

**The Seattle to Brussels Network**

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**To:** Catherine Ashton , EU Commissioner for External Trade

**Cc:** José Manuel Barroso, President of the European Commission; Margot Wallström, Vice President of the European Commission; David O'Sullivan, Director General of DG Trade; Members of the Article 133 Committee; Members of the European Parliament INTA Committee.

**Re:** DG Trade's Civil Society Dialogue

Brussels,  
26 May 2009

Dear Commissioner Ashton,

The undersigned organisations – many of them members of the Seattle to Brussels (S2B) network, a pan-European coalition of civil society organisations (CSOs) campaigning for trade justice – are writing to you with reference to today's and tomorrow's seminar entitled "*The EU and Civil Society: Working together for fair and open trade*" organised within the framework of DG Trade's Civil Society Dialogue (CSD).

We would like to take the opportunity offered by the event to highlight, once again, the major shortcomings affecting DG Trade's dialogue with civil society, including: the dismissal by DG Trade officials of CSOs' concerns as mere misunderstandings of the Commission's agenda on trade; the lack of transparency and accountability in DG Trade's policy-making processes; the failure of the CSD to bear any substantial impact on EU trade policy; and ultimately the absence of a formal process of consultation with civil society that can redress the current corporate capture of DG Trade's agenda. A more detailed analysis is provided in the attached Annex A.

Regrettably, DG Trade has systematically ignored our calls to review the CSD and civil society's terms of engagement in the dialogue, nor has it provided us with any feedback to the recommendations we have supplied so far (attached again in Annex B).

The choice of DG Trade not to consult with the CSD's Contact Group (composed of a representative group of civil society organisations) in the preparations of the seminar is most unusual – given that typically all meetings are discussed and agreed together with the Contact Group – and questions the sincerity of DG Trade's search for a renewed engagement with civil society.

We feel that, far from representing a genuine commitment by DG Trade to open up its policy process to civil society in line with the principles outlined in the Commission's "White Paper on European Governance", this two-day seminar represents an attempt by DG Trade to regain some legitimacy and public confidence at a time when the EU's trade agenda faces mounting international criticism.

For this reason, the undersigned organisations have chosen not to participate at today's meeting.

With a view to delivering a dialogue between DG Trade and civil society that is satisfactorily in line with the CSD's stated objectives and the EU's wider initiatives on dialogue and transparency, we call upon the Commission, the Council and the Parliament to hold DG Trade to account for its failure to abide by the Institutions' principles of good governance.

In the absence of a formal, systematic, inclusive, transparent and accountable process of consultation that can effectively open up the policy-making process of DG Trade and overcome the current privileged access to decision-makers enjoyed by business lobbies, the undersigned organisations' engagement in the CSD will remain minimal.

Trusting you will treat our concerns with the utmost seriousness.

The undersigned,

ActionAid

Association Internationale de Techniciens, Experts et Chercheurs, AITEC (France)

Attac Denmark

Attac France

Attac Germany - Working Group on Trade and WTO

Attac Hungary

African Europe Faith Justice Network, AEFJN

Campaign for the Reform of the World Bank, CRBM (Italy)

Centre for Encounter and active Non-Violence (Austria)

Centre for Research on Multinational Corporations, SOMO (The Netherlands)

Corporate Europe Observatory, CEO

Ecologistas en Acción (Spain)

European Coordination Via Campesina, ECVC

Friends of the Earth Europe, FoEE

Glopolis (Czech republic)

Greenpeace Germany

Transnational Institute, TNI (The Netherlands)

Védegylet (Hungary)

War on Want (UK)

World Economy, Ecology & Development, WEED (Germany)

World Development Movement, WDM (UK)

Women In Development Europe, WIDE

## Annex A: A brief analysis of the CSD's shortcomings

Since its formal launch in 1999, the CSD has been vested with the ambitious goal to “*develop a confident working relationship*” between DG Trade and civil society. However, to date the CSD has comprehensively failed to meet its stated objectives. Each objective is discussed in more detail below...

### **Objective 1:** to “*consult widely*”

DG Trade states that the CSD's first objective is “to consult widely”. In the last 3 years membership to the CSD has doubled, with the database counting now over 1300 entries. However, 60% (800) of these have never attended a single CSD meeting since registering, and over half (676) have not attended a meeting in the last 12 months.<sup>1</sup> Only about 14 organisations attend the CSD on a regular basis, with an average turnout of just 20 participants per meeting – most of these being Brussels-based organisations.

