Trade wars

There is a new misleading Remain argument around at last. They have seized on Mr Trump's push back against China and are claiming this means the UK will become dependent on the WTO just at the point where the USA is undermining the world trading system.

This is another spectacular misunderstanding. Mr Trump is pushing hard bilaterally, and has already secured some relaxations of trade from China as a result of his actions. The USA and China remain members of the WTO and have to put their actions into a WTO legal framework. Mr Trump has so far bypassed WTO just over steel and aluminium, by claiming national security, but is pushing other changes through the usual WTO processes. There is no question of the USA leaving the WTO. B0th the EU and the UK will continue to be governed by WTO rules after we have left the EU. The aim of Mr Trump is to end up with more access to China's markets, as he draws attention to the lack of symmetry between China's access to the USA and US access to China. It is highly likely he will secure more access, and thanks to WTO rules that will help us as well as the USA. Whatever China offers the USA she will have to offer the other WTO members.

The EU is now trying to exploit this argument as well. They are telling us that the UK with just 2.5% of world trade will not be as influential in the WTO as the EU with 13% of world trade after the departure of the UK. This too is a misunderstanding of how the WTO works. Small countries as well as large countries are looked after and helped by the WTO as long as they are pushing for freer trade. The WTO looks forward to the UK getting its vote and voice back in the WTO as the UK will be an important voice for freer trade worldwide, and will be seeking bilateral free trade agreements with countries that do not have them with the EU.

EU Agency for Safety and Health at Work launches Europe-wide awareness-raising campaign on dangerous substances

The European Agency for Safety and Health at Work (EU-OSHA) has launched its 2018-19 EU-wide campaign, Healthy Workplaces Manage Dangerous Substances. The launch marks the start of two years of events and activities aimed at drawing attention to the issue and promoting the best ways of tackling the risks that dangerous substances pose to workers.

Our campaign raises awareness of all types of dangerous substances, not just the obvious ones, and emphasises the importance of risk assessment in all sectors as the first step towards prevention.

Contrary to widespread belief, the use of dangerous substances is not decreasing in the EU, and the need to manage the risks they pose is as pressing as ever. Some of the substances that workers are most commonly exposed to include carcinogens. The European Commission has recently proposed to limit workers' exposure to five cancer-causing chemicals, in addition to the 21 substances that have already been limited or proposed to be limited.

Marianne Thyssen, European Commissioner for Employment, Social Affairs, Skills and Labour Mobility, spoke at a press conference in Brussels to mark the campaign launch: *'We will continue to raise awareness and take action to limit workers' exposure to cancer-causing chemicals. This is a key priority for the European Commission, not least because the European Pillar of Social Rights entitles workers to a high level of protection of their safety and health at work. EU-OSHA's campaigns are leading the way in reaching workplaces across Europe and help organisations adopt effective approaches to occupational safety and health management with the necessary tools.'*

The new campaign aims to promote techniques for the proper management of dangerous substances in the workplace, such as risk assessment, elimination and substitution, by disseminating practical tools and case studies. It also focuses on groups of workers who are at particular risk.

Dr Christa Sedlatschek, EU-OSHA's Director, states that: *'Many workers are unaware that not only manufactured chemical products that are labelled with risk and safety information can cause harm. Other commonly used substances across all sectors – from working with flour in bakeries to silica dust on construction sites – can be hazardous if their use is not managed effectively. Therefore, our campaign raises awareness of all types of dangerous substances, not just the obvious ones, and emphasises the importance of risk assessment in all sectors as the first step towards prevention.'*

The campaign brings together a wide range of partners, including EU-OSHA's network of national focal points, official campaign partners, media partners and the Enterprise Europe Network, which help to spread the campaign's messages to micro, small and medium-sized enterprises. The campaign also has the backing of the European institutions and their networks, in particular the Bulgarian Presidency of the Council of the EU.

