based on sustainability and puts an emphasis on green and digital transition in all sectors.

4.400. Combating climate change and mitigating its impacts is a critical agenda item for us all. In our view, it is of utmost importance to base climate mitigation efforts on constructive, inclusive, and fruitful cooperation so that a strong global response to the challenges could be generated.

4.401. As such, we are closely following the ongoing legislative processes under the European Green Deal. We would like to thank the EU for the transparency and information sharing with regard to their trade related environmental policies so far.

4.402. We need to keep in mind that the matter at hand has two dimensions when bringing together the environment and trade nexus. Thus, it goes without saying that policies designed to combat climate change which have trade impacts have to be compatible with the WTO rules as well as other international rules, including those stemming from international environmental agreements. These policies should by no means impose unnecessary restriction on trade and must be non-discriminatory.

4.403. It is worth emphasizing here that as a close trading partner with a customs union relationship with the EU, we are particularly cautious about the design and implementation of the CBAM. It is crucial to make sure that the CBAM is designed and applied in a non-discriminative way, without putting the importers and imported goods at a competitive disadvantage compared to their counterparts in the EU. It is equally important not to make it more burdensome than necessary to achieve its objectives and to keep in mind different responsibilities and capabilities of countries.

4.404. We believe that the allocation of CBAM revenues to the financing of green transformation projects has to take into account the needs of developing countries, since combating climate change has to be a global effort.

4.405. With regard to the regulation to prevent deforestation and forest degradation, it is important that technical requirements of the proposed regulation like certification or verification for third country operators should be the same with the EU operators. In that regard, no additional administrative burden must be placed on third countries.

4.406. On the Regulation on Shipments of Waste again it is very important to ensure that the set requirements for monitoring and inspection should not go beyond legitimate environmental objectives. Türkiye shares the EU's objectives of supporting the transition to a green and circular economy, thus it is crucial not to endanger the supply of raw materials to third countries' recycling facilities, hampering the already functioning circular economy in these countries.

4.407. The Secretariat Report indicates that traditionally the EU had little use of safeguard measures and has imposed only six safeguard measures since inception. Although we recognize EU's good past record in this regard, we witnessed that this has been reversed as the safeguard measure on imports of certain steel products, which remained in place until now corresponds to significant import volume covering many distinct steel products. Furthermore, we were of the view that the safeguard measure was imposed as a result of a deficient investigation, which we had to challenge under the Dispute Settlement System.

4.408. In this dispute, the Panel had found inconsistencies under the GATT and the Agreement on Safeguards and recommended that the EU should bring its measure into conformity with these Agreements. However, the EU failed to comprehensively re-assess those elements as was required by the findings of the Panel and we believe the implementation measures of the EU is manifestly deficient. Notwithstanding this, the EU has unfortunately decided very recently to extend its measures for an additional year.

4.409. We invite the EU to abide by the Panel ruling in this regard, and to repeal its unfounded safeguard measure without delay.

4.410. Regarding the structural issues related to the Dispute Settlement System, we appreciate the EU's efforts and stance to overcome the current non-functionality of the Appellate Body. A good example set by Türkiye and the EU in this regard was our Appeal Arbitration Agreement.

4.411. During the review period, the EU put into force its Enforcement Regulation and prepared a draft for Anti-Coercion Instrument. We would like to voice our expectation that both the Enforcement Regulation itself and its implementation should be consistent with WTO Agreements and this expectation also applies to the EU's draft Anti-Coercion Instrument.

4.412. Türkiye, as a candidate country and Customs Union partner, enjoys a very special relationship with the EU which cannot be confined only to economic and trade ties.

4.413. The economies of the EU and Türkiye are highly integrated, Türkiye is currently EU's sixth largest trading partner, while EU is Türkiye's largest.

4.414. Thanks to Customs Union, Turkish firms have become a vital part of the EU value chains and contribute to the resilience of the EU economy through already well-integrated market structures.

4.415. However, it can no longer respond to the needs stemming from the pace of our economic and trade ties and relatively new and emerging trade issues. It has now become crystal clear that Customs Union with the EU which dates back to 1996 needs a comprehensive update and this update is already overdue.

4.416. In conclusion, we would like to take this opportunity to thank Ambassador Aguiar Machado for the excellent preparation for this review as well as his important contributions to WTO activities.

4.417. We wish the European Union a successful Trade Policy Review.

PAKISTAN

4.418. Pakistan appreciates the opportunity to participate at this fifteenth Review of the European Union trade policy.

4.419. We wish to welcome the EU delegation led by H.E. Mrs Sabine Weyand, Director-General, Directorate-General for Trade, European Commission at this review of the EU trade policy.

4.420. We wish to thank the discussant Thailand Ambassador to the WTO, H.E. Mrs Pimchanok Pitfield for her insightful comments by walking us through the various developments of the EU trade policies since its last Review.

4.421. Our thanks and appreciation to the Secretariat for their work in preparing the Report for this review.

4.422. We wish to commend the EU for its bold and targeted policies which have supported the EU through turbulent times during the period under review as reflected by its strong GDP growth since 2021.

4.423. We take note of the new developments in the EU trade policy as outlined in its 2021 open, sustainable and assertive trade policy to address its post pandemic recovery, the challenges arising from climate change and the international tensions including unilateralism and its impacts on multilateral institutions.

4.424. While we applaud the ambitious objectives set out in this new trade policy framework, we are hopeful that the EU has taken and will take into consideration the impacts of its trade policies on its trading partners when implementing the new policies outlined in this framework.

4.425. While we are also appreciative of the leadership role of the EU in addressing the global commons, especially in addressing the environmental challenges, we wish to see more effective partnership with the EU in addressing such challenges.

4.426. The EU is one of Pakistan's largest trading partners with bilateral trade totalling USD 13 billion during FY21-22, which has increased by 25% compared to the previous financial year FY20-21.

4.427. Pakistan is a beneficiary of the EU GSP scheme as well as an important EU development programme for the year 2021-2024 focusing on green inclusive growth, human capital, governance, including rule of law and human rights.

4.428. Pakistan appreciates the EU support during the devastating floods in 2022, where the EU has provided EUR 1.8 million in humanitarian aid to affected families across large parts of Pakistan.

4.429. At the multilateral level we commend the active engagement and leadership of the EU, led by Ambassador Aguiar Machado and his able team in Geneva in supporting the multilateral trading system. The EU led the establishment of the MPIA, an alternative appeal mechanism while members are working to find solution to the current impasse in the WTO dispute settlement system.

4.430. To conclude, we wish the European Union a successful Trade Policy Review.

KAZAKHSTAN

4.431. Kazakhstan warmly welcomes the delegation of the European Union, led by Mrs Sabine Weyand, Director-General for Trade, European Commission, we express our gratitude to the European Union for their informative Report and statement. We also thank Ambassador Pimchanok Pitfield for her insightful comments as discussant, and the WTO Secretariat for its comprehensive Report.

4.432. Kazakhstan enjoys strategic bilateral cooperation with the European Union and attaches high importance to further deepening economic and trade relations. The European Union is a key and largest trading partner of my country accounting for 30% of Kazakhstan's foreign trade. In 2022, the trade turnover between Kazakhstan and the European Union increased by more than 38%, despite the uncertainties in the global trading environment, and constituted around USD 40 billion.

4.433. Dynamic growth also continuous in this year, in the first three months, trade volume increased by 12.5% and exceeded USD 10 billion. Aside from trade, the European Union is one of the largest investors in the economy of Kazakhstan accounting almost USD 170 billion over the past 15 years.

4.434. During the Second EU-Central Asia Economic Forum held in Almaty on 19 May 2023, the roadmap for the implementation of the memorandum of cooperation on sustainable raw materials, batteries and renewable hydrogen values chains was approved. We believe that this document will create conditions for establishing financial and technological cooperation between Kazakhstan and the EU's industrial alliance.

4.435. We would also like to mention the enhanced partnership and cooperation agreement between Kazakhstan and the European Union, which covers 29 areas of cooperation, including investment, trade, innovation and infrastructure development, and others; we believe that the effective implementation of this agreement will further enhance economic ties and boost trade between Kazakhstan and the EU as well as attract European technologies and investments.

4.436. Kazakhstan also appreciates the technical assistance and capacity building including the Ready4Trade Central Asia project provided by the EU to facilitate trade cooperation in the region and to help the developing Members better integrate into the multilateral trading system.

4.437. We commend the European Union for its strong and resilient economic performance at the EU level despite the challenges in the global economy reflected in the constant GDP growth of 5.4% in 2021 and 3.6% in 2022.

4.438. From the multilateral trading perspective, we welcome the agreement reached in May 2022 between the co-legislators on the new EU Single Window for Customs Initiative, making it easier for different authorities to exchange electronic information submitted by traders. The ambitious project aims to further facilitate trade, improve safety and compliance checks; support digital and green transitions and reduce the administrative burden for national authorities and companies.

4.439. The European Union has always been a key and valuable contributor to the WTO as the world's largest trader in both goods and services, in particular the EU is demonstrating its strong leadership towards MC13 by proposing useful and concrete ideas in WTO reform, agriculture and food security, e-commerce and dispute settlement, among others to address the current crisis in the multilateral trading system.

4.440. Having said that, Kazakhstan continues to follow developments around the Green Deal announced by the European Commission and its ambitious Carbon Border Adjustment Mechanism, we urge the European Union to fully consider the CBM's compatibility with WTO rules and regulations to ensure that any such mechanism does not create obstacles to trade.

4.441. For this review Kazakhstan has submitted questions covering the policies and measures of our interests including trade remedies and the environment. We are looking forward to receiving the European Union's responses to our questions and we will study them with great interest.

4.442. In conclusion, we would like to congratulate the delegation of the European Union and the WTO Secretariat for the hard work and efforts that went into the preparation of this TPR. We would like also to express our appreciation to Ambassador João Aguiar Machado and his team here in Geneva. We wish the delegation of the European Union every success for their 15th Trade Policy Review.

BANGLADESH

4.443. At the outset, the Bangladesh delegation welcomes Mrs Sabine Weyand, Director-General, Directorate-General for Trade, European Commission and Head of delegation for her introductory presentation at the 15th Trade Policy Review of EU. The Bangladeshi delegation also thanks H.E. Ambassador Mrs Pimchanok Pitfield of Thailand for her insightful discussions. Our sincere appreciations also go to the EU and the WTO Secretariat for the comprehensive reports.

4.444. The relations between EU member countries and Bangladesh have been friendly. Our bilateral trade and ties are further bolstered with the regular high-level visits from both sides. Broad-based institutional mechanisms of dialogue have contributed to the deepening of relations. Bangladeshi exports to EU dominated by ready-made garments and in the FY2021-22 export volume was over USD 23 billion. As we consolidate our trade relationship, we also cooperate closely in multilateral area in fostering a rules-based, fair, and equitable multilateral trade system. As one of the largest trading partners, Bangladesh is delighted to note the great strides and significant progress that EU has made despite COVID-19 and other crises.

4.445. During the review period, we have noted that the EU has focused on carrying out many structural reforms for ensuring inclusive growth. The fundamentals of the EU economy remain strong and this has ensured macroeconomic stability. We applaud EU for the various reform measures that it has adopted new trade strategy in 2021 namely openness, sustainability and assertiveness in the Trade Policy Communication. The multilateral trading system and the WTO remain at the centre of the EU's trade policy and a testimony to the importance attached to multilateralism. We note the EU commitment to WTO reform for stable and predictable international trading environment based on clear and enforceable rules for all WTO Members. Bangladesh welcomes EU's role in the MC12 to identify WTO reform as a fundamental interest and contains a political commitment to discussions with a view to having a fully and well-functioning dispute settlement mechanism by 2024.

4.446. Being an LDC, Bangladesh enjoys duty free and quota free market access for all products under EBA. This has created opportunity for LDCs to further enhance trade with EU. However, we need to make efforts, in partnership with EU, to resolve the challenges with regard to graduation from LDC category, product diversification, product standardization, and others. In this context, Bangladesh delegation particularly flags four issues such as GSP, rules of origin, economic relevance of IPRs, and sustainable energy and climate. We have sent six questions through the Secretariat earlier and thank the EU delegation for answering the questions. We hope the recent EU notification to the WTO on carbon tax while addressing the needs of climate change and rise of climate ambition will not create barrier for exports from LDC, LMIC in particular.

4.447. To conclude, we wish the delegation of EU a productive and successful Trade Policy Review. My delegation will continue to work closely with the EU delegation, led by H.E. Ambassador João Aguiar Machado to strengthen multilateral trading system, as we assist our countries to enhance our bilateral trade ties.

ICELAND

4.448. It is with pleasure that Iceland welcomes the distinguished delegation of the European Union its Trade Policy Review, led by Director-General for Trade Sabine Weyand. We also express appreciation to the WTO Secretariat as well as the European Union for the reports prepared, as well as to the discussant, Ambassador Pimchanok Pitfield, for the excellent framing of the issues for our discussion today.

4.449. Iceland welcomes the EU's strong commitment to the smooth functioning of the multilateral trading system – with the international trading system and WTO remaining at the centre of EU's trade policy.

4.450. The EU and Iceland share a close and longstanding relations. The EU is Iceland's largest trading partner, with significant trade flows between the two markets. Both are part of the European Economic Area, providing the framework for close trade relations, harmonization, and cooperation.

4.451. In the past few years Members have been confronted with a challenging international environment. The COVID-19 pandemic has had an adverse impact on the world economy as well as the EU's.

4.452. Geopolitical tensions add to the challenges the global economy is facing after the pandemic, both with regards to climate change and Russian Federation's illegal invasion in Ukraine, which is particularly affecting the EU's economies due to its geographical proximity.

4.453. Iceland welcomes EU's approach to countering those challenges, with the emphasis on preserving stable and predictable international trading environment based on clear and enforceable rules.

4.454. As many Members, the EU acknowledges that trade policies can have a different impact on men and women and addresses existing disparities by a mainstreaming gender in its work. The Action Plan on Gender Equality and Women's empowerment in external relations for 2020-2025 is an important input in that regard.

4.455. Iceland welcomes the valuable contribution of EU towards pushing the gender agenda within the WTO. First through the work on the Buenos Aires Declaration and later in the Informal Working Group on Trade and Gender where the EU, in collaboration with ITC, leads work on how to apply the gender lens to the work of the WTO.

4.456. In the spirit of supporting relevant data gathering in this field, Iceland has submitted in advance written questions on the participation of women in the economies of the EU.

4.457. We welcome the replies as the answers will be useful in gathering best practices in the promotion of gender-equality within trade.

4.458. Finally, Iceland once again appreciates the European Union's firm support to the multilateral trading system and its active engagement in the WTO. We wish the delegations of the EU every success for their Trade Policy Review.

INDIA

4.459. At the outset, my delegation extends a warm welcome to the delegation of the European Union led by Ms Sabine Weyand, Director-General for Trade of the European Commission for their 15th Trade Policy Review. We also take this opportunity to welcome and convey our deep appreciation to the EU delegation in Geneva ably led by my friend H.E. João Aguiar Machado and his colleagues for their excellent work and close cooperation with our delegation.

4.460. We thank the WTO Secretariat and the EU delegation for the comprehensive reports prepared for the Review. These reports have given us very good insights into the trade policy of EU. I would also like to thank H.E. Ambassador Pimchanok Pitfield of Thailand for her insightful remarks as discussant.

4.461. India and the EU enjoy long-standing strategic partnership which goes beyond trade, both India and the EU have so much in common. We both are vibrant democracies with shared values. We both support the rules-based international order and the multilateral trading system. Both are large economies faced with a challenging landscape.

4.462. For India, the partnership with the EU is one of our most important relationships, visits and exchanges at the highest level are a regular feature between India and the European Union and members of the European Union today. The most recent examples of that include: first one is the 15th India-EU Summit which took place amidst the lockdown around the world in July 2020; the second one was our Prime Minister's participation in the first ever, India-EU Leaders' Meeting which happened in hybrid mode at Porto in May 2021, which led to the resumption of the bilateral free trade agreement dialogue; the third one was India-EU Trade and Technology Council (TTC) launched by our Prime Minister and by the President of the European Commission when she visited India during April 2022; and the last one, which I was also part of three weeks back, when we had our first Trade and Technology Council meeting at Brussels in May 2023.

4.463. These interactions have contributed to the resumption of India-EU FTA negotiations and in setting up the of India-EU Trade and Technology Council, that will address cooperation in trade, technology, and security in a comprehensive manner. Both the FTA negotiations and the TTC pillars are providing the necessary impetus needed to upscale our economic engagement. We have made a good start with TTC at its first meeting in Brussels, the working groups within India-EU TTC will enable closer strategic cooperation across subjects and sectors.

4.464. The EU presently is India's second-largest and a very important trade partner. Our bilateral trade was around USD 170 billion taking both goods and services into account. Similarly, EU is an important source of FDI with more than USD 100 billion inflows during the last two decades, which accounted for 16% of the cumulative FDI inflows into India during that period. At the same time, Indian companies have also invested about USD 50 billion in the EU.

4.465. While the bilateral economic and commercial relations have been on the upswing, certain irritants are acting as barriers preventing us from achieving the full potential of our economic partnership. We take this opportunity to highlight some of them. We note with concern that during the review period there has been a general upswing in the unilateral trade policy measures implemented by the EU that have a negative impact on its trading partners, including India.

4.466. The adoption of climate and environment-related policies, particularly the CBAM, regulation on deforestation and forest degradation, the proposal on corporate sustainability due diligence, Maximum Residue Levels (MRLs), and associated derogation power given to EU members are really problematic and are becoming non-tariff barriers to trade for the product categories included. These measures have far-reaching implications on existing trade volume and future trade potential. The WTO compatibility of these measures is also an open question and requires deeper discussions among the WTO Members to ensure that these trade measures are compatible with the WTO rules and the multilateral trading system.

4.467. EU's stringent SPS and TBT measures and its high use of anti-dumping and countervailing measures are also a matter of continued concern to India.

4.468. As part of this TPR exercise, the Indian delegation had submitted several questions on various schemes, policies, and measures of the European Union in areas including goods, agriculture, services, intellectual property, and trade facilitation to name a few. We thank the European Union for their replies to these questions and they are being reviewed by our capital. Let me assure that these questions are emanating because we see more potential in increasing our trade.

4.469. We recognize the commitment and contribution of the EU to strengthen the multilateral trading system. Both India and the European Union have a shared interest in a strong and effective multilateralism, therefore naturally there remains a high expectation from the EU that its actions conform to the multilateral trade rules and that it will work collectively with its trade partners to ensure that we do not take recourse to measures that will weaken the multilateral trading system.

4.470. We look forward to working with the EU on our shared objectives and common priorities of a strong and effective multilateral trading system, and in that regard, in working together to achieve balanced and meaningful outcomes at MC13. We are also equally committed and enthusiastic to advance our bilateral cooperation with the EU with renewed momentum. Our common trade concerns, global economic and developmental challenges, and building of resilient global supply chains will remain key focus areas of our work.

