

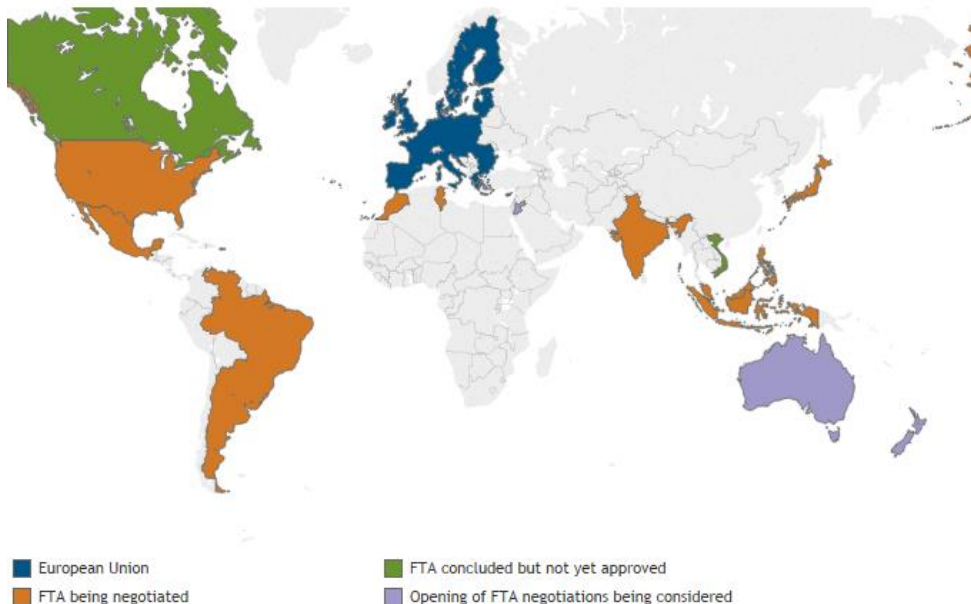
# What kind of trade policy passes the Namur test?

Blog post by Associate Adviser Guillaume Ferlet, 28 October 2016

After a rough week in Namur, Wallonia’s capital, EU member states and EU trade policymakers will be reflecting on what CETA’s near death brush with elected politicians means for future trade deals. So what are they likely to conclude?

They might regret the decision to let the deal go to national ratification as Berlin and Paris insisted. In theory, they might think twice next time. But shielding deals from democratic oversight is not much of a solution. An alternative approach would be for capitals to take ownership of FTAs much better once the European Commission has concluded negotiations, in order to robustly defend them at the national level. This would go some way in decreasing the public hostility to trade that made the events in Wallonia possible.

Current EU trade negotiations



Source: DG Trade

Another road would be for the Commission to revert back to negotiating old style FTAs at least until the trade climate in Europe becomes more conducive to the new generation of ambitious agreements with regulatory convergence and investor protection content that CETA and TTIP embody. Old style, scaled-down deals would only focus on the liberalisation of traditional aspects of trade negotiations - tariffs, certain services and public procurement. These questions are much less publically contentious, at least with trade partners like the US and Canada. At a practical

level, under the Lisbon Treaty, they would not entail ratification at the national level, thus ensuring a simple approval process. Carving out of CETA and subsequent FTAs the hostility-generating investment provisions will also lessen the risk of vetoes and major controversies.

The EU is not going to stop seeking FTAs and others are not going to stop asking for them. So the question will rather be what goes into these FTAs and how EU institutions and member states manage their politics, even if they manage to avoid running the ratification gauntlet in places like Wallonia.