Lazar Lazarov, Bulgarian Deputy Minister of Labour and Social Policy, commented, *'The latest Healthy Workplaces Campaign has an important message. While the legislation may be in place, workers and employers across the EU need to be aware of the rules and regulations and how best to comply with them. Otherwise, the risks posed by exposure to dangerous substances will not* *be managed properly. We look forward to working with EU-OSHA and the campaign partners over the coming years.'*

Ideas and interventions that make an impact at workplace level are shared in particular through the Healthy Workplaces Good Practice Awards. Furthermore, a range of materials have been developed and made available through a multilingual website to support the campaign. An e-tool to effectively manage dangerous substances in the workplace is available in English and soon will be accessible in three country versions (Austria, Estonia and Romania). Furthermore, a database has been created of almost 700 practical tools and guidance documents from 11 Member States, and case studies, infographics and animated short films starring the character Napo can also be found on the campaign website.

In addition, EU-OSHA is a partner of the Roadmap on Carcinogens. This action scheme aims to raise awareness of carcinogens in the workplace and the associated limit values and legislation, and to provide practical information on risk assessment and good practice examples for eliminating or managing risks.

Links:

Dakota DC-3: Homebound to India

A Dakota DC-3 aircraft of 1940's vintage would be inducted shortly in to the Vintage Aircraft Flight of the Indian Air Force. A large fleet of Dakota DC-3 served in the IAF till 1988. It was one of the most versatile transport aircraft of its time.

Go to Source
Author:

'The Transatlantic Economy Ten Years After the Crisis: Macro-Financial Scenarios and Policy Responses'

Ladies and gentlemen,

In a world economy which never sleeps, 10 years seems like an eternity. Indeed, much has changed in the world since the fall of Lehman Brothers. And Europe has changed after 10 years of steady reform. Today is a good opportunity to look back on this decade, and reflect on what we can learn from it. So I thank you for the invitation to speak today.

- I will first briefly address our response to the crisis, both in Europe and here in the US.

- Then, I will move to discuss those post-crisis reforms that we are still working to complete.

- And I will end by looking at some of the common challenges we face today, one decade later.

Starting with the crisis, it is clear that overall the US recovered faster than Europe did. This is in part due to the structure of the American economy, which allowed it to bounce back more easily. Here I could mention more flexible product and labour markets, as well as more integrated and deeper capital markets. And these aspects have certainly inspired EU policies in recent years.

In Europe, we learned the hard way that a crisis of this scale cannot be dealt with at national level alone. Although each country had to remedy their particular weaknesses, the existence of major spill-overs between them meant that this was not enough. Let me recall a few reforms that have improved our ability to prevent and respond to shocks:

First, we have put in place the European Stability Mechanism – or ESM – to provide support to Member States in difficulty, against the necessary policy conditionality. With half a trillion euro of fire power, it helps to ensure financial stability for the euro area.

Second, we have put in place a single rulebook for banks, and set up the European Supervisory Authorities to ensure more convergent financial supervision. We have adopted more than 40 pieces of legislation to restore financial stability and market confidence, building on the G20 agenda for financial reform. Today, our financial system is more stable and resilient, and banks are stronger and much better capitalised.

Third, the single currency calls for more integration, so in the euro area we have set up a unified framework for bank supervision and crisis management – this is the Banking Union. Along with a deeper single market in capital – the Capital Markets Union – it should help to fuse together European financial markets, and increase their shock-absorption capacity.

Fourth, we have strengthened EU-level frameworks for economic and fiscal governance and surveillance. This allows us to better tackle cross-border spill -overs and to coordinate economic policies among the Member States.

And finally – as in the US – all of our efforts were supported by the monetary policy of the European Central Bank. These actions were combined with substantial national reform programs across Member States.

To sum it up, the times when each euro area government considered itself an island are long gone. We are fundamentally connected, and so we act accordingly.

As a result, the EU economy is back on track. Europe is growing at its fastest pace in a decade: we had 2.4% growth last year, and we expect equally solid growth in 2018, at 2.3%. Employment is at record levels, and the unemployment rate is at its lowest level since 2008. Social trends are following suit, however unevenly, and the share of people at risk of poverty or social exclusion has fallen to pre-crisis levels. But we will keep up the focus on making our economic recovery more inclusive. All members of society should feel the benefits of this growth.

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The euro came out stronger from the crisis. But we should keep up our efforts to ensure we are better equipped in the future. The crisis started as a financial crisis, so completing the Banking Union is at the top of our agenda.