4.471. In closing, the prospects for a closer India and EU engagement in the twin-track of multilateral and bilateral remains very high. We are looking forward to work with the EU more closely, capitalizing on the new momentum to take our partnership to new heights.

4.472. India wishes the delegation of the European Union a productive and successful Trade Policy Review.

EL SALVADOR

4.473. On behalf of the Government of El Salvador, I wish to join previous speakers in extending warm greetings to the distinguished delegation of the European Union, headed by Ms Sabine Weyand, Director-General for Trade at the European Commission, the Commission officials visiting us from Brussels and Ambassador Aguiar Machado and his team in Geneva on the occasion of the Union's fifteenth Trade Policy Review.

4.474. We would like to thank both the European Union and the WTO Secretariat for preparing and presenting the detailed reports for this exercise, which have been very useful and have given us insight into economic and trade developments in the European Union countries during the review

period, especially the impact of the COVID-19 pandemic and the various overlapping crises currently being faced.

4.475. We also thank Pimchanok Pitfield for her important comments and reflections, which will contribute to enriching our discussions.

4.476. Relations between the European Union and El Salvador have strengthened over the years, especially since the entry into force of the Association Agreement between the European Union and the countries of Central America, which will celebrate its 10th anniversary in October 2023. This Agreement was pioneering, as it was the first region-to-region agreement, covering all the key aspects of bi-regional relations: political dialogue, cooperation and foreign trade. One of the main advances during these years has been the recognition, under the Association Agreement, of 10 new geographical indications of Salvadoran products, mainly coffee products.

4.477. Over the last decade, the European Union has grown in importance as a destination for Salvadoran exports and is now one of the main trading partners of El Salvador and the Central American region in general. The EU ranks sixth as a destination for the country's exports.

4.478. Although the trade balance between my country and the European Union has consistently been favourable to the latter, mechanisms have been put in place to promote the diversification of Salvadoran exports to the European market and, above all, to make better use of the advantages provided by the trade agreement.

4.479. The main Salvadoran products exported to the countries of the European Union are: coffee, sugar, honey, tuna, textiles, paper and cardboard, and footwear, among others. The main products we import are: medicines, machinery, iron and steel products, and food preparations.

4.480. Total foreign direct investment (FDI) by the European Union in El Salvador, up to last year, stood at USD 1,513 million.

4.481. We must also highlight the cooperation and Aid for Trade provided by the European Union to El Salvador and the Central American region through various Agendas, most notably in areas such as digitization, technological development, infrastructure, Central American economic integration and transport.

4.482. At the same time, technical assistance and cooperation projects remain under way in the areas of education, the environment and the fight against climate change, economic development, security, and trade facilitation.

4.483. The European Union remains the world's top trader and so any advances in the European bloc have a major impact on trade. Like most Members of this Organization, the EU countries were severely affected by the pandemic, as noted in the Secretariat's report. The COVID-19 pandemic led to the deepest recession since the 2008-09 financial crisis, with real GDP falling by 5.7% in 2020. Being a developed economy, however, and one better equipped to withstand the adverse effects of the pandemic, the Union achieved a major and swift recovery.

4.484. Given that the European market is one of the main destinations for various Salvadoran products, it is a matter of great interest that in 2021 the Union adopted a new trade strategy, entitled An open, sustainable and assertive trade policy, along with various measures affecting its imports, including the European Green Deal, the Carbon Border Adjustment Mechanism, green taxation and green government procurement. Alongside all these sustainability initiatives, we urge the European Union to continue to implement mechanisms to assist developing countries such as El Salvador, so that our export sector can adapt promptly to these new measures and thus maintain our share of the Union market.

4.485. Turning to the multilateral framework, El Salvador shares the European Union's view of the importance of the multilateral trading system, which is integral to the trade policy of the European Union member countries.

4.486. We note, in particular, the European Union's active and constructive participation in the regular work, negotiating agenda, cutting-edge issues and reform of the WTO, including the dispute

settlement mechanism. Moreover, the European Union remains one of the main donors for the Organization's capacity-building activities.

4.487. At the same time, the European Union has continued to promote discussions through joint proposals and initiatives on, *inter alia*, services domestic regulation, e-commerce, investment facilitation, transparency, trade and environment, trade and gender, and MSMEs.

4.488. In this context we should also mention the major support and leadership provided by the European Union in the Informal Working Group discussions on trade and gender.

4.489. We will be attentive to any initiatives and proposals the European Union may promote in the run-up to the next WTO Ministerial Conference.

4.490. My country put a number of questions to the European Union on issues such as rules of origin, the REX system, agricultural policy, technical barriers to trade and health measures, among others. We wish to thank the European Union for its prompt replies, which have been forwarded to our capital.

4.491. In conclusion, I wish the European Union delegation every success in its fifteenth Trade Policy Review.

MALAYSIA

4.492. At the outset, please accept our warm welcome to Mrs Sabine Weyand, Director-General of the Directorate-General for Trade, European Commission, and her delegations, as well as Ambassador João Aguiar Machado, to the European Union's 15th Trade Policy Review.

4.493. We would like to record our appreciation to the European Union and the WTO Secretariat for the reports prepared as both are very comprehensive and helpful to further guide us in this review exercise. We also thank Ambassador Pimchanok Pitfield for her appreciative and thoughtful assessment of EU's trade policy development since its last Review in 2020.

4.494. Malaysia appreciates the opportunity to participate in EU's 15th TPR, and we also associate ourselves with the ASEAN statement to be delivered by colleague from Indonesia.

4.495. Malaysia would like to commend the European Union for its strong economic growth post-COVID-19 pandemic. The EU's coordinated policy responses to the pandemic have been effective in mitigating the economic fallout and promoting a quick recovery from the negative impact of the pandemic and the on-going geopolitical tensions.

4.496. On the multilateral front, Malaysia appreciates that the European Union has been a strong supporter of the multilateral trading system evident through its active engagements in the WTO.

4.497. We recognized the EU's critical role where the bloc has demonstrated its leadership towards achieving the success of MC12 in many areas, including in the WTO Reform, particularly the Dispute Settlement Mechanism, the momentous Agreement on Fisheries Subsidies, TRIPS Waiver Decision as well as on Agriculture and Food Security.

4.498. We also value the EU's constructive participation and contributions in the JSIs that Malaysia is also part of such as JSI on e-commerce and investment facilitation for development. We trust that the EU will continue to make further contributions to our ongoing negotiations and discussions at the WTO, with the view to achieving an ambitious outcome at MC13 next year.

4.499. We also applaud the EU's leadership in addressing climate change issues at the global level as well as its commitment to achieving carbon neutrality by 2050 which has led other countries to follow suit. Nevertheless, Malaysia would like to emphasize that any trade measures undertaken by any Members under the guise of environmental sustainability objective, should not be trade restrictive or discriminatory in nature.

4.500. Bilaterally, Malaysia and the European Union have enjoyed a long-standing and fruitful bilateral relationship, marked by close economic and political ties. The two sides engage in various

forms of bilateral cooperation, including in areas such as education, science and technology, and culture.

4.501. Malaysia views with great importance of our trade relationship with the EU, as the EU is one of Malaysia's largest trading partners. In 2022, the EU was Malaysia's fourth largest trading partner, as well as export destination, and fifth largest import source. In the same year, Malaysia was the EU's 23rd largest trading partner.

4.502. On the investment front, as of 2022, a total of 1,803 manufacturing projects with the EU's participation worth MYR 251.6 billion (USD 65.3 billion) had been approved.

4.503. Malaysia looks forward to enhancing the trade and investments activities between both economies in the future, particularly in new areas of mutual interest, such as promoting environmental sustainability, advancing digital transformation and innovation, and enhancing ESG standards.

4.504. For this review, Malaysia seeks further information from the total of 39 written questions we have submitted earlier on the EU's economic and trade policies and procedures, as well as investment regime and domestic legislation in relation to, among others, micro, small and medium-sized enterprises; and data security.

4.505. Malaysia appreciates the responses provided by the EU which surely help our stakeholders to better understand the EU's trade and related policies. We take this opportunity to thank the EU delegation for responding to our questions and we will examine the responses with great interest.

4.506. We wish the delegation of the EU a productive and successful 15th Trade Policy Review.

INDONESIA ON BEHALF OF ASEAN

4.507. Indonesia would like to make a statement on behalf of ASEAN. It is a great pleasure to warmly welcome the delegation from the European Union led by Mrs Sabine Weyand, Director-General for Trade of the European Commission, to their 15th Trade Policy Review. We thank the EU and the WTO Secretariat for the comprehensive reports as well as H.E. Mrs Pimchanok Pitfield of Thailand for her role as discussant.

4.508. Over the years ASEAN and the EU partnership continues to strengthen, indeed, at the ASEAN-EU Commemorative Summit in Brussels on 14 December 2022, both ASEAN and the EU have made the commitment to develop the ASEAN-EU Strategic Partnership based on international law, mutual interests, and mutually beneficial cooperation on issues of common concerns and the principle of equality. In this regard, despite the ongoing global economic challenges, the potential for the growth of ASEAN-EU trade and investment relationships remains robust. According to the ASEAN statistics the total value of two-way merchandise trade between ASEAN and the EU reached USD 268.9 billion in 2021, grew by 18.6% year-on-year from 2020. Furthermore, ASEAN's FDI from the EU increased by 42.9% in 2021 on a year-on-year basis and amounted to USD 26.5 billion.

4.509. Going forward, we will intensify our engagement on trade and economic issues and explore other avenues to promote cooperation in areas of mutual interest such as digital economy, green technologies and green services, and supply chains resilience. We will also continue to work together with the EU to promote and uphold an open, inclusive, transparent, non-discriminatory and rules-based multilateral trading system as embodied by the WTO.

4.510. Last but not least, several ASEAN member States in the WTO have submitted written questions to the European Union, and we would like to express our appreciation in advance to EU's written responses.

4.511. Finally, we would also like to thank the EU delegation for their constructive engagement and commend the contribution of H.E. Ambassador João Aguiar Machado and members of the EU Permanent Mission in Geneva for their hard work. We wish the EU a successful 15th Trade Policy Review.

INDONESIA

4.512. The European Union has long been Indonesia's economic partner, and since July 2016 we have been negotiating a free trade agreement that we hope will conclude successfully and will benefit both countries' economies, including in the face of global crisis.

4.513. I would like to share our observations on a few specific areas in the EU's trade policies. We would like to again reiterate our systemic concern regarding EU's unjustified measures to our palm oil products, as well as EU's sanitary and phytosanitary measures. In regards with the implementation of REDII and its delegated regulations, the EU classified palm oil as a high indirect land-use change risk and prohibits its use in 2023. On the other hand, many international standards, including RSPO, ISCC, ISPO, and RSB have certified that palm oil is produced in a sustainable manner. Therefore, Indonesia urged the EU to review the regulation and ensure that it is consistent with WTO principles and applied in a non-discriminatory manner.

4.514. On the set of the EU new trade strategy which includes EU regulation on CBAM and deforestation, Indonesia sees the proposed regulation will generate an unnecessary barrier to trade, particularly for non-EU and direct competitors with the EU products such as coffee, rubber, processed wood, and palm oil. This policy we believe will have an impact on small and medium enterprises as well.

4.515. In addition, the use of geo-location data as part of products origin traceability procedures may expose geographic data and violate data privacy laws, since the EU could identify, process, verify, and inspect the privacy area of producers in the country of origin. On contrary, the EU has strict rules on geo-tagging and data privacy as stated in Article 7 and 8 of the EU Charter of Fundamental Rights.

4.516. Dozens of WTO Members have consistently raised concerns in the SPS and TBT committees, regarding EU's practices of setting maximum residue level limits, which are trade restrictive and have created significant barriers for Indonesian exports of coffee beans, tea, fruits, and cinnamon. A number of these levels are significantly higher and deviated from the Codex and are maintained for reasons other than demonstrated risk to human health. Beyond that, one EU-member, Hungary, has implemented a Public Help Product Tax (PHPT), which imposes an additional tax on chip-products which are classified as an unhealthy product. The PHPT will undoubtedly have an additional impact on cassava products exported by Indonesia after obtaining a tariff rate quota concession as a result of Brexit. Having that said, we urge the EU to reduce and eliminate these non-tariff barriers and ensuring that SPS measures adhere to objective criteria of scientific justification of risk, as acquired by WTO SPS Agreement in accordance with the WTO principle of National Treatment.

4.517. Before concluding, Indonesia expresses appreciation for the EU's active participation in the discussions on WTO functions, issues, and various initiatives. It is also important to highlight the EU's significant contribution to promoting developing countries participation in trade negotiations through grant programmes.

4.518. Finally, Indonesia would like to wish this review every success.

URUGUAY

4.519. Uruguay would like to extend a warm welcome to the delegation of the European Union, headed by Ms Sabine Weyand, Director-General for Trade at the European Commission, on the occasion of the Union's fifteenth Trade Policy Review. We thank Ms Weyand for her presentation. We also thank the Secretariat for its comprehensive report and the Ambassador of Thailand, Ms Pimchanok Pitfield, for her insightful interpretation of the analysis provided.

4.520. At the bilateral level, the European Union is the main source of foreign direct investment in Uruguay and the second largest destination for our exports of goods.

4.521. As regards the agricultural sector, Uruguay remains concerned about the high levels of intervention and protection prevailing in the European Union. Besides the distortions generated by the high levels of support still provided to producers through the CAP, we note that access to the European market for products of interest to Uruguay is severely restricted by high and complex

tariffs, while tariff quotas offer an increasingly limited window of access. On this point, I would like to once again, in this forum, call upon the European Union to seek real solutions to the legitimate concerns expressed by my country in the renegotiation of concessions taking place under GATT Article XXVIII as a result of Brexit.

4.522. Besides the subsidies and tariff barriers, we note with concern the tendency to adopt increasingly restrictive non-tariff measures, which seem to conflict with certain fundamental WTO principles and rules, such as international harmonization, the scientific justification and need for the measures, non-discrimination, and the consideration of less trade-restrictive alternatives. Uruguay therefore considers that the European Union should make greater efforts to listen to and address the legitimate concerns expressed by a large and diverse number of partners at the bilateral and multilateral levels, in order to ensure that its policies effectively contribute to the achievement of the objectives pursued, without contradicting WTO rules and principles and without harming third parties.

4.523. As regards trade in services, the European Union is the third largest source of tourists to Uruguay, tourism being a sector our country is vigorously promoting.

4.524. European investments have also played a key role in the development of Uruguay, especially in supporting productive transformations in sectors such as renewable energy, forestry, pharmaceuticals and information technology, as well as in the Port of Montevideo. In return, many European companies have received huge profits, under the legal certainty and excellent business environment provided by Uruguay as a regional platform.

4.525. Turning to the regional level, we understand that both trade and investment may be strengthened if the MERCOSUR-EU Agreement is finally signed, leading to a structural and strategic transformation of bilateral economic relations, and so we reiterate here once again our country's firm support for that Agreement.

4.526. At the multilateral level, we both agree that the WTO plays a central role in the rules-based multilateral trading system. This gives us the assurance that the Agreements of this Organization remain relevant and equal to present challenges.

4.527. We have worked together on the implementation of the commitments made at the Twelfth Ministerial Conference (the "Geneva Package"); on the implementation of the agreement to prevent subsidies for illegal, unreported and unregulated fishing; on all matters relating to the fight against the COVID-19 coronavirus pandemic; and on the reform of the WTO.

4.528. Looking ahead to CM13, we expect to work closely with the Union to take concrete steps towards achieving meaningful outcomes on priority issues where the status quo unfortunately remains the rule. I refer, in particular, to the need to make progress in the reform process under Article 20 of the Agreement on Agriculture, especially in the domestic support and market access pillars. On the subject of market access, I would like to take this opportunity to call on the European Union to show greater openness and willingness to move forward in line with the mandate of the Agreement, acknowledging the ample scope that exists for improvements at the multilateral level that will allow progress towards the establishment of an open, fair and market-oriented agricultural trading system.

4.529. As an efficient food producer and exporter, Uruguay considers that problems of food security should be addressed mainly through freer trade, without unjustified restrictions on either imports or exports, and through the promotion of transparency mechanisms. To that end, within the context of the WTO, we cannot but insist on the need to show a commitment to advancing in line with the mandate of Article 20 of the Agreement on Agriculture.

4.530. We also commend the European Union on its initiatives aimed at improving export conditions for small and medium-sized enterprises, especially those led by women. The WTO is a multilateral organization and MSMEs are a global issue. We need the voice and input of the members of the Informal Group on this issue to help build critical mass and develop good practices.

4.531. The Union, like the rest of the Members, is going through challenging times in terms of the recovery from the pandemic, excessive price inflation and a geopolitical shift in which there are, as

yet, more unknowns than certainties. Following the lessons learned from the past, we must therefore engage in dialogue to ensure free and efficient movement of goods and services, based on objective, shared criteria.

4.532. Lastly, let me remind you that we have sent you various technical questions on bilateral and multilateral trade policy, sustainability, the external effects of the Union's internal policies, agricultural trade, fisheries and SMEs.

4.533. Best wishes for a successful Trade Policy Review.

SOUTH AFRICA

4.534. The EU is South Africa's largest trading partner, accounting for more than ZAR 687 billion in 2021 and ZAR 830 billion in 2022. South Africa is the EU's largest trading partner in Africa with exports to the EU growing and becoming more diverse, with an increase in the export of manufactured products.

4.535. South Africa and the EU bilateral trade relations are governed by the SADC-EU EPA and are further characterized and anchored by the SA-EU Strategic Partnership and Joint Action Plan.

4.536. The EU continues to be one of South Africa's largest sources of foreign direct investment (FDI). There are over 2,000 EU companies operating across a wide industry spectrum – manufacturing, wholesale and retail, services.

4.537. Given that the EU is South Africa's largest trading partner, we attach great importance to this TPR as we continue to examine EU trade practices, policies, and strategies because EU developments and specific economic policies have an impact on WTO Members. To this extent, we wish to share our observations and concerns on several areas of the EU's trade policies.

4.538. We read with great interest the 2021 EU trade strategy based on the concept of open strategic autonomy, underpinned by openness, sustainability, and assertiveness. Overall, looking at the recent slate of EU initiatives and legislation in pursuit of this vision, the EU's trade policy direction has significant implications for trading partners and their ability to access the EU market. Examples are the Carbon Border Adjustment Mechanism (CBAM) Regulation, Deforestation Regulation, Anti-Coercion Act, Foreign Subsidies Regulation, Enforcement Regulation for trade disputes, revised state aid rules, proposal for an export credit facility, to mention a few. This leads to the question as to the extent to which the twin aims of achieving strategic autonomy and preserving an open economy are compatible with one another? This also raises the need to reflect on how we can promote multilateral cooperation and collaboration on issues of global commons and whether unilateral and protectionist trade practices and policies are a solution and what the implications are on WTO rules.

