The Impact of the Communitarian Commercial Policy in Romanian Foreign Trade

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Abstract
This study considers that both development and implementation of EU external trade policy were strongly determined by the fact that this policy was part of the very process of economic integration. If a common trade policy is the first step of a common economic policy, it can only be a means to achieve long-term agreements. Due to this aspect, this paper considers that the Communitarian Commercial Policy (CCP) should not be understood or addressed as an end in itself but as one means and even one of the most important ways to ensure the accelerated development and concerted economic and monetary unification process in the EU. Moreover, this concept promoter, namely “European construction”, achieving CCP has symbolic value because it is thought that once done, it triggers “chain reactions” of integration’ developments and “irreversibility points”.

Keywords: management, commercial, Communitarian, policy, agriculture

1. Introduction
Article 9 of the Treaty of Rome [1] contains the following provision: "Community is founded upon a customs union covering all trade in goods and involving application of the prohibition between Member States of customs duties on imports and exports and any charges having equivalent effect, and the adoption of a common customs tariff in relations with third countries".

Article 110 of the Treaty of Rome [1] introduces a link between completing the customs union and the establishment of a common commercial policy (CCP). According to the text of this article, by establishing a customs union between themselves, Member States aim to contribute, according to the common interest, to the progressive abolition of restrictions on international trade and the lowering of customs barriers [2-4].

2. The effects of EU Common Commercial Policy
In this context, the Community legislature considered that the customs union alone cannot ensure the normal development of trade, both intra- and extra-community, which may be influenced by many non-tariff barriers, remained unregulated. As noted, however, that while the implementation of the Treaty of Rome PCC provides some very general directions for completing the customs union was presented detailed objectives and deadlines [4]. The idea, ruling’ current EU promoters was that the advantages gained by the Member States in the first stage of completion of the customs union would cause them not to retreat from the process were employed, and even at the cost of renunciation, of compromises, continue to move forward.

As mentioned in most appreciated guide 'of construction, communitarian house "PCC EU expresses the dynamics of European unification itself: it follows both political reasons contained in
The preamble of the Treaty of Rome, as and the logic of European integration”. Overall objectives defined by Article 2 of the Treaty of Rome, establishing a common market, the progressive approximation of economic policies, the harmonious development of economic activities, implies the development and operation of joint activities in various fields, including Article 3 reads: establishing a common commercial policy”. In this sense, the CCP occur primarily as a tool in the service of other objectives, not an end in itself. Secondly, PCP, according to the architects’ community, would be within the overall international effort to liberalize trade between countries, according to the former GATT commitments [6,7]. Treaty of Rome substantiates under Articles 110-115 CCP, whose provisions were subsequently amended by the Treaty of Maastricht. Thus, under Article 113 of the Treaty of Rome and its amendment by Article G paragraph 28 of the Treaty of Maastricht, common commercial policy is based on uniform principles in relation to: changes in tariff rates, trade agreements with third countries, uniformity in measures of liberalization, export policy and measures to protect trade to be taken in case of dumping and subsidies”. Also, both treaties stipulate: “the EU Commission to implement the CCP Ministerial Council to submit proposals”, who decides to start negotiations of trade agreements with third countries, groups of countries or international organizations specialized [8]. PCC mechanisms, as they were designed by the Treaty of Rome, have undergone important changes since the adoption of "Single European Act" in 1986 and the Treaty of Maastricht in 1992. For example, the concept of customs union within the meaning of tariff unification is, after 1993 (entry into force of the provisions of the Single Act), exceeded in scope and importance. Thus, Article 13 of the Single Act, which added Article 8 of the Treaty of Rome, the single internal market is conceived as a "space without frontiers in which the free movement of goods is fully insured", unlike the customs union could not do this when there non-tariff variety of obstacles. In this context, it is estimated that the free movement of goods, which is one of the four great freedoms enacted by the Single Act, required a considerable broadening of the concept of "customs union", giving it a meaning not only tariff or budget, but an "economic fundamentals". Application in trade with third countries the Community customs legislation, uniform and binding by a new Customs Code was made necessary in particular the obligation to ensure the loyalty of trade and put all operators in the same competition. The creation of this area without internal frontiers had the effect of requiring Community or national legislature to suppress any provision of customs legislation in terms of incidence or control formalities, the free passage of intra-Community frontiers [9]. As mentioned, the EU Common Commercial Policy and left their mark, over time, developments in terms of European integration and the global economy, causing a constant readjustment and adaptation of the principles and guidelines of trade policy to these developments. Such a process of readjustment was triggered by the European Commission Communication of 4 October 2014 entitled "Global Europe: competing in the world", through which the guiding principles of EU trade policy - focused on promoting prosperity, social justice and sustainable development through trade free based on rules - have been redefined and placed in the context of the Lisbon Agenda (2000). This strategy, adopted by the European Commission in October 2014, was designed to integrate EU trade policy agenda aimed competitiveness and economic reform and sought to ensure the opening of new foreign markets for EU companies and ensuring fair competition conditions on these markets. However, this strategy, the EU undertook to keep their markets open, based on the argument that an increasingly globalized economy characterized by global production networks, it is forced to import in order to export and as such, may not require the opening of markets from other trading partners while barricaded behind its own trade barriers [10,11]. In 2014, 25% of all tariff lines were exempted from customs duties and taxes provided about 9% below 2%. A positive aspect of tariff protection is that, in 2014, the "tops" tariff (which were related duties over 15%) were reduced to 19% of all tariff lines compared to 22.5% in 2011. In contrast, in crisis and post-crisis conditions, the number of tariff lines that have set quotas increased to 4.9% of the total in 2014 (3.4% in 2011).
The average level of customs duties levied on imports under MFN EU increased from 6.4% in 2014 (from 5.2% in 2012), increased due to increased agricultural customs taxation. Thus, the average tariff protection on imports of agricultural products increased from 13.5% in 2012 to 15.0% in 2014, while the industrial products it decreased slightly from 3.9% in 2002 to 3.7% in 2014 (Table 1).