A closer look at the database also reveals the presence of empty<sup>2</sup> and double entries,<sup>3</sup> commercial entities,<sup>4</sup> and a series of professional spammers, including individuals' blogs,<sup>5</sup> car<sup>6</sup> and illegal online drugs<sup>7</sup> dealers, computer hackers<sup>8</sup> and pornographic sites.<sup>9</sup>

A study conducted in 2007 by the European Trade Network concluded that the lack of interest in the CSD is a reflection of the dialogue's failure to address civil society concerns and the consequent lack of influence the CSD has on EU trade policy (Objectives 2 & 3 of the CSD, discussed below).<sup>10</sup>

Moreover, the failure of DG Trade to ensure the wide engagement of civil society in trade policy is further exacerbated by DG Trade's preferential treatment of business in policy consultations. As discussed in more detail below, the privileged access granted to business in DG Trade's policy-making not only undermines the intention of the CSD to consult widely with civil society, but is strikingly at odds with the Commission's General Principles and Minimum Standards for Consultation of Interested Parties<sup>11</sup>, which instruct the Commission to ensure “*an adequate and equitable treatment of participants in consultation processes*” with the aim to “*reduce the risk of the policy-makers just listening to one side of the argument or of particular groups getting privileged access*”.<sup>12</sup>

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<sup>1</sup> Statistics provided by DG Trade.

<sup>2</sup> <http://trade.ec.europa.eu/civilsoc/details.cfm?org=113035>. Accessed on 7th May 2009

<sup>3</sup> The Bulgarian association fighting Alzheimers is listed twice for instance.

<sup>4</sup> <http://trade.ec.europa.eu/civilsoc/results.cfm?action=key>. Accessed on 7th May 2009

<sup>5</sup> <http://trade.ec.europa.eu/civilsoc/details.cfm?org=112309>. Accessed on 7th May 2009

<sup>6</sup> <http://trade.ec.europa.eu/civilsoc/details.cfm?org=113695>. Accessed on 7th May 2009

<sup>7</sup> <http://trade.ec.europa.eu/civilsoc/details.cfm?org=112928>. Accessed on 7th May 2009

<sup>8</sup> <http://trade.ec.europa.eu/civilsoc/details.cfm?org=113977>. Accessed on 7th May 2009

<sup>9</sup> <http://trade.ec.europa.eu/civilsoc/details.cfm?org=112077>. Accessed on 7th May 2009

<sup>10</sup> <http://trade.ec.europa.eu/civilsoc/details.cfm?org=113044>. Accessed on 7th May 2009

<sup>11</sup> Bizzarri, K. and Iossa, M. (2007). From Hearing to Listening: Improving the Dialogue between DG Trade and Civil Society. FoE Europe, ActionAid, Solidar. [www.foeeurope.org/publications/2007/FromHearingtoListening\\_mar07.pdf](http://www.foeeurope.org/publications/2007/FromHearingtoListening_mar07.pdf)

<sup>12</sup> Similarly, the Principles and Guidelines on the Collection and Use of Expertise underline the Commission's aim “to minimise the risk of vested interests distorting the advice” and assemble “a diversity of viewpoints” resulting “from differences in scientific approach, different types of expertise, different institutional affiliations, or contrasting opinions over fundamental assumptions underlying the issue”. COM(2002) 713 final.

<sup>13</sup> Communication from the Commission. Towards a reinforced culture of consultation and dialogue – General principles and minimum standards for consultation of interested parties by the Commission, 11.12.2002, COM(2002) 704 final.

**Objective 2:** to “address civil society’s concerns”

The corporate capture of DG Trade’s agenda has resulted in many CSOs experiencing a growing frustration with the CSD as a result of DG Trade’s failure to address or even acknowledge civil society’s key concerns. As the agenda of today’s seminar illustrates, the focus of the meeting is to “inform” civil society about the policies of DG Trade in order to “improve the(ir) understanding”. This dismissal of genuine concerns with DG Trade’s policies as mere “misunderstandings” of its agenda and strategy is unacceptable and illustrative, on the one hand, of the propagandistic use DG Trade makes of the CSD, and on the other hand, of DG Trade’s unwillingness to question the ideology behind its agenda – as the statement of DG Trade’s Director General, David O’Sullivan, illustrates below.