4.539. We note the importance the EU places on its climate and energy policy framework through the Green Deal. Its implications for developing countries are multifaceted and its economy-wide effects extend beyond energy transition to agriculture, biodiversity, critical raw materials (CRMs), new technologies, and finance. We look forward to receiving further information from the EU on its Green Deal measures, in particular the Carbon Border Adjustment Measures (CBAM) and Deforestation measures, their consistency with WTO obligations and their trade implications. We hope to engage the EU about our concerns on these matters with a view to avoiding or mitigating potential trade impacts.

4.540. On tariffs, we appreciate that the EU has bound all its tariff lines, of which around a quarter are duty-free. As per Secretariat Report, we note that the agricultural sector still stands out in the tariff analysis due to being heavily protected with higher tariffs and tariff peaks, *non-ad valorem* duties, and tariff quotas.

4.541. We also note that the number of *non-ad valorem* tariff lines remains significant and constitutes about 10% of the EU's tariff lines. Of the *non-ad valorem* tariffs, about one third are compound, mixed, or other, making it difficult to determine the duty rate or assess the real impact of these tariffs. Complex tariffs act as barriers to trade and we encourage the EU to transform its *non-ad valorem* tariff lines to *ad valorem* ones because tariff simplification is important for bringing

about greater transparency and predictability to global trade rules. Considerable scope remains for further progress on market access, especially where the EU retains complex or prohibitive tariffs on highly traded products. We reiterate our concern regarding the EU's diverse and complex nature of applied tariff rates within the EU, non-*ad valorem* duties mostly in agriculture, tariff quotas, and significant tariff escalation and peaks in areas such as agriculture where developing countries like South Africa have interests.

4.542. In addition, the EU continues to maintain high levels of domestic subsidies under its revamped 2021-2027 Common Agricultural Policy (CAP), which leads to distortions in production and international trade. The impact of agriculture subsidies displaces farmers not only in the international market but also the domestic market. We urge the EU to take the lead in reducing trade-distorting domestic support by considering capping, reducing, and finally eliminating the most trade-distorting forms of agricultural support. In this respect, we join others in encouraging greater market orientation, considering non-direct payment policies to help achieve EU climate objectives, and in reducing distortions to international trade. The EU is key in achieving agriculture envisaged in the Agreement on Agriculture.

4.543. We seize this opportunity to raise concerns about the EU's increasing implementation of sanitary and phytosanitary measures. In a constructive spirit, and even as we recognize the EU's efforts to ensure the health and safety of its population, and the EU's right to adopt measures to achieve legitimate health and food safety objectives, we urge the EU to ensure that such measures are science-based, and do not unjustifiably restrict international trade. We have serious concerns over EU SPS measures that lack science and risk-based assessment. The proliferation of trade restrictions that are based on factors other than the objective criteria offered by scientific assessments of risk and deviate from internationally agreed standards, run counter the SPS Agreement and could have a very negative impact on our agricultural products, and those of a great number of developing countries without proper justification.

4.544. The effects of certain EU SPS measures are of note due to their importance for economic, commercial, and social development. Examples include the maximum residue levels (MRLs) and other changes to plant and animal health regulations that do not provide for adequate transition periods. We take this opportunity to urge the EU to consider adopting least trade restrictive measures and to engage in a solution-oriented manner with concerned Members that are raising legitimate concerns so that these measures do not become *de facto* barriers to trade.

4.545. Through the review period, the EU continued to be a significant user of trade remedies. The steel safeguard measure implemented in 2018 continues to remain in place for three years until 30 June 2024 with an annual TRQ growth rate of 3%. In addition, in 2022, the EU extended the safeguard measure to South Africa under the SADC-EU EPA, for certain steel product categories. South Africa is directly affected by the safeguard measures on steel. We wish to use this opportunity to reiterate our concern at the disruptive effects of inappropriate trade defence measures. These measures breakup value chains, undermine competition policies and contribute to the escalation of trade tensions.

4.546. We recognize the EU's contribution to the DSS, as well as its active participation in the informal DS discussions and search for a solution to the impasse of the AB and having a fully functioning Dispute Settlement System by 2024. At the same time, the EU is a co-sponsor of the Joint Proposal which, now with 129 Members, seeks to launch the process to fill Member vacancies in the AB.

4.547. We wish to acknowledge the EU's commitment to the WTO, its active engagement in negotiations, its efforts for sustaining a stable and predictable rules-based multilateral trading system, as well as advocating for its reform. Such reform should preserve development at its core, and consider the flexibilities, capacity-building and technical cooperation needs of developing countries.

4.548. Within this TPR exercise, South submitted several questions and raised concerns on a range of topics covered in the EU's trade policy. South Africa remains ready to engage with the EU on these issues. We wish the EU a successful TPR and look forward to further engaging on issues raised and to strengthen our bilateral relations.

TUNISIA

4.549. My delegation is pleased to participate in the fifteenth Trade Policy Review of the European Union and welcomes the delegation led by Ms Sabine Weyand, Director-General for Trade at the European Commission, whom we thank for the comprehensive briefing on the EU's economic situation and trade policy.

4.550. I also wish to thank H.E. Ambassador Pitfield for the pertinent remarks she made in her presentation and congratulate the Secretariat on the thorough report it has submitted to us for this review.

4.551. The review period, which was severely impacted by the pandemic and the Russia-Ukraine crisis, was marked by a major change in the EU's development and political goals and priorities led by the adoption of, *inter alia*, the European Green Deal, a Europe fit for the digital age, and a new political agenda to reinforce the EU's global influence and leadership, so as to maintain its position as the world's largest trading bloc and a leading player in the trade in goods and services.

4.552. The reports testify to the resilience of the EU member States and the economic strength of the European bloc. The bloc responded swiftly to the multi-faceted crisis and to Brexit, thanks partly to measures taken by individual member States but also to the adaptation of EU policies and practices and additional European funding, resulting in a strong recovery in GDP, which grew 5.4% in 2021.

4.553. At the multilateral level, we highly appreciate the engagement and commitment of the EU in upholding and strengthening the multilateral trading system. We largely share the EU's proposed vision for a comprehensive reform of the WTO in respect of its negotiating, monitoring and dispute settlement functions. And we expect the EU to continue to play an active role in supporting the aspirations of developing countries and least developed countries, to which it is closely linked by various partnership agreements, regarding the establishment of a multilateral trading system favourable to development for all and to the promotion of the industrialization capacities of developing countries.

4.554. The upcoming MC13 will be an opportunity for the EU and its developing partners, particularly in Africa, to drive these values forward by agreeing on certain decisions in favour of development, food security, SPS and technology transfer.

4.555. At the bilateral level, traditional Tunisian-European economic and trade relations date back to the early 1960s and the negotiation of a formula for cooperation with the EEC, which was put into effect in 1969.

4.556. The EU-Tunisia Association Agreement, signed in 1995 and established as a Privileged Partnership in 2012, marked the entry into force of the Free Trade Area with the EU for industrial products. This Association Agreement is considered the first of its kind entered into between the EU and a southern Mediterranean country. It paved the way for the establishment of an EU Neighbourhood Policy.

4.557. Building closer ties with its European partner has been a constant of Tunisia's foreign policy and an irreversible choice, based on geographical proximity, common destinies, shared economic interests and centuries-old cultural and human exchanges.

4.558. The European Union remains Tunisia's main trading partner, accounting for some 65% of Tunisia's trade. And the prospects for further growth in trade remain promising: through removal of tariff and non-tariff barriers, investment promotion (particularly in industry, services and tourism), diversification of exports of high value-added products (such as organic agricultural products and high-end textile products and manufactured goods) and the promotion of electronic commerce and know-how.

4.559. Regular Association Council meetings and high-level exchanges should enable the Tunisian and European parties to achieve the common objective of closer and deeper integration of the Tunisian economy into the European Single Market and to overcome the current difficulties, attributable mainly to the combined impacts of the pandemic and the war on the Black Sea, the

weight of post-revolution social demands and the scale of the economic, social and political reforms undertaken in Tunisia.

4.560. We dare to hope, in this place, for a closer commitment by our leading partner to adapt to the context and support a rapid recovery of economic stability in Tunisia.

4.561. In this constructive spirit, we have raised some concerns and would be grateful if the EU delegation could shed some light on these matters.

4.562. Our first request concerns the benefit of the European Union's Generalised System of Preferences (GSP+), in particular the eligibility criteria and the deadlines for revising the list of beneficiary countries. Specifically, we ask for clarification on the relationship and interdependence between the different categories, namely, the general arrangement and the special arrangement for the least developed countries.

4.563. A positive interaction with the Tunisian dossier, which has been on file for several years now and is considered to meet the eligibility criteria, on the same basis as the 66 beneficiary States, would be highly appreciated as part of the diversified efforts for economic recovery.

4.564. The second concern is in relation to the difficulties in accessing the EU market due to EU member countries' using both domestic and Community regulations on technical standards and sanitary and phytosanitary measures.

4.565. We consider that having overlapping regulations does not serve the transparency of EU trade policy and has been a major obstacle to the development of exports of Tunisian industrial and agricultural products to the EU market.

4.566. It should be emphasized that both parties, Tunisia and the EU, remain determined to build on existing political and economic achievements and institutional frameworks to strengthen their cooperation.

4.567. In conclusion, I would like to commend Ambassador Aguiar Machado and his team in Geneva, as well as the team of experts in Brussels, for their active engagement in the work of the WTO and wish the European delegation a successful Trade Policy Review.

ANGOLA

4.568. The delegation of Angola would like to commend the European Union for the 15th Trade Policy Review. We acknowledge the important document informing on 27 UE member countries' significant economic and trade evolution through an impressive set novel strategies, policies, and reforms drafted and implemented in the last three challenging years.

4.569. Our delegation is also particularly grateful for exhaustive Report from the WTO Secretariat that provides a thorough review of the economic and trade evolution of the European Union since 2020. We fully agree with the EU's general diagnostic that the world economy is still negatively affected by the persisting impact of the COVID-19 pandemic, the ongoing war in Ukraine and the rise of geopolitical tensions in the context of growing consequences of climate change.

4.570. Angola also understands that we are truly experiencing a world in transition that demands much more dialogue, cooperation, and global trade in order to develop fair and dynamic policies able to sustain worldwide economic and social development. Therefore, Angola can only express its solidarity and regret the negative impact of the global pandemic crisis on the EU economy.

4.571. Since the EU remains the first and largest trading bloc in the world in imports and exports of goods and services combined, all economic downturns in the European Union have a perverse impact worldwide, particularly in LDCs and the majority of developing countries. Consequently, it is even a more urgent to continue supporting a global rules-based trading system within a well-functioning WTO which has become undoubtedly the most critical international institutional tool for ensuring free and fair trade.

4.572. We are pleased to note the firm EU commitment to the WTO and its longer-awaited reform expected to have serious development in forthcoming MC13, namely on Dispute Settlement negotiation and deliberative system. We support the EU's engagement to strengthen the WTO's role in health, food security, and trade sustainability, in these trends, the Fisheries Subsidies Agreement is a relevant example of integrating sustainability into WTO rules and reinforcing disciplines on subsidies.

4.573. Angola expects that the EU will also turn into a major contributor for similar success in the ongoing negotiations on agriculture subsidies, including cotton trade, promoting an agreement in forthcoming MC13 beneficial to the LDCs and developing countries that still have large proportions of their population and local economies relying on agricultural production.

4.574. We still have doubts about the merits of open plurilateral JSIs that risk eroding the WTO consensual and other organizational policy deliberation and decision-making through negotiations in General Councils, Committees, and Ministerial Conferences. Moreover, the EU and all the developed countries must be aware that fairness and equity must start within the WTO itself. Angola and the other LDCs and most developing countries do not simply have the financial and technical resources to support large delegations of diplomats, experts, and staff to WTO as the EU and its 27 country-members do. We do not simply have enough people to follow all meetings and initiatives, read proposals, reports and suggestions, and elaborate our declarations and recommendations. Angola sincerely hopes that these serious dysfunctions can be addressed and solved in the process of the WTO reform.

4.575. Nonetheless, our delegation is pleased to acknowledge the EU's efforts to find the way to support developing countries facing the difficulties integrating into the global trading system and value chains. We agree with the EU's suggestion to improve the deliberative functions in key committees, including the Committee on Trade and Development, and make them a forum for meaningful policy discussions. Angola also welcomes the EU declaration inviting WTO to give even more concrete attention to LDCs, including to ensure a smooth transition in the graduation process.

4.576. The EU is one of Angola's most important trade partners with a trade balance widely favourable to our country. The EU imports from Angola were USD 14.24 billion in 2022, according to the UN COMTRADE, while you have imported goods and services from the EU amounting to USD 2.49 billion. In concrete terms, our exports were 94% made of mineral fuels following the well-known pattern of our country's substantial economic dependency on crude oil production and exports. The EU has become a key partner in supporting Angola's efforts to diversify the economy and move towards a sustainable development model, among other important cooperation examples, the EU-UNCTAD Joint Programme for Angola: Train for Trade II became a crucial instrument in the process of diversification of our country economy and exports by building the critical components of its productive capacities aiming towards a smooth transition from the LDC and beyond.

4.577. More important, the EU and Angola concluded the technical discussions on November last year for the first-ever Sustainable Investment Facilitation Agreement (SIFA), the EU-Angola SIFA will make attracting and expanding investments easier, while integrating environment and labour rights commitments in the EU-Angola relationship. The SIFA will also provide technical aid and support Angola's efforts to improve the investment climate for foreign and local investors, especially for small and medium-sized enterprises. We are very grateful for the EU's cooperation and continued support to Angola's development and hope that SIFA will be signed soon.

4.578. Angola wishes the EU a successful Trade Policy Review.

FIJI

4.579. We welcome the delegation of the European Union led by H.E. Sabine Weyand, Director-General for Trade of the EU Commission and the EU delegation this morning to its 15th Trade Policy Review. The European Union's vast experiences and leadership in the field of trade amongst others is highly commendable and which has implications on development and progress across all economies. Its deeper economic integration and stability over the years consisting of the world's economic powerhouse is commendable.

4.580. Fiji also recognizes and thank the discussant H.E. Ambassador Pimchanok Pitfield of Thailand, I am sure the Secretariat with the EU made the right choice.

4.581. The EU has consistently remained amongst the top five export destination for Fiji. Apart from aircrafts, major imports from the EU mainly revolves around machinery and parts. The European continent is also considered one of the key tourism markets for Fiji. Regarding investment, the registered projects by EU member countries are in the services, tourism, manufacturing, wholesale and retail, agriculture, and forestry sector.

4.582. Fiji opens its market to 87% of imports from the EU, the EU and Fiji continues to hold High Level Political Dialogues to address common interests and challenges such as climate change, oceans, human rights, development cooperation as well as economic and trade cooperation. Fiji and the EU are engaged in the Pacific region through the Pacific Islands Forum and the Pacific Community as well as through the Organisation of African, Caribbean and Pacific States (OACPS) which coordinates the OACPS-EU policy dialogues.

4.583. The European Union has supported a range of cooperation projects that benefited Fiji in areas of climate change adaption, disaster risk reduction, sustainable rural livelihoods, public administration reform and governance, gender, and human rights.

4.584. As highlighted in the EU's Report, it is tabled at such a challenging international environment with heavy implications on international trade. With this we have the following comments to offer:

- i. We urge the EU to revise its tax blacklisting approach which is unilaterally applied to a number of small islands developing states in the Pacific region and beyond. In the Pacific for instance, a number of countries such as American Samoa, Fiji, Guam, Palau, Samoa, and Vanuatu are unfortunately included in this category of countries. During this difficult time this is the last we expect from our development partner such as the EU, solidarity and understanding is key. These countries unfortunately were not aware of these standards nor have the capacity to implement the requirements. Having address this longstanding issue will bring the EU and the Pacific region much closer than they are geographically.
- ii. The EU's support for free and fair trade, sustainable supply chains and digitalization can help boost economic growth and reduce poverty in our region. With this, we request the EU to expedite the finalization of post-Cotonou Agreement which is a longstanding issue pending on the side of the EU. The agreement should pave the way for a predictable and enhanced trade relations among our countries with the EU that should foster equity and development.
- iii. In relation to the CBAM, we see utilities in its imposition as a means to address carbon leakage but should not be a unilateral measure condition to affect trade. This remains an uneven playing field with mixed reactions despite its perceived effectiveness as a catalyst for climate action and economic driver. Certainly, for Fiji, our current level of development is a major prohibitive factor, but we are fully committed to adopt measures to reduce carbon leakage. We, however, need to keep the momentum going particularly in the space of transitioning to cleaner energy and adopting greener technology.
- iv. We noted with appreciation EU's continued commitment and leadership on gender equality and women's economic empowerment. Its Gender Equality Strategy 2020-2025 is a useful guide on EU's inclusive approach that is sensitive to the economic abilities of all its people.
- v. While we applaud the EU on the milestones it has taken on the WTO fisheries subsidies agreement ratification, likewise its support to the fisheries fund, we continue to count on EU's leadership and flexibility in the ongoing negotiation that should culminate in the successful conclusion of the remaining pillar of the agreement.

4.585. With these comments, we thank the EU delegation in particular we would like to thank the EU Permanent Mission to the WTO in Geneva led by H.E. Mr João Aguiar Machado and his team for

their dedication and commitment in all WTO committees and the collegial relations we have developed in Geneva. We wish the EU delegation every success in its Review.

JAMAICA

4.586. Jamaica extends a very warm welcome to the delegation of the European Union, led by Ms Sabine Weyand, Director-General, Directorate for Trade of the European Commission, to its 15th Trade Policy Review. We thank the delegation for its very detailed Report.

4.587. We commend the efforts made by you Chair, our discussant, Ambassador Pimchanok Pitfield of Thailand, and the Secretariat to facilitate today's discussions.

4.588. We note that the EU outstrips several countries including the United States in imports and exports of goods and services combined. It is the second largest trading bloc, and maintains the top position in terms of global trade in services (approximately 25%). We further note from the delegation's Report that 38 million EU jobs are dependent on EU exports. Therefore, EU's continued support for the preservation of a rules-based multilateral trading system is unsurprising.

4.589. We have heard from Ambassador Pitfield about the impact of the COVID-19 pandemic on the EU economy, including a contraction of 5.7% in 2020. We note that efforts to improve the economic situation have been constrained by geopolitical tensions, supply chain disruptions, the negative impacts of climate change and rising inflation. Nevertheless, my delegation notes further that the projections for economic growth for 2023 and 2024, although modest, are positive. This is largely due to the successful implementation of several national and EU government policy measures.

4.590. The effects of the abovementioned issues are undoubtedly being experienced by other WTO Members; they offer an opportunity for WTO Members to discuss more intensely, the role the WTO could play in ensuring a more balanced recovery, and stable trading environment.