We now have a single supervisor overseeing systemic banks. And we have a single resolution mechanism to resolve banks in an orderly manner, so that taxpayers are no longer first in line to pay for the banking sector’s mistakes. These two institutions should help prevent a repetition of the massive bail-outs, capital injections, and other ad hoc emergency measures that we saw during the crisis.

But to manage a banking crisis with the least possible impact on financial stability and taxpayers, we need more. First, we need a common backstop to the Single Resolution Fund, to act as lender of last resort in the case of a serious bank crisis. There is a broad agreement that this could be done on the basis of the European Stability Mechanism.

We also need a European Deposit Insurance Scheme. This would ensure that depositors enjoy the same level of protection, regardless of where their account is in the euro area. It would reduce the risks of bank runs, and also give more time to conduct an orderly resolution of banks when needed.

Our second immediate priority is to develop a deeper and more integrated single market for capital in the EU, the Capital Markets Union. We launched this programme as a response to what we saw during the crisis: bank financing became scarce, and alternative sources of financing were hardly available. It is about giving businesses more diverse sources of funding and deepening our economy’s shock-absorption capacity. And with London, Europe’s largest financial centre leaving the single market, this has become more urgent.

On this the EU has already adopted significant legislation. This includes EU labels for Venture Capital, a simplified prospectus for raising capital on public markets, and new rules on securitisation. But there are many more proposals currently waiting to be adopted. Our goal remains ambitious but realistic: to have the building blocks of the Capital Markets Union in place by 2019.

Finally, markets cannot be expected to smooth all shocks alone. To be well-prepared, the right stabilisation tools to manage large economic shocks should be put in place. We also want to build on the success of the existing ESM and turn it into a European Monetary Fund. This should help it to tackle future crises even more effectively, and with greater democratic oversight. We also need to strengthen the resilience of the euro area countries, by providing additional support for structural reforms.

Our position is clear: The current economic tailwinds provide us with a window of opportunity to deepen the Economic and Monetary Union of the euro area countries. We cannot and should not wait for another crisis.

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Ladies and gentlemen,

In a world where markets and financial systems are globalised, no country exists in a vacuum. So let me now turn to challenges that we have in common and which, I believe, are best addressed if working together. We are indeed interconnected in deep networks, and this is important for financial and economic regulation. Because without joint action to safeguard financial stability and work for healthy economic growth, we would have neither. To sum it up: global markets need global rules.

This lesson guided actions at the European and international level after the crisis. It is still our guiding principle today. The EU is committed to maintaining and developing strong international standards and global cooperation in the area of financial services. We want to avoid regulatory arbitrage and renewed instability. And we want to ensure a level-playing field for companies and promote continued financial integration.

For instance, international cooperation is crucial for maintaining a level playing field for banks. So we welcome last December's agreement on reforms to the Basel III framework, which represents the last major piece of the global post-crisis regulatory reform. It is essential that all major jurisdictions implement all the key elements of the agreement, and we in Europe are committed to doing so.

But finance is changing rapidly, and new areas call for new efforts to cooperate and set policies together. Cryptocurrencies and cybersecurity are two good examples which the G20 has agreed to look into.

In addition, there is the hot topic of Brexit, which has a potentially global impact, not least when it comes to finance. The negotiations are proceeding. Important issues remain to be resolved. We cannot yet be sure of the final outcome. As Vice President in charge of financial stability, I cannot stress enough the importance of all parties – both firms and supervisors – being prepared for all different scenarios. I am confident that we will manage risks in a responsible way. And I am confident that the EU and the UK will find a new way of working together.

Fight against climate change is another global task that we need to undertake together. The situation is urgent, and the potential risks for the global economy and financial stability are high. 17 of the last 18 hottest years in recorded history have occurred since the year 2000. Last year, insurance companies paid out an all-time high amount – 135 billion USD – in premiums to the victims of natural catastrophes. This is just one example. The financial industry also needs to factor in this reality before it is too late. [We should also seize the opportunities that the transition to the low carbon economy brings.]

To tackle climate change, public money will not be enough. We want to facilitate private investment in green and sustainable projects. We need to put finance at the service of our planet. This is why the European Union has presented a strategy for green and sustainable finance.

In May, we will table a draft EU law to develop a unified EU classification of sustainable economic activities. We will define what is green and what is not. Based on this, we will be able to define EU-wide standards and labels for green bonds and other green financial products.