As confirmed by several studies concerning the Commission’s rhetoric on “dialogue”, DG Trade’s CSD has not aimed at fostering a real inclusion of civil society in the commission’s policy-making, but has been employed by DG Trade to mobilize potential adherents and constituents whilst reducing the level of antagonism directed at its agenda.<sup>13</sup> Particularly in recent years, we feel that the CSD has turned into a public relations exercise for DG Trade where its media strategy is tested on civil society in an attempt to understand how best to spin policy messages onto the wider public and pre-empt opposition.

**Objective 3:** to “impact on European trade policy”

The failure of DG Trade to address the concerns of civil society has resulted in the CSD bearing no substantial impact on the Commission’s formulation of trade policy. Moreover, DG Trade has skilfully shifted the focus of the meetings from a political discussion – typical of the early CSD meetings – to a strictly technical debate. Engagement at a technical level however presumes that engaging parties share with the Commission the broader political ideology underpinning the policies and strategies of DG Trade. This means that those CSOs that oppose DG Trade’s ideology have been *de facto* excluded from the dialogue – a further explanation for the CSD’s low attendance. Consequently, and cunningly, this has been used by DG Trade to dismiss opposition to its mandate as fractional and not representative of civil society’s concerns as a whole.

As illustrated by David O’Sullivan’s personal statement in DG Trade’s “Annual Management Plan” of 2009, the Commission seems fundamentally unwilling to question its agenda or underlying assumptions and is ready to resist any opposition:

*“We must continue to make the case for open markets, ambitious trade deals and a strong international system which oversees them; this is the best guarantee that the positive benefits of globalisation are fairly shared around the globe. [...] This makes it all the more important that we beat back those voices that call for greater protectionism or lower ambition.”*<sup>14</sup>

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<sup>13</sup> See for instance: Bizzarri, K. and Iossa, M. (2007). From Hearing to Listening: Improving the Dialogue between DG Trade and Civil Society. FoE Europe, ActionAid, Solidar; or Snow, D. A. and Benford, R. D. (1988) 'Ideology, Frame Resonance and Participant Mobilisation', International Social Movement Research, vol. 1, pp. 197 – 217; or, O’Brien, Robert, Goetz, Anne Marie, Scholte, Jan Aart, Williams, Marc (2000) Contesting Global Governance: Multilateral Economic Institutions and Global Social Movements. Cambridge: Cambridge University Press.

<sup>14</sup> DG Trade. Annual Management Plan (2009). pp. 5. [http://ec.europa.eu/atwork/synthesis/amp/doc/trade\\_amp.pdf](http://ec.europa.eu/atwork/synthesis/amp/doc/trade_amp.pdf)

The prejudicial approach with which DG Trade undertakes dialogue with civil society not only proscribes genuine debate, but it also explains why civil society concerns have not been addressed so far, even when they have been in line with the findings and recommendations produced by DG Trade's own Sustainability Impact Assessments (SIAs). These assessments have also been systematically ignored by DG Trade in a similar fashion to civil society's concerns when they have challenged the Commission's agenda and strategy.<sup>15</sup>

***Objective 4: to “improve transparency and accountability”***

Although DG Trade claims that the CSD contributed to the European Transparency Initiative (ETI) by promoting a transparent dialogue, the opposite appears to be true. Details of the EU's negotiating position for instance are never revealed to civil society representatives. DG Trade insists that this degree of secrecy is necessary to avoid jeopardising its bargaining position at the negotiating table.<sup>16</sup> However, research by civil society organisations has revealed that, outside the CSD, details of trade negotiations have frequently been shared with corporate lobby groups while NGOs were systematically denied access to key documents.

During the GATS negotiations for instance, NGOs were denied access to EU negotiating documents, though it was then revealed that the Commission was secretly discussing the contents of these documents with members of the European Services Forum (ESF).<sup>17</sup> Similarly, with reference to the Global Europe strategy, freedom of information requests also revealed that DG Trade was consulting closely with BusinessEurope the details of the Communication and of the negotiations affected.<sup>18</sup>

Whilst the privileged access DG Trade has granted business representatives is in breach of the Commission's own “General Principles and Minimum Standards for Consultation of Interested Parties”, DG Trade's recent attempts to hide its close links with business lobbyists – by manipulating minutes and references to informal meetings subject to information requests by civil society – are also illustrative of DG Trade's insincere commitment towards transparency. Given the lack of transparency in the formulation of DG Trade's policies, its accountability to the general public is also severely weakened.