4.591. Jamaica, therefore, commends the EU's ongoing support for the integration of all Members into the global trading system, including through trade, investment, and the provision of technical assistance and capacity building, in particular, to developing countries, small island developing states and least developed countries (LDCs). This has been most evident in the EU's contribution to bilateral development programmes, various WTO programmes and initiatives, Aid for Trade, and the trade facilitation facility; these have greatly assisted developing and least developed countries to enhance the technical and negotiation capacities.

4.592. Jamaica and the EU share a mutual interest in ensuring that the multilateral trading system, with the WTO at its core, remains stable, inclusive, predictable, free and fair, and rules-based. We appreciate the EU's active support for a well-functioning WTO. Jamaica notes, with keen interest, that the EU has elaborated a robust trade policy agenda, including a focus and proposals on reform of the Organization. The EU has also tabled proposals which focus on improving the efficiency, transparency and functioning of several WTO bodies. Indeed, a strengthened and more enhanced WTO that is fit-for-purpose, and readily responds to the needs of all its Members augurs well for securing a sustainable multilateral trading system. We, therefore, welcome open and inclusive exchanges on these issues in future.

4.593. Against this background, my delegation wishes to convey Jamaica's appreciation to Ambassador João Aguiar Machado, Head of the EU Permanent Mission to the WTO, for his delegation's active engagement across the various work streams at the WTO. The delegation's contribution on a number of matters during the 12th Ministerial Conference, helped to facilitate the success of the Conference. Additionally, we thank the EU for advancing proposals to implement those outcomes. As momentum increases towards MC13, we look forward to continuing this spirit of constructive engagement with and flexibility of the EU delegation, especially on issues of mutual concern.

4.594. Many Members have raised several questions related to the trade policy formulation and objectives of several of its strategies including its "Open, Sustainable, and Assertive Trade Policy", the EU Digital strategy and the European Green Deal. Questions were also posed on its Customs Procedures, valuation and requirements; the new European Standardization Strategy; the scope of

its MRAs; the new CAP (result-orientation, "greening" and eco-schemes) among others. We thank the delegation for the responses already provided, and welcome additional information/responses to other questions that may be raised during today's discussions.

4.595. At the bilateral level, Jamaica's relationship with the EU remains robust. This partnership includes collaboration through the OACPS and EU-CELAC institutions and economic relations within the context of the CARIFORM-EU EPA and the post Cotonou Agreement. The EU's cooperation with Jamaica pursues the global objective of poverty reduction and sustainable development, based on the principles of the ACP-EU as well as the framework of EU-CARIFORUM partnership and Jamaica's national development plan, Vision 2030 Jamaica.

4.596. The EU is Jamaica's second largest trading partner and represents Jamaica's second largest export market and the third largest import market. We currently are pursuing several economic activities in Europe, particularly in Belgium, France, Germany, Luxembourg, Netherlands, Portugal, Spain, and Switzerland. These are focused on a multiplicity of sectors, namely tourism, agriculture (primarily coffee), financial services, and technology. It is hoped that these will garner (greater) trade and investment relations with the EU.

4.597. In conclusion, we wish the delegation of the EU the very best for a successful 15th Trade Policy Review.

EGYPT

4.598. Allow me to join previous speakers in congratulating the delegation of the European Union, led by Mrs Sabine Weyand, Director-General for Trade at European Commission, on the successful completion of the 15th Review of its trade policy and the hard work done on this exercise.

4.599. I would like also to express our appreciation to the EU as well as the WTO Secretariat for their comprehensive reports and we thank H.E. Ambassador Mrs Pimchanok Pitfield of Thailand for her important contribution.

4.600. The EU is one of the major and key players in the multilateral trading system. It is the world's top trader, one of the main donors for capacity-building and technical assistance activities in WTO and has the largest network of RTAs in the world. Moreover, the reports presented today show the dynamic nature of the EU. It has the ability to mobilize 27 countries to adapt swiftly to new evolutions and shocks, including through adopting new strategies, rules and frameworks or updating them. We believe that the EU is a successful model for regional integration which has shown that integration could achieve economic gains and trade advantages.

4.601. On the bilateral level, we share long-lasting and strategic relations with the EU at all levels. These were specifically reinforced through the adoption of the "EU-Egypt Association Agreement", which entered into force in 2004, as well as the adoption of the "EU-Egypt Partnership Priorities" for the years 2021-2027 in June last year. These documents represent a roadmap for the EU-Egypt relationship in all fields.

4.602. On the economic and trade side, we appreciate the common interests identified in the "EU-Egypt Partnership Priorities", which include, among others, digitalization, green economy, investments, energy, competition, e-commerce and digital economy, as well as the integration into the global and regional supply chains and the cooperation in food systems. In addition to that, Egypt benefits from the EU financial support, which contribute to the achievement of the SDG goals.

4.603. On another note, the EU is Egypt's biggest trading partner, covering 26.3% of Egypt's exports in 2021. According to our latest data, Egyptian exports to the EU have increased by 79%, reaching more than EUR 16 billion in 2022. In addition, the total bilateral trade exchanges rose by 21.2%, reaching more than EUR 37 billion last year.

4.604. Furthermore, Egypt cooperates with the EU under several regional frameworks, especially the EU-AU Summit, where the EU announced the adoption of the "Global Gateway Africa Europe Investment Package" of at least EUR 150 billion that will support our common ambition for 2030 and AU Agenda 2063; as well as the Euro-Mediterranean Partnership, most notably through the "Renewed Partnership with the Southern Neighbourhood 2021-2027".

4.605. All the above-mentioned data reflect how deep is the bilateral relationship between Egypt and the EU on the economic and trade level guided by dialogue and cooperation.

4.606. In this regard, we would like to highlight some issues of concern that we want to address together with our EU partners. The European Green Deal may have detrimental effects on Egyptian exports to the EU. Some studies estimate that Egypt will be amongst the top 20 countries most affected by the CBAM, once implemented, with its real income falling per annum by USD 391 million. Exports of energy intensive products from Egypt to EU are expected to decline by 8.7%. Moreover, some experts warn that CBAM could also severely affect the ability of some African countries, including Egypt, to continue with industrialization.

4.607. Furthermore, the EU Deforestation Regulation, as well as the proposal on corporate sustainability due diligence are other EU initiatives that might have impact on Egypt's exports. All these repercussions may lead to an erosion of the preferences granted to Egyptian products within the framework of the EU-Egypt Association Agreement.

4.608. We believe that while it is important to address sustainability issues across all sectors, including trade; there is a need to ensure that environmental trade related measures are consistent with WTO rules and have no harmful effects on other countries, especially developing countries. These measures should be transparent and should take into consideration the specific needs of developing countries and LDCs, while avoiding creating unnecessary barriers to trade flows, especially those from developing countries, in order to help them increase their share in international trade, as recognized in paras. 1 and 2 of the Marrakesh Agreement.

4.609. We are already engaged in discussions on these issues in depth with our EU partners, in Brussels, Cairo and here in Geneva. We very much look forward to continue to address the concerns in light of the cordial relations between the two sides.

4.610. Finally, we wish the EU delegation a fruitful Trade Policy Review.

NIGERIA

4.611. On behalf of the delegation of Nigeria, I would like to extend our warm welcome to the delegation of the European Union from Capital and Geneva. I would also like to thank the head of the delegation, DG Mrs Sabine, for her effective leadership in this Trade Policy Review and the discussant, Ambassador H.E. Mrs Pimchanok Pitfield for this review.

4.612. Since the last Trade Policy Review, we are pleased to note that the EU is taking a lead role in steering an open and rules-based multilateral trading system embodied by the WTO. As the largest trading bloc as well as the largest trader of manufactured goods and services in the world, the EU's economy continues to improve. The EU experienced a decrease in the growth rate of the real GDP of 5.7% due to the pandemic in 2020. However, a strong recovery occurred in 2021, with GDP growth reaching 5.4%, and has remained strong through 2022, leading to the review of various EU policies and practices, including in the areas of trade, agriculture, and energy.

4.613. We have enjoyed strong economic ties with the EU and even signed bilateral investment agreements with member States of the EU. Having a cordial partnership, which has led to an improved interface of relevant Nigerian institutions, private sector development, business environment, and trade facilitation with their EU counterparts. Recent exchanges in 2022 by officials of the two sides provided an opportunity to express commitment to deepening ties and renew the support of the EU towards Nigeria's efforts in diversifying the economy, especially in agriculture, digitalization, energy, science, research, and innovation. With respect to trade, the EU has remained one of Nigeria's most important trading partners, representing about 40% of Nigeria's total external trade. The current trade volume of EU-Nigeria trade as of 2022 stands at USD 19.42 billion.

4.614. We commend the EU for its leadership role in WTO reform and its active engagement in WTO Dispute Settlement Reform discussions and we share the EU's commitment in the preservation of the WTO standard Dispute Settlement System.

4.615. We are mindful of the new policies by the EU and their impact on trade and investment policies. We encourage the EU to eliminate barriers to trade that make access to its market difficult

for developing and least developed countries using non-market tools. Nigeria is a major exporter of commodities like crude oil, natural gas, and agricultural products. If the EU implements the CBAM, it will lead to additional costs for Nigerian exporters, thus therefore leading to a fall in export competitiveness of Nigeria. We would encourage the EU to consider some of these concerns.

4.616. Nigeria would be interested in partnerships with EU or participation in any carbon offset programs to address the carbon impact of its exports. By working together, Nigeria is interested in exploring avenues for green technology transfer, capacity-building and other assistance to support its transition to a more sustainable and low carbon economy.

4.617. Ahead of the 13th Ministerial Conference, we encourage the EU to renew its dedication in building a consensus around credible outcomes in several areas, like the restoration of the Dispute Settlement System, WTO reform, agriculture, Services Domestic Regulation, E-commerce, and Fisheries Subsidies negotiations.

4.618. We look forward to working with the EU in ensuring a stable multilateral trading system. In conclusion, my delegation would continue to work closely with the EU and the rest of the Membership to maintaining a rules-based stable multilateral trading system. We look to the EU for continued leadership in the lead up to MC13.

4.619. We congratulate the entire delegation of the EU for their engagement, and we wish the EU a successful 15th Trade Policy Review exercise.

JORDAN

4.620. I would like to start by extending a warm welcome to the entire EU delegation, and to join other delegations in thanking and congratulating them for the efforts exerted in the preparation for this Trade Policy Review. I would also like to thank the head of the delegation for her opening statement and detailed introductory remarks which show the positive developments in the European economy and the continued reforms, in addition to the EU's commitment to the multilateral trading system. Thanks is extended to the WTO Secretariat for their excellent Report.

4.621. Our appreciation is also extended to the discussant H.E. Mrs Pimchanok Pitfield (Thailand), for her insightful introductory remarks.

4.622. The Report highlighted the solid EU policy towards global trade openness, economic growth, and sustainable development, which is translated in the EU active and positive international presents in all negotiations files including trade.

4.623. The remarkable figures shown in the reports related to investment and GDP, and labour market despite the challenging environment are a result of the ambitious economic policies, wise development trade strategy, and robust macroeconomic fundamentals.

4.624. The long-standing and deeply-rooted relationship between Jordan and the EU witnessed many milestones, one of them is the Association Agreement which entered into force in 2002, and contributed in doubling the value of trade exchange between Jordan and EU to reach USD 3.6 billion in 2022, and we look forward to further increasing and diversifying our bilateral trade, these relations were also boosted up by the EU Government support directed toward economic developments whether on bilateral or multilateral.

4.625. Jordan attaches great importance to its relations with the EU and always keen to further expand our bilateral economic ties, and we believe that many potentials are still ahead of us, whether on bilateral or multilateral levels.

4.626. Finally, Jordan congratulates the EU Government and the business society for their efforts and valuable contribution in the world trade hand in hand with other trading partners.

4.627. We would like to wish you more prosperity and a fruitful and successful Trade Policy Review.

VIET NAM

4.628. Viet Nam would like to join other Members in warmly welcoming the distinguished delegation from the European Union led by Mrs Sabine Weyand, Director-General for Trade of the European Commission to their 15th Trade Policy Review.

4.629. We would like to express our appreciation to the EU and the WTO Secretariat for the comprehensive reports for this review. We also would like to thank the discussant, H.E. Ambassador Pimchanok Pitfield, Permanent Representative of Thailand for her insightful observations.

4.630. Viet Nam associates itself with the ASEAN Joint Statement delivered by Indonesia.

4.631. Our Delegation would like to highlight the following points. At the multilateral level, Viet Nam appreciates the close and longstanding cooperation between the EU and Viet Nam in the WTO. We are encouraged by the EU dedication and commendable leadership with regard to promoting an open, fair, and sustainable trade environment and welcome the EU's full commitment and continued efforts to reinvigorate the multilateral trading system in times of uncertainties.

4.632. At the bilateral level, the EU has become one of Viet Nam's most important partners, especially in economic and trade fields. The effective and comprehensive cooperation between the EU and Viet Nam has contributed positively to Viet Nam's socio-economic development and international integration.

4.633. The EU is currently Viet Nam's fourth largest trading partner and the third largest export market and the fifth largest import market. On the other hand, Viet Nam is ranked as the 16th trading partner of the EU and the largest trading partner of the EU in ASEAN; In terms of exports alone, Viet Nam ranks the 11th among the largest suppliers of goods to the EU.

4.634. Two-way trade between Viet Nam and the EU post COVID-19 pandemic witnessed a positive recovery and growth, reached USD 62.24 billion with an increase of 9.2% compared to 2021. This positive result has a significant supporting role from the Free Trade Agreement between Viet Nam and the EU (EVFTA). It is especially noteworthy in the context of market instability, supply chain disruption, difficulties in trade, and economy of the EU.

4.635. In terms of investment, the EU is currently the 6th largest foreign investor in Viet Nam with 2,469 projects, total registered capital worth USD 28.35 billion. In particular, the scope of activities of EU investors not only focuses on industries but also has expanded to services, clean energy, supporting industries, food processing, and high-tech agriculture. The fact that the Lego Group of Denmark started the construction of its first carbon-neutral factory with an investment of more than USD 1 billion in Viet Nam is a clear proof of this expansion.

4.636. In conclusion, our delegation would like to take this opportunity to thank H.E. Ambassador João Aguiar Machado, Permanent Representative of the EU to the WTO and his able team for their constructive and active contribution and engagement in WTO activities. We wish the EU a very successful Trade Policy Review.

KYRGYZ REPUBLIC

4.637. I would like to first welcome the delegation of the European Union led H.E. Sabine Weyand, Director-General for Trade of the European Commission, we thank the WTO Secretariat and the EU's Government reports and appreciate the opportunity to gain a clear sense of the changes to the trade and investment policies since its last Review in 2020. We would also like to thank the discussant H.E. Mrs Pimchanok Pitfield, Ambassador of Thailand, for introducing us to the 15th Review of the European Union's trade policy.

4.638. The European Union and the Kyrgyz Republic have been partners since our country's independence in 1991 increasing our cooperation and areas of interaction every year. To strengthen the links between the Kyrgyz Republic and the EU and its member States we signed the Partnership and Cooperation Agreement which entered into force 1999, and outlines the main pillars of cooperation, political dialogue, economic relations, and cooperation in social economy, social finance, science, technology, and cultural sectors. In July 2019, the EU and the Kyrgyz Republic concluded

negotiations of a new Enhanced Partnership and Cooperation Agreement which will provide a new legal basis for stronger bilateral cooperation in a number of new areas, hopefully our Governments will soon proceed preparing the text for signature.

4.639. The Kyrgyz Republic is also partner of the new European Union strategy for Central Asia adopted in June 2019, the discussions of bilateral economic agenda between our countries take place on many levels in different forms and on different issues but mainly in the framework of annual subcommittee on trade and investment and annual cooperation committee at seniors officials level. Just a few days ago we held the second meeting of the Heads of State of Central Asia countries and the President of the European Council, Mr Charles Michel, in Kyrgyz Republic on 3 June 2023, a Joint Statement was issued by the President of the Kyrgyz Republic, Mr Sadyr Zhaparov, and the President of the European Council, Mr Charles Michel, where they confirmed the firm commitments to further deepening of bilateral broad-ranging of cooperation and stressed the need to continue efforts to further strengthen and develop bilateral partnership, including trade, economic and investment cooperation.

4.640. EU-Kyrgyz Republic trade in goods has increased to reach USD 600 million in 2022, up from USD 342 million in 2021 and USD 309 million in 2020. This increase is partially thanks to the Generalized Scheme of Preferences GSP+ granted by the EU to the Kyrgyz Republic in 2016, which opens new potential for economic relations and offers opportunities for the Kyrgyz Republic to increase and diversify its exports and strengthen its economy. In this regard, as it was noted in the Report, the current GSP is expected to expire by the end of 2023 and we are excited to see the adoption of the new GSP strategy for the period of 2024. We believe the level of bilateral trade has much more potential for increasing trade in goods, as well as in services, the perspective areas would be agriculture, energy, and tourism.

4.641. It is impressive to see from the reports that despite an important number of events during the review period that led to increased volatility and uncertainty, the European Union's economy showed a strong recovery of the COVID-19 with a 3.6% growth 2021. The European Union is one of the most active Members of the WTO's continuous contributions to its core functions, it is one of the main donors of capacity building and technical assistance activities of the WTO from which the Kyrgyz Republic has benefited a lot.

4.642. I would like to emphasize that the European Union is a strategic partner of the Kyrgyz Republic and that our cooperation in the WTO is an important element of our partnership. We look forward to working closely with the delegates of the EU at the WTO and wish the EU a successful Trade Policy Review.

CAMBODIA

4.643. To begin, my delegation joins the others to express our warm welcome to the delegation of the European Union led by H.E. Ms Sabine Weyand, Director-General, Directorate-General for Trade, European Commission.

4.644. My delegation thanks also go to H.E. Ambassador Pimchanok Pitfield (Thailand) for her insightful assessment reflecting on the current trade policies and economic performance of the EU, as a role of discussant. We also thank to TPR Division and the delegation of the EU for their reports for this review.

4.645. At the outset, Cambodia associates itself with the ASEAN statement delivered by the delegation of Indonesia.

4.646. My delegation congratulates the EU on maintaining its remarkable and resilient economic growth since its last Review in a rapid recovery manner after a 6.0% decline in 2020 followed by a 5.4% rebound in 2021.

4.647. We also acknowledge and value the essential role that the EU has been playing in and contributing to the WTO multilateral trading system and global trade. Taking this opportunity, my delegation would like to express our gratitude to the EU for its implementation of the previous decisions in favour of least-developed countries (LDCs) including EBA, Preferential Rules of Origin, Services waiver, and providing development assistance through bilateral and multilateral channels

such as the Aid for Trade programme, for example, trade development support programme and on-going ARISE+ project.