Next month we will also propose a law which will task asset managers, insurance companies and pension funds to incorporate environmental, social and governance factors into their investment decisions. This should help increase the awareness of sustainability risks, and steer more funding towards green and sustainable projects.

However, Europe's ambition on this will reach twice as far if the US joins forces with us. We hope that each of you in this room can give a chance to this long-term objective and new policy.

Finally, I will briefly touch upon trade. The EU is a champion of free trade, and for good reason. In the last decade, open trade systems have helped both the EU and US economies recover and create many high-quality jobs for our citizens.

That is why the EU is open for business: We have recently adopted a trade deal with Canada, and we are in the final stages of doing so with Japan and Singapore. We have just reached an agreement in principle with Mexico, and negotiations are ongoing with four countries in the Mercosur association.

The EU and the US should heed our long-standing tradition of working together for fair trade through multilateral fora like the World Trade Organisation.

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Ladies and gentlemen,

The transatlantic leadership can ensure a rules-based order and level playing field for the global economy. It is in our mutual interest to uphold this partnership, especially given the challenges ahead of us, be it geopolitical, economic or societal. Strong economies can prevail by staying open to cooperation and dialogue.

I am sure that awareness of this fact is shared on both sides of the Atlantic, although we have witnessed falling support for such approach amongst our people. Not all people are convinced of the benefits of globalisation. We cannot ignore it. This is why we should focus on making globalisation work for everyone.

What we really need is not less globalisation, but more fairness: fair pay, fair tax, fair trade, and fair treatment of countries and individuals. These are the policies we should aim for in a cooperative and multilateral way.

Thank you very much.

Speech by Michel Barnier at Hannover Messe

Dear Burkhard Balz,

Ladies and gentlemen,

Guten Abend!

I would first like to thank Jochen Köckler and Carl Martin Welcker this opportunity to speak with you.

Today I saw a lot of impressive innovation by creative companies, in particular European ones.

I saw great ideas and projects, made possible by talented people.

Many of these innovative companies have been supported by the eco-system created by the EU's Single Market.

- Thanks to the Single Market, both talent and knowledge move freely between our countries. This boosts the dynamism of our economies.
- Thanks to the Single Market, companies can offer products and services in other EU countries as if they were in their home market.
- Thanks to our customs union and our common commercial policy, businesses can export more easily: the EU has free trade agreements with 60 countries around the world. The most recent piece of good news is Mexico, the partner country for Hannover this year. EU rules and standards are frequently replicated around the world.

Today, the Single Market is our home market, *our Heimatmarkt*, and Brexit will not change that.

The Single Market at 27 will consist of 440 million consumers and 22 million enterprises. EU citizens and businesses will continue to trade without barriers – based on the trust that is created by our common rules and common legal order.

We can never make compromises on these fundamental principles of the EU because of Brexit.

Let me remind you that, for the EU27 today, 6% of trade in goods is with the UK, while 60 % of this trade is inside the EU27 Single Market. Ten times as much!

But of course, ladies and gentlemen, innovation needs to work across borders. And naturally, many of your companies have strong ties with the UK.

The UK has been a member of the EU for the last 45 years.

Because of a long shared history and strong ties, our mutual responsibility is to work for an orderly withdrawal.

And we have made good progress, in particular:

- By making sure that EU citizens in the UK and British nationals in the EU can continue living their lives as before.
- By ensuring that all financial commitments taken at 28 are honoured at 28. I want to thank Günther Oettinger, not only for being present today, but also for our excellent cooperation on this point in particular.
- And by agreeing on a transition period of 21 months after the UK’s withdrawal, during which all benefits and obligations of EU membership will still apply to the UK – even if, as a third country, it will not take part in the decision-making process anymore.

This transition would give business more time to adapt.

But make no mistake: certainty on the transition will only come once the whole Withdrawal Agreement has been agreed and ratified by both sides, hopefully at the beginning of next year.

We are not there yet for the orderly withdrawal. There are still important issues to solve, in particular on Ireland and Northern Ireland and the governance of the Withdrawal Agreement.

This means that companies must waste no time, and prepare for all scenarios now.

In order to help that work, the European Commission has published more than 60 notices on a wide range of economic sectors. We hope that these documents will be helpful, and also help smaller market participants to prepare. They are available on our website.

