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Dear Minister,

Thank you for your letter of 14 October 2020 congratulating me as new EU Commissioner for Trade. Indeed, as I said at the INTA Committee Hearing, my overarching priority will be to ensure that the EU's trade policy fully contributes to the recovery of the European economy in a manner that is sustainable, inclusive and fair.

I take this opportunity again to welcome the Dutch-French paper on trade and sustainability. This is indeed a very valuable and timely input into the further shaping of the sustainable dimension of trade policy, in particular ahead of the trade policy review.

I would like to respond here to one particular element that you have highlighted, namely the need to ensure the involvement of civil society in the work of the Chief Trade Enforcement Officer (CTEO) and in the complaints mechanism to enhance enforcement of trade agreements. I also want to build on the useful interactions of my predecessor on this issue with the Dutch Senate earlier this year, and Senator Ruud Koole's contribution on this topic.

A more concentrated effort on enforcement and implementation is one of the political guidelines of the current Commission. President von der Leyen underlined the importance of strengthening enforcement of EU rights, both at multilateral and bilateral level. Within this clear political mandate, the Commission is stepping up its use of existing enforcement tools to address not only issues of market access barriers, but significantly also breaches of the Trade and Sustainable development chapters in the EU's bilateral trade agreements as well as the Generalised Scheme of Preferences ('GSP') system.

The CTEO will also drive forward and coordinate the Commission's enforcement activities in this area. To give effect to this renewed focus, the Commission has, under the CTEO in DG Trade, established a new Enforcement Directorate, with a Single Entry Point for enforcement. This Directorate also has an additional legal unit to focus, amongst other things, on the enforcement of trade and sustainable development provisions.

Under the Single Entry Point, the Commission will soon be launching a new complaints system. It will enable EU stakeholders to lodge complaints concerning alleged breaches of commitments of Trade and Sustainable Development (TSD) in EU trade agreements or under the Generalised Scheme of Preferences (GSP), in addition to lodging complaints on market access barriers from third countries.



Significantly, this complaints process puts on the same level, addressing market access barriers and TSD/GSP violations in terms of access to a single streamlined complaints system in the Commission. The launch of the complaints system will be accompanied by a detailed operational guide for stakeholders to understand the requirements, including standing and evidence, to lodge a complaint.

This work will be organised with the objective to achieve results, not to launch cases per se. Therefore, it is important to work through the various steps in terms of escalation and adapt the processes (and timelines) to such a working method.

The new system will allow for a **structured and transparent process** for dealing with complaints. In terms of procedures, the system bases itself on relevant legal requirements in handling of submissions from stakeholders, including the Commission's Code of Good Administrative Behaviour.

The system will be made **widely accessible**, as complaints on alleged breaches of TSD/GSP can be submitted by EU Member States, as well as NGOs, individual companies and business/trade association or citizens from the EU. To ensure accessibility also to stakeholders less familiar with EU trade agreements, for instance SMEs or civil society organisations, the Commission services will offer the possibility for stakeholders to engage beforehand in order to prepare the formal submission of a complaint. This exchange can be very valuable to both the complainant and the Commission services in determining, amongst other things, the precise amount of information required.

Complainants will be required to provide **substantiated information and evidence** on the impact and seriousness/gravity of the potential violation and of actions taken hitherto, to permit a full assessment of the case and to ensure that Commission services do not lose time in gathering basic evidence in assessing complaints. The Single Entry Point will assess in particular the completeness of the complaint and evidence provided in support of the complaint. The Single Entry Point will coordinate the assessment of each complaint under the guidance of the CTEO and will establish a case team for each complaint. This will ensure that complaints are investigated and, where warranted, acted upon.

In terms of **transparency**, the Commission services will provide stakeholders with an acknowledgement of receipt of their complaint. They will be informed of the progress of the complaint, notably whether the complaint leads to an enforcement action to address the alleged breach as well as, where appropriate, timelines of specific actions: In interactions with complainants, the Commission services will be bound by the Commission's Code of Good Administrative Behaviour. This will ensure procedural rights for all complainants.

There will be a **need to prioritise cases** in order to focus resources and ensure swift results. Prioritisation will be based on three criteria: the likelihood of resolving the issue, the strength of the legal case, the economic/systemic impact for market access barriers and the seriousness of the violation for TSD/GSP issues. This flexibility will allow the Commission services to focus resources on the most relevant cases that have more chance to be positively resolved and to quickly and efficiently respond to possible changes in circumstances.

The Commission may also decide on its own to initiate investigations with regard to possible infringements of market access or TSD commitments by third countries. This will be done where individual stakeholders are not willing to request action for fear of retaliation by the third country concerned, or where practices are widespread, but difficult to identify due to a lack of transparency or difficulty in acquiring information in the third country concerned. Any barriers or concerns identified in this manner will also be fed into the system created under the Single Entry Point to ensure that these are taken into consideration and then subject to effective work plans.

Finally, it is important to underline that lodging of complaints will not be the only source of implementation and enforcement work. The Commission services will continuously monitor the implementation of commitments by third countries both to prevent trade barriers arising and to ensure compliance with GSP/TSD commitments. In this, the Commission relies on its network of Delegations and on contacts with Member States, both in third countries and in capitals.

In conclusion, these working approaches are designed to ensure that the treatment of complaints from civil society organisations with respect to the sustainable development dimension of the enforcement work is taken forward in a manner as systematic, coherent and transparent as enforcement action in the market access areas - and will thereby meet the expectations that you are rightly highlighting to me in your letter.

These processes will of course have to be tested in practice, and I will review their operation with the CTEO on a regular basis.

I look forward to discussing this further with you.

Yours sincerely,

Valdis Dombrovskis