4.648. Bilaterally, the EU is one of the top trading partners of Cambodia. In 2022, Cambodian exports to the EU were valued at USD 4.045 billion, registering a more than 25% surge from the USD 3.229 billion logged in 2021. EBA and its effective rules are among the key contributions to this rise. We would encourage other preference-granting Members should also follow the EU's effective practices for the LDCs which some Members are implementing. In addition, to strengthen our bilateral trade and economic relation, the EU and Cambodia have established a number of initiatives and assistances to promote greater sustainable and inclusive trade and investment flows *vis-à-vis* to address our bilateral concerns.

4.649. Last but not least, we would jointly share our view to commending the EU to further simplify and facilitate the export interests from the LDCs including addressing the challenges of NTMs to support the development of the LDCs. Furthermore, we would also encourage the EU to maintain the export interest of the LDCs to name a few agricultural products, garments, and footwear as well as services trade in which these sectors provided essential support to the employments and impactful to the vulnerable beneficiaries. Additionally, we would also like to reiterate our request to the EU to generously support the LDC's agenda and proposals at the WTO to a successful conclusion in an inclusive and sustainable manner to Leave No One Behind.

4.650. Finally, we commit to working closely with the delegation of the EU especially the delegation of the EU in Geneva to strengthen our good cooperation for economic prosperity and sustainable development. We wish the 15th Trade Policy Review of the EU a successful conclusion.

NEPAL

4.651. My delegation warmly welcomes the EU delegation led by H.E. Sabine Weyand, Director-General, Directorate General for Trade, European Commission and commends her for the insightful highlights of the 15th Trade Policy Review of the EU.

4.652. We thank H.E. Ambassador Mrs Pimchanok Pitfield (Thailand) as discussant of the Review. My delegation thanks the European Union and the WTO Secretariat for the valuable reports.

4.653. My delegation highly values European Union's continued commitment and active participation in the multilateral trading system. We also commend its openness to international trade and its integration into the global economy. We are pleased to take good note that the economic recovery, through appropriate intervention taken on the COVID-19 pandemic, occurred with GDP growth reaching 5.4% in 2021. Similarly, the stronger recovery of exports over imports led to a slight widening of the services trade surplus to EUR 122 billion in 2021 are praiseworthy.

4.654. EU as the world's top trader, we praise its active and constructive roles for the strengthening of multilateral trading system in all the pillars of the WTO. The regular notifications made during the review period, and active and constructive roles during the MC12, as well as in the WTO bodies are commendable.

4.655. My delegation welcomes the offers of the preferential tariff treatment to 66 developing economies including LDCs and would like to sincere thanks for duty free quota free facility under Everything but Arms mechanism.

4.656. Nepal takes note of the policies recently announced by EU like the Climate Law, the Carbon Border Adjustment Mechanism (CBAM), Biodiversity Strategy for 2030, EU Regulation on Deforestation, and expects that these policies will not create additional burden to the LDCs.

4.657. Let me turn to the bilateral front. Nepal and the EU have been enjoying cordial relations ever since we established diplomatic relations in 1974. The EU has been contributing to the socio-economic development of Nepal since the beginning. As the best wisher of Nepal's peace, development and prosperity, the EU has been assisting in the areas of health, education, decentralization, disaster management, peacebuilding and trade sector, among others.

4.658. We value the interests of the EU investors choosing Nepal as their investment destination, more than 480 companies are investing in Nepal in the areas of tourism, services and manufacturing sector followed by agriculture, and among others.

4.659. My delegation appreciates the EU citizens for choosing Nepal as their tourism destination. Air Connectivity is important for tourism promotion as well as business activities. Nepal has been missing to be benefited from direct flights facility therefore my delegation urges EU to review its policy and take appropriate decision as soon as possible. We believe that the direct flight connectivity would be instrumental to enhance people to people relationship as well as to reduce the additional time and cost.

4.660. On merchandise trade front, EU is the third largest destination of Nepal. Based on the primary data, Nepal has imported from the EU goods worth of around NPR 40 billion in 2022 while it has exported to the EU goods amounted to NPR 11 billion in the same year.

4.661. Nepal is importing engineering goods, telecommunication equipment, chemical and minerals, medical equipment, vaccine for human medicine, diagnostic or lab reagents from the EU, while Nepal is exporting pashmina products, ready-made garments, woollen goods, carpets, handicrafts, felt products, tea and coffee, among others.

4.662. The trade data of goods shows a significant trade gap in Nepal's bilateral trade with the EU. However, this can also be an opportunity for further collaboration and cooperation on reducing the gap by further exploring and exploiting trade, investment, and tourism potentials for mutual benefit.

4.663. Finally, I take this opportunity to extend sincere thanks to EU for its supports and expect the continued supports in the days to come. Nepal looks forward to strengthening its relations with the EU in the days ahead. My delegation wishes a successful Trade Policy Review of the EU.

KENYA

4.664. I join other delegations in conveying a warm welcome to the delegation of the European Union, led by Mrs Sabine Weyand, the Director-General, Directorate General for Trade at the European Commission, to its 15th Trade Policy Review.

4.665. I also wish to thank H.E. Mrs Pimchanok Pitfield, Permanent Representative of Thailand to the WTO and WIPO, for her insightful insights this morning as discussant. The characteristic thorough output by the Secretariat as contained in its comprehensive Report cannot be gainsaid.

4.666. Kenya notes that the European Union remained the world's top trading bloc, accounting for 16.2% of total world trade, having posted a 2021 performance of EUR 6.28 trillion in goods and services trade. During the same period, international trade was the equivalent of 21.5% of the EU GDP while total EU trade corresponded to 43% of its GDP. There was a significant contraction in goods trade surplus in 2021 to EUR 56.8 billion attributable to a significant increase in the value of imports largely due to the higher cost of energy imports. However, after a contraction in services trade in 2020, there was a marked recovery in 2021, with exports increasing by 16% and imports by 4% from 2020. The stronger recovery of exports over imports led to a slight widening of the services trade surplus to EUR 122 billion in 2021.

4.667. The commitment of the EU to the multilateral trading system is undoubtedly an integral component of EU trade policy, with WTO reform featuring prominently as one of its priority actions. Furthermore, the EU actively promotes discussions through joint proposals/initiatives on, *inter alia*, domestic regulation of trade in services, e-commerce, investment facilitation, transparency, trade and environment, trade and gender, and MSMEs. Among the highlights of the EU's solution-oriented engagement at the WTO is the establishment of the Multi-Party Interim Appeal Arbitration Arrangement, an innovative stop-gap alternative to the current Appellate Body stalemate. The European Union's consistent active contribution to the WTO's core functions, including as one of the main donors for capacity-building and technical assistance activities is noteworthy.

4.668. The EU articulated its commitment in its 2021 trade policy communication to reinforce its engagement with African countries by, *inter alia*, deepening and widening its existing trade agreements with African regional economic communities and strengthening their sustainability

dimension, as well as supporting cooperation with the African Union and its members and the smooth implementation of the African Continental Free Trade Area (AfCFTA). The communication also proposed to set up an EU-AU high-level dialogue on economic integration between the two Commissions aimed at supporting the implementation of the AfCFTA, notably through sharing expertise and lessons learnt on matters pertaining to trade, investment, regional value chains, industrial development, Customs Union and single markets. This high-level dialogue was launched during the Commission-to-Commission meeting that took place in Brussels on 28 November 2022. Another objective is to enhance EU-AU cooperation at the WTO, to which end there have been a few meetings at the Ambassadorial level. The EU also signalled its intention to adopt a Memorandum of Understanding with the Secretariat of the AfCFTA to improve communication and enhance policy discussion between both sides on matters pertaining to trade and economic integration.

4.669. The EU and Kenya share a robust bilateral relationship encompassing economic, security, and development policies. The EU is among Kenya's top export destinations for cut flowers, fruits and nuts, tea, coffee, and herbs. The EU and Kenya also cooperate on several initiatives, including the EUR 324 million Multiannual Indicative Programme (MIP) 2021-2024 which focuses on three priority areas, that is, green transition; leave no-one behind and digitalization; as well as democratic governance, peace and stability. Kenya was a beneficiary of Phase I of the EU-EAC Market Access Upgrade Programme (MARKUP) and is also participating in the expanded second phase. The EU is currently negotiating with Kenya the interim bilateral implementation of the Economic Partnership Agreement, which was concluded in 2014 with the then five Members of the East African Community but not implemented.

4.670. Kenya looks forward to a more fruitful trade relationship with the EU and wishes the delegation a successful Trade Policy Review.

GEORGIA

4.671. The Georgian delegation wishes to warmly welcome the distinguished delegation of the European Union led by H.E. Mrs Sabine Weyand - the Director-General for Trade of the European Commission, on the occasion of the 15th Trade Policy Review. We would also like to express our sincere appreciation to the EU and the WTO Secretariat for their outstanding work in compiling the comprehensive reports on trade policy developments over the course of the review period. Let me also thank the discussant for her very insightful report.

4.672. The Georgian delegation acknowledges the EU's significant contribution in upholding and strengthening the multilateral trading system through its active engagement in the WTO. Georgia commends EU's constant efforts to enhance global trade cooperation and its initiatives to tackle recent challenges facing trade worldwide.

4.673. Georgia greatly appreciates EU's increased input in further liberalizing its trade regime by concluding multiple free trade agreements across the world, exemplified through the Association Agreement signed between Georgia and the EU in 2014 including the Deep and Comprehensive Free Trade Area (DCFTA).

4.674. Since the independence, Georgia has been aspiring to the integration with EU, which remains the key pillar among Georgia's trade and economic priorities. The effective implementation of the DCFTA is the major course of action on the Government's agenda aiming at closer harmonization and integration with the EU.

4.675. With the purpose to fully benefit from the DCFTA, we are implementing significant reforms, including the approximation of Georgia's legislation to the EU acquis, which brings Georgia in line with European standards and practices. We have made remarkable progress in this regard: overall, Georgian legislation has already been approximated with more than 60% of the EU legal acts foreseen by the DCFTA.

4.676. DCFTA has substantially contributed to the enhanced trade relations, in fact resulting the EU ranking number one among Georgia's foreign trade partners. According to the existing figures, Georgia's trade turnover with the European Union increased by 29% in 2022, amounting to about USD 4 billion with the share of 21% in Georgia's total trade turnover. Georgia's export to the EU increased by 20% estimating around USD 900 million.

4.677. The European Union and its financial institutions have always been instrumental and have an important role in stimulating Georgia's export potential, regional development, infrastructure, and other vital areas of economy. In parallel to government programs, the EU assistance under the EU4Business, European Neighbourhood Program for Agriculture and Rural Development and others have played critical role in developing economy and strong SME sector in Georgia.

4.678. Georgia being an active partner within the EU Eastern Partnership initiative is going to make the best use of the EU External Investment Plan in order to take forward the strategic infrastructure projects in transport, energy and communications as well as boost investments to support economic growth by supporting SMEs.

4.679. In conclusion, Georgia once again would like to thank the European Union for the valued partnership and wish a very successful Trade Policy Review.

PERU

4.680. The Peruvian delegation extends a warm welcome to the European Union delegation, especially Ms Sabine Weyand, Director-General for Trade at the European Commission, who is leading the delegation, and Ambassador João Aguiar Machado, Permanent Representative of the EU to the WTO.

4.681. We thank them for their detailed presentation on the Union's trade policies, and Ambassador Pimchanok Pitfield, Permanent Representative of Thailand, for her valuable comments as rapporteur. We also thank you, Mr Chair, for your dedication and the Secretariat for this review.

4.682. Peru and the European Union have a long-standing and close relationship of cooperation and understanding at the multilateral and bilateral level, based on principles and values shared over many decades of excellent relations.

4.683. We therefore welcome the economic recovery of the European Union during the period under review, despite the effects of the war in Ukraine.

4.684. We also note the decision to adopt an open, sustainable and assertive trade policy. We, your trading partners, are ready to stand by you in that effort, with the aim of achieving an open, fair, transparent and rules-based international trading system.

4.685. The European Union and Peru share a strong trading relationship. Under our Free Trade Agreement, which turned 10 in March this year, our bilateral trade has grown steadily, topping USD 11 billion in 2021.

4.686. The European Union is Peru's third largest trading partner and an export destination for our minerals, agricultural goods and fishery goods. At the same time, Peru imports considerable quantities of pharmaceuticals, steel, plastics and vehicles.

4.687. One of the main opportunities we see in the European bloc is the untapped potential for exports of agricultural goods, which, though growing in importance, could grow further through increases in the trade in grapes, unroasted coffee, onions and cocoa beans. These are all opportunities which we hope to be able to realize, given the importance of the agricultural sector for Peru in terms of job creation and the promotion of small and medium-sized enterprises, especially in rural areas.

4.688. Turning to the multilateral system, I would like to commend the European Union on the active role it has taken and the efforts it has made in this forum by participating in the various negotiating processes we have under way and by promoting valuable initiatives such as the Multi-Party Interim Arbitration Arrangement (MPIA), which, in settling its first case, has shown itself to be a viable option that has made it possible to preserve two instances, with an impartial review and a binding dispute settlement system.

4.689. We also welcome the EU's commitment to the negotiations on fisheries and agricultural subsidies and in the initiatives on the regulation of e-commerce, services domestic regulation, small and medium-sized enterprises and other significant topical issues in this Organization.

4.690. As part of this prominent and collaborative trading relationship, there are also matters on which we have not yet been able to come to an understanding. In this regard, the effects of certain European sanitary and phytosanitary measures are of particular note, due to their great importance for economic, commercial and social development in Peru. Examples include the maximum residue levels and other changes to plant and animal health regulations that do not provide for adequate transition periods. I should emphasize, once again, that the exports affected by these measures are foundational to my country's economic development and, in particular, to that of a significant part of our rural population. Peru therefore wishes to take this opportunity to reiterate its concern about these measures.

4.691. On the other hand, I would also like to mention recent initiatives taken by the European Union within the framework of its "Green Deal", such as the development of rules to combat deforestation and forest degradation.

4.692. Peru is one of the countries most vulnerable to the effects of climate change, which is why we have joined all the regional and global efforts aimed at meeting this challenge, against which there is little we can do unilaterally.

4.693. As we have agreed in other relevant forums, our contributions to addressing the problem must be distinct and based on our multiple particularities and capacities. Given that the tools for generating contributions to the fight against climate change are many and widely known, we are concerned that the European Union should opt for unilateral trade restrictions as a means of achieving environmental objectives, as these may not be the most appropriate tools. On the contrary, they may threaten the development opportunities which, in countries such as Peru, can be generated through trade.

4.694. To conclude, we sincerely trust that this review will have served as a framework for the European Union to renew its commitment to the stability and soundness of the multilateral trading system. We thank the European Union for this exercise and wish it every success.

REPUBLIC OF MOLDOVA¹

4.695. Let me join others in welcoming the EU delegation headed by Director-General for Trade, Mrs Sabine Weyand, as well as H.E. Ambassador Aguiar Machado and his Geneva based-team. We would like to particularly appreciate the work done in preparing this review both by the EU side and the Secretariat, as well as the distinguished Ambassador of Thailand Mrs Pimchanok Pitfield as discussant.

4.696. The Republic of Moldova appreciates this opportunity to be part of the EU Trade Policy Review, and while our UK colleague mentioned that it is the first for them to act in this capacity, we are certainly hoping that it would be the last or one of the last for our country, as we are working hard to join the EU in the not-so-distant future.

4.697. Meanwhile we are keen to contribute to the evaluation of existing policies and to comment of the proposed commitments and eventual challenges, bearing in mind that EU is the Republic of Moldova's main trading and development partner and it is a strong advocate of the rules-based multilateral trading order.

4.698. First on EU role for WTO development, we welcome its active participation in efforts to strengthen and revitalize the Organization through involvement and leadership in a range of important initiatives, including the ongoing WTO Reform discussions, Joint Initiatives on E-commerce, Services Domestic Regulation, and Investment Facilitation for Development, Informal Group on MSMEs, and Women's Economic Empowerment.

4.699. We have all witnessed EU efforts on addressing climate challenges via a comprehensive European Green Deal, and more particularly within WTO supporting the Trade and Environmental Sustainability Structured Discussions (TESSD) and more recently the Fossil Fuels subsidies reform talks.

¹ The following statements were delivered during the second day of the meeting.

4.700. As a general point, we commend the EU for its constructive role and leadership in the multilateral trading system and for its ongoing support for mechanisms that ensure prosperity for all economies, particularly the ones like the Republic of Moldova and we encourage the EU to continue to have a strong voice within this Organization. Furthermore, the Republic of Moldova commends EU's good transparency record and would encourage it to continue its efforts in this sense setting commendable example.

4.701. The Republic of Moldova also commends and highly appreciates EU's important role in the capacity-building and assistance projects which reaffirms its commitment to support development across WTO Membership.

4.702. On a particular note, we would like to praise the support offered by EU, to countries that have suffered economically from the Russian Federation's military aggression against Ukraine. In the Republic of Moldova's case, besides continued financial, technical assistance and capacity-building programmes, the EU has adopted a regulation which provides temporary additional trade liberalisation for Moldovan agricultural products for one year, until 24 July 2023, to be hopefully extended in the coming days for another year.

4.703. From a bilateral trade perspective, the Republic of Moldova and the EU have a particularly close relationship, advancing and integrating through the years, in trade this being manifested by a constant increasing in the openness of the trade regime, starting with GSP, GSP+, Autonomous Trade Preferences ATP and since September 2014 having a Deep and Comprehensive Free Trade Area DCFTA.

4.704. The DCFTA, is part of our Association Agreement concluded with the European Union, which in 2024 will mark a 10 years milestone. The main impact of the DCFTA's implementation for the Republic of Moldova is the country's economic growth, generated by the increase of trade volumes, deep transformation of the economy, way of thinking and operating in terms of quality of goods, diversification of products, competitiveness, and management.

4.705. It is a "living" trade arrangement, since last EU TPR, we have made some important adjustments in terms of quotas and mutual concessions.

4.706. As indicated before, the European Union is the main and strategic trading partner of the Republic of Moldova and represents a share of 51% in the total amount of Moldova's trade flows.

4.707. The value of trade exchanges between the Republic of Moldova and the European Union in 2022 amounted to roughly USD 6.9 billion, increasing by 36.1% compared to 2021. Referring to the year 2022 the share of exports to EU countries represents 58.6% of total Moldovan exports. Exports of goods to the EU accounted for USD 2.54 billion. The imports from EU accounted for USD 4.36 billion and represents 47.3% of total Moldovan imports.

4.708. Our top trading partners among EU member States remain Romania, Italy, Germany, France, Poland and the Netherlands. Another important aspect is the steady increase of the number of Moldovan exporting companies to the EU, from 1,548 in 2015 to 1,672 companies in 2020; in 2021, 1,860 companies exporting to EU and 2,044 during 2022, which represents a share of more than 70% of the total number of exporting companies of the Republic of Moldova.

4.709. At the same time, the EU is the largest foreign investor in the Republic of Moldova. FDI of EU countries has steadily increased over the last decade.