Ladies and gentlemen,

I have just spoken to you about settling the past. But I know that innovators like to look to the future.

You might ask yourselves what will happen next – once the UK is no longer a Member State and the transition is over.

On the scope of the future relation, the EU's comprehensive offer is already on the table. It is set out very clearly in the European Council guidelines of 23 March, which are very detailed and precise.

As the Heads of State and Government, and also the European Parliament made clear, we would like to have a partnership with the UK that is as close as possible.

Not only on trade and economic cooperation, but also on justice and home affairs, and on a foreign, security and defence policy.

But of course, we need to take into account the UK's position.

In her Mansion House speech in early March Prime Minister May clarified that the UK will be leaving the Single Market and the Customs Union. The UK wants to diverge from EU rules. The UK wants an independent trade policy. And it wants to end the direct jurisdiction of the European Court of Justice.

With these red lines, the UK is closing doors. And the European Council has shown the highest possible level of ambition in its offer of a free trade agreement.

At the same time, the European Council has made clear that, if the UK's red lines were to evolve, the Union would be prepared to reconsider its offer. We are flexible, never dogmatic. We are open for business.

But of course any change from the UK must respect our principles, the principles we have built with the UK over 45 years. In particular, the four freedoms of the Single Market go together. They are all indivisible. You cannot have free movement of services without free movement of goods, and so forth. And you cannot have free movement of goods without free movement of people.

Ladies and gentlemen,

Even with the UK's current red lines, our intention is to reach an ambitious and wide-ranging free trade agreement with:

- Zero tariffs and no quantitative restrictions on goods;
- Customs cooperation to facilitate goods crossing the border;
- Rules to limit technical barriers to trade and protect food safety [sanitary and phytosanitary measures];
- A framework for voluntary regulatory cooperation to encourage convergence of rules;
- An open market for services, where companies from the other party have

- the right of establishment and market access to provide services under host state rules – I repeat, under host state rules;
- Access to public procurement markets, investments and protection of intellectual property rights.

This comprehensive offer already reflects our high level of ambition for an FTA with the UK.

But we believe that our future economic relationship should go even further. Let me mention four points.

1- First, in our future partnership we would like ambitious provisions on the movement of people, including related areas such as coordination of social security and the recognition of professional qualifications.

2- Secondly, in addition to trade, we offer a socio-economic cooperation.

- For instance, we propose an air transport agreement, combined with aviation safety and security agreements.

- The UK could also participate in certain EU programmes, for instance in the field of research and innovation, where participation of third countries is allowed. That said, it would be on a different financial and legal base than today.

3- Thirdly, since data flows will be important for several components of the future relationship, it should include rules on data.

- As already made clear by the European Council, for personal data, it will be for the EU to take adequacy decisions, where the level of protection in the UK is equivalent to that of the EU.

4- Finally, given the UK's geographic proximity and economic ties with the EU, the future relationship must be based on a strong level playing field.

- It is in our economic interest – in your businesses' interest – not to be undercut by unfair competition.

- So there will be no ambitious partnership without common ground on competition and state aid, social and environmental standards, and guarantees against tax dumping.

- This will require adequate enforcement and dispute settlement mechanisms.

- And let me add that these questions are not only economic or social, but also political.

- Simply because the answers will be key to the ratification of any future deal by each national parliament and by the European Parliament

Ladies and gentlemen,

With their comprehensive offer, the EU's Heads of State and Government have shown their high level of ambition for the future relationship, taking account of the UK’s red lines.

This future relationship should of course cover solidarity in terms of security and defence.

The next steps will therefore not come from the EU – stakeholders, business, society all know where the EU stands.

It is now up to the UK to come up with its vision for the future, which should confirm the UK’s red lines or adapt them.

- This is true for the future relationship.
- It is also true for issues of the withdrawal such as Ireland and Northern Ireland, where we have done our share of the work.

Once we have more clarity from the UK, we will prepare a political declaration on the framework for the future relationship to accompany the Withdrawal Agreement in the autumn.

And continue our work to ensure that we maintain a high level of opportunities for businesses in their relations with the UK while preserving the Single Market, which is our common economic good.

Thank you for your attention.