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<sup>15</sup> The final SIA produced in 2005 concluded that the EU's agenda in the WTO negotiations on agriculture, distribution service and forest, for instance, would result in an overall negative impact on the environment and have severe, negative impacts on many developing countries. Despite these findings illustrating the incoherence between DG Trade's agenda and the EU's wider commitments to environmental protection and sustainable development, the negotiating agenda and strategy of DG Trade has remained unaltered. Sustainability Impact Assessment of Proposed WTO Negotiations. Overall Project Final Report for Sector Studies: Agriculture, Distribution Services, Forests. <http://trade.ec.europa.eu/doclib/html/125579.htm>

<sup>16</sup> Letter from David O'Sullivan to Corporate Europe Observatory dated 11 March 2008.

<sup>17</sup> Vander Stichele, Bizzarri, Plank (2006). Corporate Power over EU Trade Policy: Good for Business, bad for the World. Seattle to Brussels Network.

[http://www.s2bnetwork.org/s2bnetwork/download/Corporate\\_power\\_over\\_EU\\_Trade\\_policy\\_Sept\\_2006.pdf?id=138](http://www.s2bnetwork.org/s2bnetwork/download/Corporate_power_over_EU_Trade_policy_Sept_2006.pdf?id=138)

<sup>18</sup> Letter from David O'Sullivan to Corporate Europe Observatory dated 11 March 2008.

## **Time for change:** The need to review the terms of the engagement

Over the years, civil society organisations have submitted many recommendations for improvement of the CSD to DG Trade, with the most substantive and coordinated effort being made back in 2007 during the first formal review of the CSD (see Annex B for a list of key recommendations). Regrettably, however, DG Trade has ignored the most substantive calls for change.

Unless the CSD is complemented by a formal and systematic process of consultation in which all interested parties, and not business groups alone, have the opportunity to influence DG Trade's policies both at a political and technical level, the CSD will continue to fall short of its stated objectives and EU trade policy will continue to fall captive to corporate interests.

For this reason, the Seattle to Brussels Network calls upon the Council, the Parliament and the Commission to ensure that DG Trade fulfils the pledges made by the Commission in its 2001 "White Paper on European Governance" to "*open up the policy-making process to get more people and organisations involved in shaping and delivering EU policy*" in order to redress the current corporate capture of EU trade policy in line with the Commission's "Minimum Standards for Consultation of Interested Parties".

The CSD, in its current format, can be complementary to but not substitutive of a formal, systematic, inclusive, transparent and accountable process of consultation between DG Trade and civil society.

## **Annex B: Recommendations (extracted from the 2007 CSO's review of the CSD)<sup>19</sup>**

**The dialogue between DG Trade and Civil Society must allow for both technical as well as political contributions to feed into the Commission's trade policy and ensure an exhaustive feedback mechanism to improve transparency and accountability...**

- a The CSD should be complementary to and not substitutive of a formal process of consultation between DG Trade and Civil Society;
- b Three broad categories of engagement could be devised to serve different and complementary functions and their purpose should be clearly defined from the outset, so that participants are clear about what to expect from the meetings in terms of policy input and output:
  - i Consultation – a space where stakeholders can engage with DG Trade in the formulation of the Commission's broader strategy on international trade, where priorities for DG Trade's negotiations with partnering countries can be identified vis-à-vis the EU's broader commitments towards sustainable development, environmental protection and social cohesion. DG Trade should adopt binding guidelines for CSD consultations to start at least six months before the adoption of any communication;
  - ii Expert meetings – a space for engaging on technical issues aimed at fine-tuning the Commission's strategy and the content of the negotiating packages with trading partners;
  - iii Information / briefing space – a space.

Each category will require a different process of engagement but they will ultimately need to feed into each other via a clear, transparent and accountable process. DG Trade and CSOs together should discuss the most effective ways of achieving this;

- c The European Commission should offer meaningful feedback on discussion points raised in meetings and on the website, and explain how they reached those decisions;
- d DG Trade's website should advertise CSO policy documents and positions, as well as those of the European Commission, to improve transparency in the debate;
- e Minutes of each meeting should be taken, circulated (for approval) and placed on the website;
- f A web-based CSD should be established to enable structured discussions on a broad range of trade topics with the widest possible array of stakeholders.

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<sup>19</sup> Bizzarri, K. and Iossa, M. (2007). From Hearing to Listening: Improving the Dialogue between DG Trade and Civil Society. FoE Europe, ActionAid, Solidar. [www.foeeurope.org/publications/2007/FromHearingtoListening\\_mar07.pdf](http://www.foeeurope.org/publications/2007/FromHearingtoListening_mar07.pdf)