4.710. As part of our European agenda, we are looking into the possibilities to integrate into the EU Single Market, including through dedicated programmes.

4.711. In order to strengthen the governance of the internal market, increase the competitiveness of industry, especially micro-enterprises and SMEs, the Republic of Moldova expressed its interest in joining the new Multiannual European Union Program for the Single Market 2021-2027 (SMP), in particular for two components: Market surveillance. (SMP Pillar I – Improving the Internal Market) and Competitiveness of SMEs (SMP Pillar II – SMEs).

4.712. Referring to the above-mentioned decision to suspend temporarily import duties and quotas on certain Moldovan exports to the European Union, the so-called Autonomous Trade Measures (ATMs) as a way to support the Republic of Moldova's economy following the disruption in trade flows as a result of Russian Federation aggression against Ukraine, we would like to underline the following.

4.713. The ATMs are unilateral and temporary in nature, still they have significantly broadened the scope of tariff liberalization under the EU-Moldova Deep and Comprehensive Free Trade Area by suspending all outstanding duties and quotas. In practice, exports of seven agricultural products from the Republic of Moldova which are subject to tariff-rate quotas are fully liberalized. Since their application in July last year, the ATMs have had a positive effect on Moldova's trade to the EU, assisting country's efforts to re-orient exports via the EU.

4.714. That being said, the quantities and range of products covered by the ATMs are small and have a minimal impact for EU agriculture. Furthermore, there is an expedited safeguard mechanism that can be activated if necessary to protect the Union market. Thus, while welcoming European Commission's May proposal to extend these ATMs for another year, Republic of Moldova strongly believes that there are all preconditions not only to extend these temporary measures but to ensure on a permanent basis, full liberalization of the tariff rate quotas on Moldovan agricultural products.

4.715. We have managed to advance and facilitate our trade relations, notable on services in the last year (i.e. road transport, or roaming), so it is time to do so in the agriculture sector as well.

4.716. Moreover, we have to ensure that the existing trade facilitation tools and platforms are made use of, like the Agreement on Mutual Recognition of the Authorized Economic Operators, which entered into force between the Republic of Moldova and EU in November 2022.

4.717. Before concluding I would like once again to refer to the extensive development programmes implemented with the support of the European Union in Republic of Moldova.

4.718. From 2021 EU has stepped up support under the Economic and Investment Plan for the Republic of Moldova, setting a target of EUR 1.6 billion of investments to be leveraged. These programs bring great opportunities for our companies and represent a direct investment in the economy.

4.719. Not least important is the support package for the energy sector, which continues to be an extremely vulnerable one. The energy crisis provoked by the Russian Federation is still affecting the Republic of Moldova. In the long term we are working together with EU to reduce this dependency and vulnerability by investing in renewable energy, energy efficiency, and developing alternative interconnectors.

4.720. Last but not least, we would like to extend our appreciation to the EU for all its technical capacity and training courses offered for Moldovan experts in various fields (market economy, health protection and medicine, environmental protection, small business, water management, etc.) which are indeed vital for the well-functioning of our institutions.

4.721. Allow me once again to congratulate the European delegation on the successfully ongoing Trade Policy Review and wish them utmost success in continuing the good work and advancing their trade policy endeavours.

PANAMA

4.722. First of all, I would like to warmly welcome and thank the Honourable Sabine Weyand, Director-General for Trade at the European Commission, Ambassador João Aguiar Machado and all the member States' ambassadors and delegations for their outstanding preparation for this fifteenth review of European Union trade policies and practices. I would also like to welcome Ambassador Pimchanok Pitfield, the discussant for this review, and thank the Secretariat for its report.

4.723. Our task today is to examine the trade practices, policies and strategies of the European Union, the world's largest trading bloc, especially in goods and services. Developments in the EU's general and specific economic policies affect all WTO Members.

4.724. Trade relations between Panama and the European Union are governed by the Association Agreement (AA) between Central America and the European Union. In the last 15 years, only in 2006 was the balance of bilateral trade positive for Panama; in all the other years, the balance was negative by more than one billion dollars. That is because Panama has a small export sector and is also despite the fact that the European Union is one of the main destinations for Panamanian exports.

4.725. According to the Secretariat's report, the period under review was characterized by a major change in the European Union's development and political goals and priorities led by the adoption of, *inter alia*, the European Green Deal, a Europe fit for the digital age, and a new political agenda to reinforce the European Union's global influence and leadership.

4.726. The Union's energy and climate policies gained further impetus with the shift towards renewable and low-carbon energy, improving energy security and reducing emissions to achieve climate neutrality. Through the 2021 Fit-for-55 package, the European Union aspires to align these policies with the climate-related goals of the European Green Deal and the Climate Law, which includes targets for GHG emission reductions.

4.727. We note that the European Union continues to grant most of its subsidies to agriculture. It also continued to apply the previous Common Agricultural Policy (CAP) on a transitional basis, as the new CAP was approved and entered into force in January 2023. We trust that the European Union will be able to make substantial reforms, so that its subsidy structure is focused more on the green box.

4.728. The European Union is also reviewing various state aid guidelines and regulations, including the State Aid General Block Exemption Regulation and the De minimis regulation. In 2022, a revised framework on state aid for research, development and innovation activities was issued and a Temporary Crisis Framework in response to geopolitical conflicts was adopted.

4.729. We also note the efforts to improve transparency and notifications in the Council for Trade in Goods, although it is important that the European Union comply with the dates agreed in the agriculture notifications, rather than seeking further extensions to the deadlines.

4.730. We take this opportunity to reiterate that Panama remains concerned about the regulations on pesticides and endocrine disruptors, which seek greater restrictions than under the international agreements on the use of substances approved by the Codex. Since 2017 we have regularly raised concerns in the SPS and TBT committees and the Council for Trade in Goods. We hope that these concerns will be taken seriously and that the European Union will quickly bring these regulations into conformity with its WTO commitments.

4.731. Panama recognizes that the European Union contributes to the defence and strengthening of the multilateral trading system. In particular, the EU has shown strong leadership by presenting useful ideas and specific proposals in many areas, including WTO reform, specifically the proposal on procedural guidelines for WTO councils and committees addressing trade concerns, which we co-sponsored.

4.732. The European Union is a major participant in the negotiations on fisheries subsidies, the initiatives on investment facilitation, e-commerce, dialogue on plastics pollution and environmentally sustainable plastics trade, structured debates on trade and environmental sustainability, the fossil fuel subsidy reform initiative and services domestic regulation, all of which are issues of great importance also to Panama. We trust that, looking to CM13, the European Union will continue to contribute constructively for the benefit of this Organization and its Members.

4.733. We will pay close attention to the discussion during this review and I reiterate Panama's willingness to continue to strengthen the ties of cooperation with the European Union at the bilateral, regional and multilateral levels. We wish the European Union success in its fifteenth Trade Policy Review.

MONGOLIA

4.734. At the outset, I would like to extend a warm welcome to the delegation of the EU led by Mrs Weyand, Director-General of the European Commission's Directorate General for Trade. We greatly appreciate the comprehensive and detailed Report presented by both the EU and the WTO Secretariat on the EU's 15th Trade Policy Review.

4.735. The relationship between Mongolia and the EU has been steadily strengthening over the years. It gives me great pleasure to acknowledge that the EU holds a significant position as Mongolia's fourth largest trading partner. In 2022, bilateral trade between Mongolia and the EU experienced a notable 35% growth in exports.

4.736. We are thankful to the EU for their consistent support in our long-standing efforts to achieve economic diversification. I would like to take this opportunity to highlight a few initiatives in this regard.

4.737. Mongolia greatly benefits from the EU Generalized Scheme of Preferences (GSP+), which empowers our small and medium enterprises and enhances our export capabilities. It is worth noting that GSP plays a pivotal role in accessing EU markets, thus contributing to the growth and competitiveness of our companies.

4.738. Furthermore, we deeply appreciate the "Trade-related assistance for Mongolia" projects (EU TRAM projects) funded by the EU. These projects have been instrumental in boosting our export capacities, particularly in specific agricultural sectors where Mongolia holds great potential. Through these projects, we have made significant progress in key priority areas such as trade policy and facilitation, customs procedures, and export promotion.

4.739. We also extend our gratitude to the EU for the upcoming project on "International Trade Development in Mongolia". This project, financed by the EU, aims to enhance the trade efficiency of our small and medium enterprises in both the EU and regional markets. We hope that this project will contribute to the effectiveness of trade policies in Mongolia, as well as the development of sustainable and innovative products and sectors with high sustainability, climate resilience, and export potential.

4.740. Moreover, I am pleased to announce that in 2022 Mongolia and the EU have officially launched negotiations for establishing a Geographical Indications agreement. The second phase of these negotiations was successfully completed in January 2023. Mongolia firmly believes that this agreement will play a crucial role in expanding the activities of enterprises and increasing the export of products with geographical indications to the EU market.

4.741. Mongolia commends the EU for its unwavering commitment to the multilateral trading system, ensuring trade stability and predictability, as well as its leadership in ongoing open plurilateral joint statement initiatives. We will continue to closely collaborate with the EU to further expand and deepen our bilateral and investment ties in the coming years.

4.742. With that, we wish the EU every success in this Trade Policy Review.

NAMIBIA

4.743. We join other Members to congratulate the esteemed delegation of the European Union on their 15th Trade Policy Review.

4.744. We also express our sincere appreciation to my colleague, Ambassador Pimchanok Pitfield of Thailand, discussant for this review. Finally, the secretariat for their dedication and excellent work in preparing the reports.

4.745. Under the Multilateral and Bilateral Trade Policy, the European Union is a crucial trade partner for Namibia, providing valuable economic opportunities for the Country. Namibia is a member of the Southern African Development Community (SADC), In 2016, Namibia signed the SADC-EU Economic Partnership Agreement (EPA), which has had significant impacts on trade in the country.

4.746. The SADC-EU EPA is a free trade agreement between the European Union (EU) and 6 SADC countries -Botswana, Lesotho, Mozambique, Namibia, South Africa, and Eswatini. The Agreement aims to promote regional integration and trade by eliminating tariffs and other trade barriers between the signatory countries. It also includes provisions on investment, intellectual property, and sustainable development.

4.747. Namibia's trade with the EU has grown significantly since the signing of the SADC-EU EPA. The main exports from Namibia to the EU are diamonds, fish, and other seafood products, while the main imports from the EU are machinery, vehicles, and chemicals. Among the benefits of the SADC-EU EPA for Namibia includes, mainly, three main focus:

- a. Increased market access: The agreement has eliminated tariffs on Namibian exports to the EU, which has made Namibian products more competitive in the EU market. This has led to increased exports of Namibian goods to the EU, particularly in the fisheries and diamond sectors. The Agreement offers opportunity for diversification of exports from traditional commodities such as uranium, diamonds, and fish.
- b. Attraction of foreign investment: created a more predictable and stable investment environment in Namibia, which has attracted foreign investors to the country in sectors such as manufacturing, agriculture, green hydrogen, and tourism.
- c. Promotion of regional integration: through the Trade Related Facility (TRF), a mechanism that provides financial and technical support to eligible SADC Member States to effectively implement their commitments under the Protocol on Trade and the SADC-EU Economic Partnership Agreement (EPA), encourages greater regional integration and cooperation within SADC by creating a framework for harmonizing trade policies and regulations, which has facilitated trade between SADC countries. This has led to increased intra-SADC trade and economic growth in the region.

4.748. We welcome the commitment by the EU to reinforce its engagement with African countries by deepening and widening its existing trade agreements with African regional economic communities and strengthening the sustainability dimension, as well as supporting cooperation with the African Union and its members for smooth implementation of the African Continental Free Trade Area to achieve Agenda 2063, the Africa We Want.

4.749. In this regard, we encourage the EU under the WTO reform agenda on development in line with Paragraph 3 of MC12 outcome document which provides a mandate to Members to initiate work towards the necessary reform of the WTO to "take advantage of available opportunities, address the challenges the WTO is facing, and ensure the WTO's proper functioning", so as to enhance EU-AU cooperation in the WTO and speed-up the adoption of a Memorandum of Understanding with the Secretariat of the African Continental Free Trade Area to enhance policy discussion on matters pertaining to trade and economic integration.

4.750. In our view, this would serve as impetus to narrow down gaps on some of the proposal by the African Group, notably, the African Group Policy space for industrial development- a case for rebalancing trade rules to promote industrialization and to address emerging challenges such as climate change, concentration of production and digital industrialization.

4.751. We agree that development is a cross-cutting issue as an area for policy deliberation. It is imperative that the WTO finds new ways to support the efforts of developing countries that face difficulties in integrating into the global trading system. For Namibia and many other African States, development remains the core focus at the WTO alongside levelling the playing field in international trade.

4.752. We thank the EU for the continued support to developing countries to facilitate smooth integration into the world economy with a view of achieving equitable share in global trade.

4.753. In addition, on supporting inclusive growth in developing countries, we urge the EU to refrain from strict regulations and technical standards imposed by the EU members, which make it difficult for Namibian products to comply and gain access to the EU market. Additionally, the small size of

Namibia's economy and limited resources make it difficult to fully take advantage of the opportunities presented by the agreement. We are open to furthering our engagement with the EU.

4.754. Once more, congratulations on your successful Trade Policy Review.

GHANA

4.755. Ghana would like to welcome the European Union and its delegation from Brussels to Geneva and to commend them for availing themselves for this very important exercise. Ghana would also like to commend the Ambassador and head of the European Union delegation to the WTO and your team for the excellent preparatory processes leading to this 15th Trade Policy Review of the EU. Ghana is indeed pleased with the high-quality of the reports that both the EU and the WTO Secretariat have produced for this review, and we want to commend both teams accordingly. Again, Ghana would like to commend H.E. Pimchanok Pitfield, Ambassador and Permanent Representative of Thailand for serving as discussant to this very important review exercise.

4.756. Ghana and the European Union have had long-standing relations for several decades, resulting in a partnership and friendship that prioritizes political and trade relations. The European Union has a full Diplomatic Mission in Ghana and together with Ghana we continue to assert our shared values and positive agenda at the global level through the EU-Ghana Partnership Dialogue, our two sides continue to discuss and reiterate our priorities annually. This has proven useful and we recommend the continuous engagement in this regard.

4.757. The EU is Ghana's main market for agri-business products, i.e. cocoa and its derivatives, canned tuna, fruits, and many others, and this contributes significantly to Ghana's economic growth. The support that the EU provides through dedicated development cooperation programmes with a view to improving competitiveness, both at the national and regional levels, is commendable.

4.758. Trade between Ghana and the EU is currently in excess GHS 25 billion that is about EUR 6 billion and this has the potential to increase so it is important that the two sides work together to shore-up these numbers.

4.759. Through the Ghana-European Union interim Economic Partnership Agreement (iEPA) practical steps could be initiated to ensure sustained growth in the trade and development space of both sides. As host of the Secretariat of the African Continental Free Trade Area, Ghana is committed to work with its African partners and the EU to ensure that trade is mainstreamed and prioritized in all national and continent-wide programmes that the two sides commit themselves to implement.

4.760. In commending the EU for its sustained engagement at the multilateral level through the WTO, we would like to encourage the EU to prioritize the development concerns that especially the African Group and its partners have been articulating at the WTO, this is the only way we believe that countries like ours could be assisted to fully integrate into the multilateral trading system.

4.761. In conclusion, Ghana would like to commend the European Union once again for its sustained engagement at the WTO and wishes the EU a successful 15th Trade Policy Review.

TRINIDAD AND TOBAGO

4.762. We align with the statement to be delivered on behalf of the CARICOM Group.

4.763. Trinidad and Tobago is pleased to participate in the 15th Trade Policy Review of the European Union. We join others in welcoming to Geneva the delegation led by Director-General Sabine Weyand. We also take this opportunity to commend Ambassador João Aguiar Machado on his leadership and the constructive engagement of his team in so many spheres of our work here at the WTO.

4.764. We thank the EU and the Secretariat for their respective reports and acknowledge that the preparation of these reports could not have been an easy feat. We also recognize Ambassador Pimchanok Pitfield of Thailand for her engagement and useful comments in the role of discussant.

4.765. It is difficult to imagine work on any file at the WTO without the active involvement of the EU. This is clear testimony to the EU's commitment to this Organization and to the rules-based multilateral trading system. Trade facilitation, services, trade and environment, trade and development and trade-related aspects of intellectual property rights are just a few of the files on which the EU has been very active and constructive, demonstrating initiative and leadership here at the WTO.

4.766. We acknowledge the level of priority the EU delegation has ascribed to WTO reform and to resolving the challenges obstructing the optimal functioning of the Dispute Settlement System, in particular, and we commend the delegation in this regard.

4.767. On efforts to reinvigorate the Work Programme on Electronic Commerce in line with its development dimension, Trinidad and Tobago recognizes the valuable contributions and engagement of the EU in this regard.

4.768. On fisheries subsidies negotiations, while our perspectives may not always align, Trinidad and Tobago values the frank and insightful exchanges we have had with the EU in small group, plenary and bilateral contexts.

4.769. On development-related issues, Chair, we commend the EU on its active engagement in the Committee on Trade and Development and the CTD-SS, as well as for its generosity as a key donor in respect of technical assistance and capacity building for developing country Members and LDCs. We also recognize and appreciate the efforts of the EU to better understand the concerns and aspirations of developing country Members relating to special and differential treatment and the role of trade in achieving our sustainable development objectives. This was very apparent to us at the retreat on development convened earlier this year and in subsequent engagements.

4.770. On trade policy, practices and performance in the period since the last Review, the figures are clear in illustrating the EU's prolific engagement in international trade as the world's top trader. Trinidad and Tobago joins other WTO Members in recognizing the significant outcomes achieved as a result of the policy approaches adopted by the European Union in the context of the shifting global landscape of intersecting crises. These outcomes include the notable rebound in growth by 5.4% in 2021 and further expansion of growth by 3.3% in 2022.

4.771. As a CARICOM member State, we are keenly aware of the opportunities and challenges associated with regional integration, and so we are cognisant of the fact that these significant outcomes were not easily attained. We take good note of the decisive and coordinated policy actions undertaken by the European Union to address key issues relating to the COVID-19 pandemic, as well as matters affecting the Union relating to the global context of persistent geopolitical tensions. We are also seeking to draw pertinent lessons from the EU's development and implementation of its new trade strategy and its emphasis on openness, sustainability, and assertiveness.

4.772. Trinidad and Tobago attaches great importance to our longstanding bilateral relationship and history of cooperation with the EU. We commend the EU for engagement with the Caribbean region within the framework of the European Development Fund in particular, noting that the Fund has contributed positively to our efforts relating to socioeconomic development, digital transformation and addressing the negative impacts of climate change on our economies.