Table 1. European Union - Evolution of import tariff protection in 2010, 2012 and 2014 [12]

<table>
<thead>
<tr>
<th>Customs duties MFN (simple average of duties import tariffs)</th>
<th>Duties consolidated</th>
<th>Customs duties applied</th>
</tr>
</thead>
<tbody>
<tr>
<td>All products</td>
<td>5.4</td>
<td>5.2</td>
</tr>
<tr>
<td>Agricultural products</td>
<td>13.5</td>
<td>13.5</td>
</tr>
<tr>
<td>Industrial products</td>
<td>3.9</td>
<td>3.9</td>
</tr>
</tbody>
</table>

If the imposition of non-ad valorem regime, the average tariff is much higher, 24.7% in 2014 (calculated as the average ad valorem tax equivalent). According to the WTO Secretariat assessment, the actual level of tariff protection of EU agricultural products is actually higher than estimated on equivalent ad valorem, due to different simplification of the calculation made by the European Commission experts [13]. Consequently, the advanced level of tariff protection on the whole is in turn undervalued.

3. Trends and goals of the EU ECC Policy

As outlined in the report prepared and published by the WTO Secretariat, and the one presented by the European Commission, the EU's trade regime has undergone few changes since the last evaluation of the WTO in April 2014.

WTO experts consider that, despite the strong economic downturn crossed EU member countries in 2014 and an intensification of international protectionism, trade policy promoted by the EU remained essential lines, unchanged, on the assumption that trade liberalization is vital to recovery and then prelaunch economic growth of the economy.

Its first commercial power in the world (about 17% of world trade in goods) imposes a special responsibility for EU authorities in the further liberalization of trade and promoting basic principles and rules of the WTO. However, records WTO experts to examine recent developments in EU PCC, a number of tariff and non-tariff barriers in sensitive areas (agriculture, textiles and clothing, etc.) were maintained, thus distorting international trade.

On 9 November 2013 the European Commission has developed and presented a new Communication entitled "Trade, Growth and World Affairs", which are guidelines and tools passenger PCC objectives "Europe 2020" (adopted by the European Council summit in June 2013) and the need to solve the crisis and ensure sustainable economic growth in Europe and worldwide [14].

4. Conclusions

- An important conclusion of this study is that there is no evidence about a major change in EU trade policy from the crisis in 2008-2009. It remains to be seen whether governments, including the EU Commission will continue to resist protectionist measures that use "predatory neighbor policy" in the post-crisis period.

- Common customs tariff structure has changed in the period 2007-2014, the number of tariff lines in 2014 being 9294, less than about 400 to about 550 to 2012 and 2010. According to the Report of the European Commission, this decrease in the number of tariff lines in 2010 and to date was due to modernization process, simplifying the EU tariff nomenclature.

- The strategy was aimed to increase the contribution of trade policy to economic growth and create new jobs in the EU, to contribute to the liberalization of international trade and to complement other external policy objectives of trade policy and, in particular, the objectives of development and good neighborhood.

- Reconsidering EU trade strategy was determined by the need to adapt its trade policy instruments to the new challenges associated with
dynamic changes in the global economic landscape. Accelerating global economic integration under the impact of sustained growth of international trade, lowering the cost of transport and pace of progress in terms of new information and communication technologies have created new opportunities for economic growth and development on an unprecedented scale.

- At the same time, sustained pace and extent of these changes in global economic, imposing new global arena of trade and economic powers (especially China and India) as well as major changes in business models and ways of operating companies created new pressures on global resources and introduced new elements in terms of competition for economic sectors and employment in the EU.

- This new strategy of development of the CCP, as part of the implementation strategy for the next 10 years "2020" is intended to contribute to strong growth, increasing domestic consumption and productive investment, reducing unemployment, maintaining low inflation and increasing the EU's competitiveness worldwide.

- In parallel, the new strategy aims to further reduce trade barriers and contribute to the completion of the Doha Round, so that, as stated, each "European citizen" to benefit from the growing liberalization of international trade.

- Current Common Customs Tariff is based mainly on tariff lines with ad-valorem duties related to MFN treatment (especially for non-agricultural products) and to a lesser extent on tariff lines with non-ad valorem taxes (in particular, agricultural products).

- Duties non-ad valorem, which in 2014 accounted for 10.5% of total tariff lines are specific or mixed variables and have a much higher level than the ad-valorem.

References