4.773. We value the CARIFORUM-EU Economic Partnership Agreement (EPA) and look forward to the conclusion of the Second Five-Year Review of the EPA. The EU remains a key market for Trinidad and Tobago and this country is of the view that the Second Five-Year Review should be leveraged to further strengthen trade relations. Trinidad and Tobago is also hopeful that challenges faced on both sides in relation to the implementation of the Agreement will be surmounted. We look forward to the convening of the Joint Council in the second half of this year.

4.774. On expanding trade, Trinidad and Tobago is currently in the process of seeking Third Country Approval to export products to the EU, in keeping with the EU Commission Delegated Regulation 2021/630, which entered into force on 21 April 2021. In this regard, Trinidad and Tobago recognizes the value of the monitoring and enforcement of regulations implemented for products entering the EU. We take this opportunity to reference the significant administrative and financial

challenges posed to countries seeking to meet these requirements, along with the consequent impact on trade.

4.775. In this regard, and with the positive intent of strengthening collaboration between Trinidad and Tobago and the EU, it is hoped that both Parties could work more closely together on this matter. Capacity-building is likely to prove useful as we seek to better understand and meet the EU regulations and secure market entry.

4.776. Finally, we join others who have expressed reservations regarding the EU's Carbon Border Adjustment Mechanism (CBAM). We are concerned that it could have a constraining effect on our trade relations, including a possible negative impact on our exports to the EU.

4.777. In closing, Trinidad and Tobago congratulates the EU delegation in advance on the completion of a successful Review.

BARBADOS²

4.778. Statement by Barbados at the Barbados wishes to congratulate Mrs Sabine Weyand, Director-General, Directorate General for Trade, European Commission and her team from Brussels on a successful 15th Trade Policy Review.

4.779. We wish to start by commending the European Union on weathering the many global economic and financial storms that would have impacted all WTO Members to varying degrees, and notes that despite these challenges, the European Union stood steadfast in implementing significant changes during the review period, particularly through the adoption of the European Green Deal, a Europe that is fit for the digital age and a new political agenda that is intended to shape the trade and investment policies. These in large measure were due to the EU's use of coordinated monetary and fiscal policy measures aimed at converting recovery into sustained growth.

4.780. We particularly note the changes that have been imposed by the EU in the areas of climate change and sustainable energy. The conversation surrounding the nexus between trade and climate change, is gaining traction in the WTO and is in keeping with our current global realities. Like the EU, these issues continue to be of grave importance to Barbados, particularly in light of the significant impact that these issues have on our current and future trade and indeed our continued existence as a small island developing state on the front line of the climate crisis. We look forward to continuing the conversation on this critical area with the EU as we navigate our work in the WTO.

4.781. The European Union continues to show its leadership and unwavering commitment to the multilateral trading system and to the WTO through its active participation in all aspects of the WTO's work including, in the fisheries subsidies negotiations and joint statement initiatives. In this connection, we wish to take this opportunity to commend H. E. Mr João Aguiar Machado, Ambassador and Head of the European Union Permanent Mission to the WTO and his Geneva-based team for their participation in our work aimed at strengthening the multilateral trading system.

4.782. Barbados maintains excellent trade and political relations with the European Union, particular in the area of development cooperation and through the comprehensive reciprocal trade and development agreement in the form of the CARIFORUM-EC Economic Partnership Agreement (EPA) signed in 2008. We look forward to our continued work with the European Union both here and in our capital.

BELARUS

4.783. Our delegation expresses its thanks to the WTO Secretariat and EU delegation for the presented documents, particularly the Trade Policy Review Report by the European Union.

4.784. We have thoroughly studied the Report and would like to take this opportunity to present comments as to its Subchapter 7.2. "Sanctions". It shows clearly that restrictive measures or sanctions are an essential tool in the EU's common foreign and security policy.

² Only written statement. This statement could not be delivered online for technical reasons.

4.785. Belarus would like to challenge the legality of such unilateral restrictive measures, and also to draw attention to their detrimental effect on the multilateral trade system and, particularly, on food security.

4.786. Claims in the Report, that the EU's sanctions do not target food and agricultural products, do not stand up to scrutiny, as Belarus has been restrained by sanctions in its ability to export fertilizers. We underline, that it happens while the problem of global hunger persists. The impact of sanctions is being felt globally, manifesting itself in rising prices for food, energy, and the cost of living.

4.787. The purpose of EU's sanctions has always been to intervene into the sovereign States' internal affairs, foreign policy decisions, as well as economic well-being. Needless to say, the use of sanctions never bore any fruit, never led to any positive developments.

4.788. We call to the EU to abandon the use of sanctions, as it is contrary to the multilateralism and the freedom of trade, while also having grave humanitarian consequences. For the same reasons we also call to all WTO Members and Observers to denounce the practice of sanctions.

BAHAMAS ON BEHALF OF CARICOM

4.789. We wish to congratulate the European Union on this the occasion of its 15th Trade Policy Review. We are grateful to the EU, in particular Ambassador Aguiar Machado the team in Geneva, the Brussels team and Members of the EU for their efforts in the preparations of the Report which has been presented to us. We applaud the efforts of the WTO Secretariat for its comprehensive Report. Last but not least, we extend a thank you to the discussant Ambassador Pitfield.

4.790. The trade relationship between CARICOM and the EU exists within the context of the CARIFORUM-EU Economic Partnership Agreement (EPA) which comprises the 15 CARICOM member States, along with the Dominican Republic. This EPA is a major catalyst which underpins CARICOM-EU relations, allowing for ease of business between the two regions for trade, development, and investment opportunities. The EU has also made a special effort to support programmes within the CARICOM Secretariat and CARIFORUM Directorate to ensure the successful implementation of the EPA.

4.791. The EU remains an important market for CARICOM exports. The EU is also among the region's foremost development partners and through successive European Development Funds, including the current 11th European Development Fund, the EU continues to make meaningful contributions to supporting economic, social and environmental development throughout CARICOM.

4.792. We commend the EU for its 2021 Trade Policy Communication which seeks responds to the challenging international environment, geopolitical tensions, inflation, the impacts of climate change and residual impacts of the COVID-19 pandemic. Despite these setbacks where the economy contracted by 5.7% the region was able to rebound positively by 5.4% in 2021.

4.793. While CARICOM applauds the EU's commitment to the multilateral trading system, and highly values its bilateral relationship with the EU, it must nonetheless express concerns about the EU's Carbon Border Adjustment Mechanism (CBAM). While it is limited in coverage for now, there are real concerns that CBAM can set a problematic precedent and its potential expansion in the future could impact CARICOM's exports to the EU. However, we remain open to discussing further with the EU and understanding better, the CBAM.

4.794. The EU continues to demonstrate its support to the multilateral trading system as it has remained committed to the WTO and its Membership.

4.795. In closing, we encourage the EU to continue to play a constructive and leadership role across all areas of the WTO's work. The CARICOM Group looks forward to working with the EU on critical issues, such as WTO reform, including the restoration of the full functioning of the WTO's two-tiered Dispute Settlement System.

4.796. We wish the EU a successful Trade Policy Review.

5 REPLIES BY THE REPRESENTATIVE OF EUROPEAN UNION (H.E. AMBASSADOR JOÃO AGUIAR MACHADO) AND ADDITIONAL COMMENTS

5.1. Let me start by thanking the over 60 Members who have intervened for their active participation and great interest taken in this 15th Trade Policy Review of the EU. I would like to commend the Chair, H.E. Ambassador Almqvist for the efficient management of the long, but productive meeting on the first day.

5.2. I would also like to extend our thanks to Ambassador Pimchanok Pitfield for acting as discussant, for your insightful remarks framing the discussion. You have highlighted the EU's leadership in setting the course of its trade and economic policy in a forward-looking and strategic manner, a remark we have heard echoed by many of the Members who took the floor.

5.3. The rules-based multilateral trading system is a fundamental strategic priority for the European Union. The focus on WTO remains a central feature of our trade policy and we were encouraged to hear recognition of our role in the efforts to reform this Organization. EU contributions on many topics over the review period, such as on trade and health, the fisheries subsidies negotiations, the Multiparty Interim Arbitration Arrangement or the plurilateral initiatives were highlighted.

5.4. We are glad that our constructive input was useful in delivering a collective success at MC12. In June last year we were able to show that the WTO remains capable of responding to the challenges of global trade today.

5.5. We were also pleased with the positive mentions of our recent submission on reinforcing WTO deliberation on global trade policy challenges. Enhancing the capacity of the WTO to provide the right responses requires reinvigorating the functions of negotiation and dispute settlement, but also facilitating deliberation between the Members. Deeper deliberation can help create the necessary consensus and conditions for the Organization to engage in rule-making, and ensure that the WTO remains the key international forum for global trade governance.

5.6. This is also why we have proposed topics for deliberation that we think are central challenges that the WTO should deal with. We were glad to see that many other Members also consider the nexus of trade and climate; state intervention in industrial policy; as well as trade and inclusiveness, as matters worth focusing on. We are looking forward to further engagement on how to take this work forward in the coming months and at MC13.

5.7. Many speakers highlighted the role of the EU as a trading partner and there was a broad recognition that, despite external shocks, rising trade tensions and global uncertainty, the EU has maintained its commitment to openness.

5.8. The EU is the main trade and investment partner for more than 50 countries around the world, and many Members highlighted the importance that they attach to their access to the EU market. Today, I want to confirm that openness constitutes a very conscious and firm policy choice by the EU. We heard some concerns that the EU may be on a path of becoming more inward looking, but the facts speak for themselves. Most Members reported of increasing trade volumes in their exchanges with the EU.

5.9. The EU's efforts on inclusiveness, including our contribution to development were also widely recognized. We were pleased to hear how the EU regime on the Generalized System of Preferences and the duty-free, quota-free facility under the Everything but Arms mechanism have contributed not only to increased exports from developing and least developed countries, but also helped diversify their trade and create jobs. This confirms that our policies are delivering on their objectives. We are committed to continue on this track as we are revamping our GSP regime.

5.10. Given the weight of the EU in global trade, understandably, there is a lot of interest in our regulatory developments. As we are frontrunners in policy-making in response to the global challenges of the green and digital transitions, most Members referred to these policies in their interventions.

5.11. We are glad that this Trade Policy Review is giving us another opportunity to engage with you. We have heard a clear message that you want the EU to listen and take your concerns into account, including when it comes to the implementation of our measures. This fits very well with the EU commitment, which I confirm today, to transparency and non-discrimination as key principles of our law-making rules and practices. Ensuring full consistency with our WTO obligations is also built into our regulatory processes.

5.12. Our Better Regulation Guidelines have been revised during the review period. Notably, we have improved the way we consult, facilitate access to the evidence behind our legislative proposals, and improved analysis and reporting of key impacts of EU legislation. These changes help us, among other purposes, to better consider the external implications of our internal policies and their impact on our partners.

5.13. Given the broad range of topics raised in your questions and statements, I invite Members to review our detailed written replies for further details. We will continue to reply to late and follow-up questions in the coming month.

5.14. I will highlight today only a few of the issues that we have heard during the first day of the meeting and earlier this morning.

5.15. First, regarding customs policy, let me recall that the Customs Union is an exclusive competence of the EU. There is one single customs union code applicable uniformly in all member States, who are in-charge of its implementation.

5.16. In this context, we have put forward a proposal just a few weeks ago, for an ambitious and comprehensive reform of the EU Customs Union. The objective is to simplify customs processes for businesses, especially for the most reliable operators. By embracing digital transformation, the reform will simplify customs procedures, replacing traditional declarations with a smarter, data-led approach to import monitoring. This proposal delivers, therefore, on our commitments under the Trade Facilitation Agreement.

5.17. Some Members referred to our new policy tools, such as the Anti-Coercion Instrument, the Enforcement Regulation or the Foreign Subsidies Regulation. Like many Members, the EU is concerned by the risks of global trade fragmentation, weaponization of trade and the threat of a global subsidy race. We therefore decided to equip ourselves with tools that are appropriate to deal with these new risks.

5.18. These instruments were designed in full compliance with the WTO rulebook to help us keep our markets open and ensure a level playing field for EU traders.

5.19. As regards subsidies, I would like to draw attention of Members to the rigorous and transparent state aid policy of the EU that continues to be enforced. Temporary rules issued responding to the current crisis have to comply with strict criteria and will remain time-limited.

5.20. Some Members referred to the Global Arrangement on Sustainable Steel and Aluminium. Negotiations of the arrangement are ongoing. The aim is to encourage low-carbon intensity steel and aluminium production and trade, and restore market-oriented conditions globally. As the EU-US Joint Presidential Statement pointed out, the arrangement will be open to partners demonstrating commitment to these objectives.

5.21. We also took note of the importance of trade in agricultural products for many Members.

5.22. Some of you were critical the EU's agricultural tariffs as being too high. Let me recall that the EU is an open market for agri-food trade, and one of top three global importers of agri-food products, worth EUR 172 billion in 2022. Moreover, agricultural imports have risen more than 13% in value compared to the last review period, despite the disruption caused by the COVID outbreak and Russian Federation's aggression against Ukraine.

5.23. In addition, let me clarify that the EU is a very marginal user of the agricultural special safeguard. The EU has never applied the volume-based safeguard and in the review period, price-based safeguard has been further reduced from 6 to 3 tariff lines.

5.24. The EU import regime for agricultural products is fully transparent and predictable, as agreed in the Uruguay Round and set in our WTO schedule.

5.25. We have noted from your questions a great interest in our Common Agricultural Policy and its new green ambitions.

5.26. As a result of the ambitious past reforms, the vast majority of our CAP support (around 85%) qualifies as WTO's non-trade distorting "green box", which is not the case for our main trade partners. This was well reflected in our latest Domestic Support (DS:1) notification for Marketing Year 2019/2020.

5.27. In addition, the CAP has not only been reformed towards less trade distorting support but is also set on the path towards achieving sustainable and resilient agriculture systems. With the new CAP 2023-2027 all funding is conditional on achieving objectives covering the three dimensions of sustainability – environmental, economic, and social.

5.28. In the light of this, and the EU's efforts to make our agricultural policies more market oriented and sustainable, I would encourage that other WTO Members would undertake similar ambitious reforms in agriculture.

5.29. The EU remains fully engaged in the agricultural reform negotiations, in all its three pillars.

5.30. Sanitary and Phytosanitary (SPS) measures is another area of EU policy- making that many Members follow closely. I would like to reassure Members that EU SPS measures are based on risk assessments, in accordance with internationally recognized principles, taking into account the relevant international standards and the best available scientific knowledge.

5.31. Numerous interventions mentioned the EU's pesticide policy, in particular the setting of Maximum Residue Levels (MRLs). The objective of the overall policy framework is to ensure the safety of EU consumers.

5.32. Our policy acknowledges that non-EU countries may face production conditions and pest pressures different from those in mainland Europe. This is why we provide for the possibility for non-EU countries to request specific MRLs for uses in their territories. These MRLs, so-called "import tolerances" can be granted to active substances not approved in the European Union.

5.33. The EU has organized a number of seminars, information sessions, plurilateral and bilateral meetings to provide detailed explanation of the different steps of this process, including the procedure of applying for those "import tolerances".

5.34. The EU would like to clarify that it does not require third countries to prohibit the use of these substances in their own territories. The harvested crop destined to be placed on the EU market, however, has to comply with the relevant MRLs applicable within the EU, unless an import tolerance is granted.

5.35. It was clear both from the written questions we have received and the interventions we heard that the European Green Deal as a whole, as well as its component parts attract a lot of attention. As Director-General Sabine Weyand emphasized on Monday, tackling climate change and environmental degradation is our duty to future generations.

5.36. This is a central driver of EU policy-making and in line with our international commitments and more specifically the Paris Agreement. Domestic action to complement global measures and responses is a must. But listening to the interventions reaffirmed our conviction that we need to be conscious how we design those policies and how we implement them to minimize potential negative spill-over effects.

5.37. Many Members raised questions on the EU Carbon Border Adjustment Mechanism Regulation, the so-called CBAM. I would like to emphasize that the CBAM is not a trade measure but a climate oriented, environmental policy tool to ensure that we can reach our climate targets.

5.38. It will be applied to imported products in an even-handed, non-discriminatory manner based on their actual emissions. Any effective carbon price paid outside of the EU will be taken into account. It should be noted that the phase-in of CBAM will be gradual. No financial adjustment will be paid before 2026. The transitional period starting in October 2023 is designed to give sufficient time for partners to prepare.

5.39. The EU will provide opportunities for feedback and consultation with our trading partners when designing the implementing rules.

5.40. Tomorrow our new Regulation on Deforestation Free Products will be published. As there were also many questions on this measure, let me emphasize that given the cut-off date of 31 December 2020, the vast majority of current agricultural production will be considered deforestation-free under the Regulation. Moreover, the requirements of the measure are aligned with the best practices already existing in the market.

5.41. We are supporting our partner countries through development cooperation to ensure that their supply chains are deforestation-free.

5.42. The regulation includes a specific article on international cooperation. It is important given that national legislation aiming at halting deforestation in partner countries can play a key role in the implementation. We see the regulation as an opportunity to jointly create more sustainable supply chains and take joint action against deforestation.

5.43. All of these measures that the EU is adopting reflect the EU commitment to sustainability. Achieving our sustainability objectives requires that we find the optimal triangle between trade, environment, and development.

5.44. We heard Members' appreciation of the EU's proactive engagement within the relevant WTO bodies to provide explanations on the EU Green Deal. We commit to continue this engagement, including multilaterally in relevant WTO bodies. Our bilateral work with partners complements our engagement in the multilateral system.

5.45. More broadly, numerous interventions expressed appreciation of the existing bilateral instruments between the EU and our WTO partners. We heard mentions not only of Free Trade Agreements or Economic Partnership Agreements, but also about the importance that our partners attach to political and regulatory dialogues, sectoral agreements and other forms of bilateral engagement. We were pleased to hear about the concrete benefits that they deliver.

5.46. Let me reaffirm however that the rules-based multilateral trading system with a strong and reformed WTO in its centre remains a strategic priority of the EU's trade policy.

5.47. As we start to intensify work towards MC13, the EU will continue to invest in the reform of the Organization and proactively engage on the full range of work streams with other Members. I will not repeat all that DG Sabine Weyand said in the first day statement in this respect. But let me underline once again that the most urgent and critical issue for the EU and clearly, for the vast majority of WTO Members is restoring a fully functioning Dispute Settlement System.

5.48. MC13 must show that we are on track towards a better functioning Organization, one that is able to deliver on the challenges of our times.

5.49. Let me conclude by thanking again the Chair, the discussant, the Secretariat and the Membership for this unique opportunity to present and engage with you on the trade policy of the EU.

5.50. Finally, I also want to use this occasion to thank the EU Commission team who have worked hard to make this review a success.

DISCUSSANT

5.51. I would like to thank Director-General Sabine Weyand, Ambassador João Aguiar Machado, and the rest of the European Union delegation for their hard work. I would also like to thank the TPRB Chair, Ambassador Saqer Abdullah AlmoqbeL, all participating Members, and the WTO

Secretariat for their active engagement in this very important exercise and would like to extend my sincere congratulations to the European Union on the great success of its 15th Trade Policy Review. It has been a very interesting and invaluable experience for me professionally and personally.

5.52. In this year TPR, Members showed their overwhelming interests in the TPR of the European Union by submitting more than 1,600 advance written questions from 42 Members. In this regard, please allow me to present my observations.

Achievements

5.53. Members highlighted key roles of the EU in the global economy and commended the EU for its strong economic recovery after the COVID-19 pandemic. This underpinned the EU's remarkable economic resilience in enduring a variety of challenges during the review period.

5.54. Many Members applauded the European Union's commitment to and active participation in the WTO to uphold the open, fair, inclusive, and rules-based multilateral trading system. In particular, its significant contributions include the set-up of the Multi-Party Interim Appeal Arbitration Arrangement (MPIA), its active engagements in all Joint Statement Initiatives, and key areas of negotiation, namely agriculture, fisheries subsidies, trade and development, the success of the MC12, and the WTO reform, were mentioned.

5.55. Members expressed their keen interest in the EU's New Trade Policy that was announced in 2021, noting that this new trade policy of the EU would have a far-reaching impact to the rest of the world.

5.56. Developing countries and LDCs Members expressed their appreciation for the EU's continuous support towards development objectives through trade preferential schemes, the GSP, GSP+, and Everything But Arms (EBA), capacity building and technical assistance, and its generous Aid for Trade commitment. These efforts have been useful for developing countries' integration into the world economy, poverty reduction and sustainable development, especially in the area of green and digital transformation.

5.57. Members also highlighted their close bilateral trade and economic ties with the European Union where the EU is one, if not the most, important trading partner and sources of FDI in both goods and services. They also appreciated extensive cooperation with the EU through association agreements, policy dialogues, and Free Trade Agreements, etc. Members also voiced their interests to deepen their cooperation with the EU in a wide range of areas including digital and green transformation in line with the EU's New Trade Policy.

Concerns

5.58. Aside from the success, it goes without saying that Members also expressed concerns regarding the European Union's trade policies during the review period. However, since Ambassador Aguiar Machado has already responded to some of the key issues, I will skip over some details.

5.59. Most prominent area of concern that I heard is the EU's trade and environment measures under the European Green Deal, namely the Carbon Border Adjustment Mechanism (CBAM) and the deforestation-free product regulations, the Farm to Fork strategy, and Due Diligence Rules, etc. Members are mostly concerned about the unilateral nature of the measures. But at the same time, Members commended the EU's commitment to enhancing transparency and providing information and regular updates on its measures in the relevant WTO committees. For this particular topic, I must say that I did not hear any Members said they questioned the "What" and even the "Why" for the EU's sustainability efforts. But many of them questioned the "How" as they thought that consultation and future implementation of the measures with other trading partners could be more rigorous and expressed their willingness to engage constructively with the EU on these issues.

5.60. Members also expressed concern about many technical standards particularly in TBT and SPS areas including the EU's use of Maximum Residue Limits. While Ambassador Aguiar Machado has already responded to this issue, I must emphasize that Members' concerns were quite overwhelming and I hope that the EU will take further steps to address their concerns on technical barriers issue.

5.61. Another area that many Members expressed their wishes to see the EU put more efforts to address is agriculture, namely the domestic support and market access with high and complex tariff regime of agricultural products which, on average, is still three time higher than the total average.

5.62. Last but not least, several Members raised the issues of customs-related measures, trade facilitation improvement, the EU's increase use of trade defence mechanism, digital policy and data protection, and GI under IPR.

5.63. On the basis of the above, Members urged the EU to ensure that its trade and trade-related measures as part of the EU's new trade policy, especially those promoting sustainability do not impose unnecessary trade restriction and are consistent with the WTO and other international standards and principles.

5.64. If I may offer another personal observation on the overall discussion, I would like to suggest that the European Union consider give future technical assistance and capacity-building attention in the areas related to the sustainability. As I said above, no one Member really said they did not support sustainability that the EU tries to achieve but it is in the manner of how the EU policies are being implemented that were of great concerns to Members. So, if their technical assistance and Aid for Trade to LDCs and developing countries can focus on helping others to save the environment or address climate change, etc., it will be like shooting two birds with one stone because they can achieve both development and sustainability at the same time.

Conclusion

5.65. Before I conclude, I am sure that Members agree with me that the European Union has demonstrated to us that it has attached great importance to transparency at the WTO through its active participation in the Trade Policy Review.

5.66. Personally, I felt that Members' comments and perspectives were thoughtful and fair. I am sure, having listened to Ambassador Aguiar Machado's preliminary responses, that the European Union would take into consideration their comments and sincere interest of Members to deepen partnership with the European Union.

5.67. I believe that, like all other major world players, the EU should not forget the principle of "noblesse oblige" which has been popularized in modern culture through Spiderman movies – "With Great Power Comes Great Responsibility". Whatever a major country does, it will always have impacts on others. Therefore, there should be more cooperation, discussion, and consideration of concerns of others before the implementation of important measures.

5.68. I congratulate the European Union for its successful 15th Trade Policy Review.

UNITED STATES

5.69. We want to thank Director-General Weyand and Ambassador Aguiar Machado for their engagement and participation in this review and for the EU and EU member States' contribution to the important transparency work here at the WTO in TPRs and across the committees and bodies. The EU is a consistent and exemplary model in supporting the TPR process, and one of the few Members that takes day two as seriously as day one.

5.70. We also want to thank the EU mission team, member States, and delegation from Brussels here with us this week. We appreciate all the effort that goes into a review and all the internal coordination efforts required to respond to all the written questions, particularly for those of us who receive an extraordinary number of questions, so we want to thank you for everything you have done to make this review a success.

5.71. As we noted in day one, the EU and the United States share a vital strategic partnership, which we work constantly to maintain. While our friction points often make the headlines, it is important to recognize the overwhelming common ground that we share and to recognize our mutual commitment to continued deepening and advancement of our trade and investment partnership.

5.72. The majority of statements made on Monday reflected that nearly all Members are closely following how the EU positions itself in response to crisis and change. As noted on Monday, we look forward to working constructively with the EU to better understand the approach and impacts of its trade policy and hope that the EU will work with the rest of the Membership with an open mind as we all seek to adapt trade policies to meet global challenges.

5.73. One area which has come up in the context of this review is our different approaches to dispute settlement under the WTO. In our day one statement we acknowledged the EU's close cooperation in finding solutions to a number of long-standing trade-related disagreements between our Governments, while we also acknowledged that litigated results have not materialized on our side for some important issues. We believe that this demonstrates that no system is perfect, nor as black and white as some would want it to be. We look to the EU to be a constructive partner with us as we seek to reform the Dispute Settlement System in a way that meets the interests of all Members.

5.74. The United States would like to reiterate our interest in continuing to work together across the range of concerns we raised on day one. Those include improving adequate opportunities for stakeholders to offer meaningful comments on proposed regulations and decisions; addressing concerns regarding the hazard-based approach to regulations; resolving longstanding agricultural market access barriers, addressing stakeholder feedback regarding the cybersecurity certification scheme for cloud services, the exclusionary approach to standards related measures, including the conformity assessment framework; and ensuring uniform application of customs administration across EU member States.

5.75. As we continue to work with the EU to find solutions to these issues, we look forward to continued close partnership with the EU and its member States in reforming the WTO to ensure it remains relevant as the global economy continues to evolve. We appreciate the EU's leadership across the full breadth of this organization including the important but often overlooked technical work on accessions and in the many Joint Statement Initiatives it is involved in. We look forward to continued partnership on dispute settlement reform, advancing the agenda of the WTO to include consideration of the environment, climate change, and state intervention in the global marketplace.

5.76. Thank you and congratulations on a successful Review.

JAPAN

5.77. Let me first thank the delegation of the European Union for the comprehensive overview presented on Monday of the main developments that have taken place during the review period, as well as for the statement this morning made by Ambassador João Aguiar Machado that addressed some of the issues raised by the Members on the first day and again its strong commitment to the rules-based multilateral trading system.

5.78. In addition, Japan thanks the EU for the replies to our written questions. On a limited number of issues, we have submitted follow-up questions.

5.79. One of these is related to the import restrictions on Japanese food introduced after the Great East Japan Earthquake. Noting that the EU is currently discussing a review of the restrictions, we hope that the related measures will be eliminated through the review based on the scientific evidence of human health risks.

5.80. Notwithstanding the issues we touched upon during the two-day meeting, Japan shares the positive views shown by many other Members with respect to the EU's strong commitment to the rules-based multilateral trading system. We are also looking forward to continuing our close cooperation at the multilateral and bilateral levels.

5.81. Finally, Japan extends its appreciation to the delegation for their efforts in preparing for this review and congratulates the EU for concluding this productive and successful Review.

CHINA

5.82. China appreciates the statements delivered by Director-General Sabine Weyand and by the Ambassador João Aguiar Machado, and the great efforts made by the EU delegation to this TPR.

5.83. Through fruitful and constructive exchanges held at the first session of this TPR, China has an in-depth understanding of EU's new trade strategy underpinned by openness, sustainability and assertiveness as well as its action plan put in place. China commends the achievements of EU in the trade and economy despite the global challenges and appreciates the full engagement of EU in multilateral activities and its leading role in advancing WTO reform.

5.84. China and EU are both strong supporters of the rules-based multilateral trading system with WTO at its core and committed to fostering a free, open, transparent, inclusive and non-discriminatory trade and policy environment. China shares with the view of EU that no WTO reform is more critical or urgent than delivering on the aim identified in the MC12 outcome document of having a "fully and well-functioning Dispute Settlement System" by 2024 and the WTO shall make its due contribution to tackle universal concerns of Members, for example, food security, economic development, the vulnerability of the global supply chain, climate change and energy crisis. Thus, China is looking forward to deepening the dialogue and cooperation with EU in pushing the necessary reform of the WTO and the success of MC13.

5.85. China thanks EU for the replies of our advanced written questions. It is worth noting that EU has claimed the objectives of its trade policy are consistent with WTO principles and its international commitments both in the reply of our questions and the statements of DG Weyand. Here, China would like to highlight that as the largest trading bloc in the world, the way EU implements these trade policies is crucial. Whether it is CBAM or export control or others, the specific measures adopted by EU for the purpose of defending its own interests, shall be consistent with WTO rules and not undermine the benefits of others, especially developing Members. China looks forward to maintaining contact and communication with EU on specific trade concerns through various channels.

5.86. The EU is always a staunch supporter to the rules-based multilateral trading system. China expects the EU to lead by example in attaching great attention to the concerns and suggestions of Members, and improving relevant trade policies and measures so as to give better play to the deliberative function of Trade Policy Review Mechanism as advocated by the EU.

RUSSIAN FEDERATION

5.87. At the first day of this TPR we have heard numerous concerns from many Members on the protectionist approach to the EU's trade policy. The EU delegation decided to ignore advance written questions from the Russian Federation, clearly violating its transparency obligations within the WTO. However, it could not ignore the whole WTO Membership, which, according to the consolidated questions and answers and interventions, shares most of our concerns. Among them:

- dubious and unilateral character of the EU's CBAM, as well as doubtful consistency of other so-called environment-related policies with the WTO rules;
- anti-coercion instrument and its negative effect on the MTS;
- compatibility with the WTO rules of the Global Arrangement on Sustainable Steel and Aluminium;
- negative spill over effects of anti-Russian unilateral restrictions on other WTO Members and major world markets.

5.88. Unfortunately, the explanations that were provided by the EU did not do much to alleviate these concerns. Moreover, the EU delegation frequently contradicted itself.

5.89. On Monday we have heard renewed commitments to transparency, while in practice the EU ignores the rules of this transparency exercise out of political pettiness.

5.90. We have heard Brussels warning us of the dangers of trade weaponization. But is not this what the EU itself is doing –coercion of independent States through unilateral restrictions and economic pressure?

5.91. We have heard proclamations that anti-Russian measures "are designed and targeted carefully at Russia's military and industrial capacity", that they do not restrict supplies of food and fertilizers and thus do not harm global food security. In fact, blockings of international payments to Russian exporters, bans on their use of foreign seaports, restrictions for freight and road transport as well as insurance and legal services inevitably lead to increase in costs of logistics and food prices, making such goods unavailable for those in need. Today the distinguished Ambassador Aguiar Machado mentioned substantial increase in value terms of the EU's food import last year in comparison to 2021 as an argument in favour of the openness of the EU's market. However, the European Commission admits on its official website that this "is largely due to an increase in global prices". I would like to reiterate that the EU itself contributed a lot to that increase by its own restrictive measures as well as irresponsible macroeconomic policies. While the EU consumers may afford to pay more for food, for many poorer countries these price hikes constitute a disaster. I remind you that Russian fertilizers ensure the production of 117 million tons of wheat and 440 million tons of corn, which is enough to feed about half a million people.

5.92. The EU is one of the largest and influential economies in the world, which has, according to the EU Trade Strategy "the ability to make its own choices and shape the world around it through leadership and engagement". This is why many economies traditionally have been looking up to the EU as a guarantor of the multilateral trade – and their trust is fading as long as the EU pursues a unilateral and politically driven approach instead. We hope that the Union will be able to prove its leadership ambitions by taking responsibility for its own actions, instead of pretending that its trade policy is dictated by external factors and actions by other Members.

6 CONCLUDING REMARKS BY THE CHAIRPERSON

6.1. The European Union's 15th Trade Policy Review has provided us with an important opportunity to examine and understand the developments in EU trade policies and practices since the last Review in 2020. This Review has been conducted with the active participation of the European Union's delegation, headed by H.E. Sabine Weyand, Director-General, Directorate General for Trade, European Commission on the first day and by H.E. João Aguiar Machado, Permanent Representative of the European Union to the WTO on the second day. The discussions have benefited from the insightful comments provided by the discussant, H.E. Ambassador Pimchanok Pitfield, Permanent Representative of Thailand to the WTO, and from the 64 delegations' statements. We appreciate their contribution to this exercise.

6.2. Members noted that the European Union continued to be one of the world's main traders in goods and services, as well as the single largest investor abroad. There have been numerous developments in the European Union's trade, investment, and related policies during the period under review, including those in reaction to challenges due to global developments and economic shocks. The impact of EU policies on WTO Members' trade was highlighted by numerous delegations as it is the top trading partner for a reported 53 economies around the world. Members commended the EU's response to the pandemic, which was seen as promoting growth, diversification, and the sustainability of value chains. As a result, GDP growth had resumed in 2021 and had accelerated further in 2022.

6.3. It was noted that the European Union continued to hold the rules-based multilateral trading system at the centre of its trade strategy. There was strong appreciation for the European Union's highly active role in the WTO and for its leadership role across a number of areas including WTO reform, dispute settlement and the Multi-Party Interim Appeal Arbitration Arrangement (MPIA). The EU's leading role on the Joint Statement Initiatives (JSIs), trade and the environment, gender and women's economic empowerment, as well as its contribution to capacity-building and technical assistance, was also appreciated. It was recognized that the EU was the largest Aid for Trade donor.

6.4. Many Members appreciated the European Union's long-standing commitment to dialogue and cooperation. This was reflected in the EU's network of 44 regional trade agreements as well as in the importance placed in developing and further strengthening relationships through Association Agreements, Partnership and Cooperation Agreements, and other types of agreements, such as air transport, digital partnership, and personal data protection agreements. Several developing countries and LDCs were appreciative of the EU's Everything but Arms (EBA) initiative, and its GSP and GSP+ schemes, which allowed favourable access to the EU market for their exports.

6.5. A large number of Members referred in their interventions to the EU's environmental and climate policies, and those regarding digital transformation, which are cross-cutting across several WTO disciplines. While Members appreciated the broader goals of achieving climate goals and improving the environment, it was stressed that these initiatives should not result in barriers to trade. The European Green Deal, covering a number of trade initiatives, was mentioned in many interventions. Members were particularly interested in and expressed some concerns regarding the Carbon Border Adjustment Mechanism (CBAM), green taxation, and green government procurement. They emphasized that these initiatives should be carefully addressed bearing in mind their coherence with WTO rules. Some concerns were expressed with respect to the Deforestation-Free Commodities Regulation, which some Members considered could potentially have a negative impact on trade. On digitization, Members were of the view that the adoption of the Digital Strategy along with the Digital Services Act and the Digital Market Act created opportunities but also challenges regarding their implementation.

6.6. Other issues raised by Members included matters related to standards and technical regulations, and sanitary and phytosanitary measures. While it was recognized that EU rules and regulations were transparent, several Members indicated that there were improvements that could be made regarding advance notice of proposed measures and opportunities for comments and further engagement in matters relating to conformity assessment, the European Standardization Strategy, and notification of standards related to environmental initiatives. Regarding SPS measures, the change of maximum residue limits (MRLs) for pesticides was raised as a particular trade concern by numerous Members.

6.7. The continued development of the EU's agricultural policies through the Common Agricultural Policy (CAP) and its recent reform initiatives drew significant interest from numerous delegations. It was noted that agricultural products continued to face relatively high and complex tariffs entering EU markets as well as tariff quotas. Members recognized that the EU had eliminated export subsidies, but encouraged the EU to engage in reform of domestic support in the direction of greater market orientation and reduction of trade distortions. Other issues mentioned by Members included the Farm to Fork strategy, the approval process for genetically engineered crops, and food security issues.

6.8. Members commended the European Union for its leadership role in achieving results on the Agreement on Fisheries Subsidies and looked forward to continuing a constructive engagement on further disciplines to address overcapacity and overfishing. Members appreciated the support given by the EU to the Fisheries Fund as well as other capacity building measures in this respect.

6.9. Members noted the EU's continued and broad use of anti-dumping and countervailing duties, and safeguard measures. It was noted that the safeguard measures on steel had been in place for several years and their recent extension was of particular concern. Members enquired about the Global Arrangement on Sustainable Steel and Aluminium. Concerns were raised regarding the Foreign Subsidies Regulation.

6.10. Members highlighted recent developments in the EU's intellectual property regime, including the implementation of the unitary patent system and the expansion of the number of products subject to Geographical Indication protection. Members raised a number of other important issues and initiatives with an impact on trade including the Regulation of the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH); the Waste Shipment Regulation; the Anti-Coercion Instrument (ACI); the Revised Enforcement Regulation; the European Critical Raw Materials Act; the Cyber Resilience Act; the Net-Zero Industry Act; and the Temporary Crisis and Transition Framework.

6.11. The European Union demonstrated its continued commitment to the WTO and the transparency mechanism with its active engagement over the two-day meeting and its timely responses to the advance written questions. Approximately 1,600 questions were submitted before the meeting. I am hopeful that the EU delegation will consider and further reflect on these issues and on the many constructive comments that it received during the Review. Members look forward to receiving answers to any outstanding and follow-up questions within the prescribed one month deadline.
