
Commercial Policy and International Security: The European Union as Soft Power

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Abstract:

Purpose: This paper aims to demonstrate the relationships between the European Union's common commercial policy and international security and to show that the common commercial policy pursued by the EU enables it to be the 'soft power' in the international scene. Specific objectives and related research areas encompass the evolution and strategic goals of the CCP, growing trade interdependencies with third countries because of pursuing the common commercial policy, the EU's role in the multilateral trading system and the key provisions of agreements entered with third countries and their significance for the EU's external trade.

Design/Methodology/Approach: Empirical (indirect observation and description) and general methods, including deduction and induction, were used to achieve the aim of the study. Research techniques such as cause-and-effect, comparative, documentary, and synthesis were of great importance. To verify the thesis that bilateral and regional preferential agreements have risen in importance over the past two decades, the European Union's volume of trade in goods has been juxtaposed with the volumes of third countries and broken down into countries covered by preferential trade agreements and other countries. To this end, the effective dates of individual agreements notified to WTO were considered. Given the availability of comparable data, the research covered the years 2002-2019.

Findings: Bilateral and regional preferential agreements have risen in importance over the past two decades, the European Union's volume of trade in goods has been juxtaposed with the volumes of third countries and broken down into countries covered by preferential trade agreements and other countries.

Practical Implications: Security issues are especially important in today's world, for enterprises, societies, and states. From this point of view, the links between trade and trade policy are of practical importance. This, in turn, is of great importance for companies that carry out trade exchange.

Originality/value: Publications on the common commercial policy usually concern its selected instruments, trade relations with third countries or the EU's role in the multilateral trading system. They are often accompanied by empirical research on a given subject. This article is of a comprehensive nature and covers treaty-based commercial policy of the EU: preferential trade agreements, obligations in the multilateral trading system. A closer look at the literature reveals that there is no research into relationships between commercial policy (which concerns also the CCP) and international security, even though this issue is very relevant and current. Hence, the article aims to fill, at least partially, that research gap.

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1. Introduction

Over the past fifty years, integration groupings, which are tantamount to the formation of new quality (both in terms of their form and structure or institution) relationships with the global economy, have given the security a new quality; this concerns both the entire grouping and individual member states. Trade and commercial policy have become for the European Union a means of solving certain problems and influencing other countries without resorting to military force. One might even have the impression that when the European Union endeavors to exercise its power anywhere in the world, it often does so through trade and commercial policy, with the latter being in fact a component of not only the foreign policy, but also the security policy. The commercial policy cannot replace the security policy. By the same token, actions designed to secure peace, safeguard employees' rights, sustainable development, etc. do not rule out an attitude oriented towards attaining mercantilist goals in the commercial policy, which includes seeking new export opportunities, protecting national production and manufacturers against foreign competitors.

A policy pursued by a country, or a group of countries may be "hard" or "soft". A "hard" security policy entails pressure; a "soft" policy means safeguarding one's own interests through attractiveness understood in a broad sense. In other words, a "soft" policy is an ability to influence others and create positive incentives with a view to producing desired effects; the possibility of shaping or transforming preferences without resorting to force. A "hard" policy is enforced by recourse to military force, power resources and capital to impose order.

In the traditional sense, 'soft power' is founded on the attractiveness of presented models and on the power of reputation, which is contrary to 'hard power' that derives from pure power manifested through direct coercive measures. If one considers the EU's self-restraint and moderation in using military force for international relations, as is declared by the EU, trade negotiations conducted as part of the common commercial policy represent one of the most important forums for co-operation and a manifestation of 'soft power'.

2. Commercial Policy, Trade Interdependencies and Their Implications for International Security

Security is and will be an important research area. According to the definition proposed by Makinda (1998) security is the protection of standards, principles, institutions, and social values (preservation of the society of states). The author further argues that all institutions, principles, and structures associated with society must be protected, as part of security, against military and non-military threats. The term “protection”, as an important component of the definition in question, includes intentional, deliberate, and specific measures and actions. Security as such is a precondition for the functioning of people, societies, states (Bellamy and McDonald, 2004).

For the purposes of this paper, security can be understood, referring to Buzan (1991), as striving for being free from threats and the ability of states and societies to retain an independent identity and functional integrity against the pressure of changes they consider hostile. Hence, he equates security with the protection of important values. Buzan (1991), as one of the first researchers (a representative of the so-called Copenhagen School)², also drew attention to the fact that national security does not only include the military sector, but also social and economic issues, as well as the protection of natural environment, and described a new approach to global security in terms of interdependence, which is correct.

Solely autonomous decision-making regarding the interests (also economic interests) of a given country is impossible amidst internationalization and interdependencies. This also stems from the emergence of many international organizations having interpenetrating structures, whereas it is not in countries' interest to be outside them, but to join them as active members and develop such interdependencies. In a world in which a military conflict between major countries is unlikely, economic power grows in importance when it comes to determining primacy or subduing other countries (Huntington, 1993). Economic potential is one of primary preconditions of a country's power and its prestige in the international scene, the same concerns a group of countries or integration groupings (e.g., the European Union).

Economic interdependencies are manifested through commonly observed and often very intensive business relationships and contacts, which translate, for example, into a substantial share in trade volumes, the transfer of production factors, specifically, capital movements, the creation of forms of close co-operation, such as customs unions or free trade areas. What is of paramount importance for creating such interdependencies is a commercial policy pursued by a given country.

² For more information about the genesis of the term 'security', its ambiguity and controversy over interpretation and evolution in the light of research conducted by various authors, see: (Walt, 1991; Boldwin, 1997; Mabee, 2003; Wing, 2000).

In the context of interdependencies, one must mention the trade-peace theory, which reveals a correlation between trade and a conflict. This academic theory proves (in brief) that the more two countries trade with each other (on equal conditions), the more unlikely it is that they will fight against each other. Trade can be the driving force behind growth, poverty reduction and new job opportunities. It is believed that trade is conducive to interdependencies and a sense of international community, developing ties among nations and making conflicts unlikely. This means that countries which trade with each other are less prone to mutual fighting and competition, this can also encourage them to resolve disputes peacefully (Humphreys, 2003).

Amid the globalization of markets, the growth of global trade, which often allows for unhampered trade in goods and services on the global market, the importance of a given country is contingent on a degree to which it is engaged in international exchange. Hence a country's security depends not only on its military, but mainly economic potential and foreign policy, and to be precise – a commercial policy. An American researcher, Cha (2000) maintains that taking into consideration these two dimensions of security and the fact of their interpenetration: the internal and external one, which is necessary due to the internationalization of many threats amidst globalization (international crime, terrorism), leads to a new international dimension of internal security in the form of a so-called intermestic security.

It can be thus argued that internal security of the European Union is a state reached because of operations carried out by its bodies, Member States and entities collaborating with them, also on an international level, which are aimed at ensuring (internal) stability within a territory delimited by the Union's external borders and protection against possible threats resulting from both internal and external factors. A European (regional), multi-national security model is thus, on the one hand, autonomous by nature (from a single Member State's perspective) and has the features of an association (group of states) and integration (union), on the other. Its nature is determined by the need for all-embracing synergy of Member States, identification of threats, risk and taking specific actions both on a national and supranational level.

Interdependence among states in the European Union is easily conspicuous – it is, as a matter of fact, formalized, takes the form of supranational institutions having also supranational competencies, whose decisions are binding on Member States. Creating conditions for close co-operation as part of an integration grouping and the EU with third countries, as well as ability to respond to various challenges in security constitute an important factor behind stability in Europe and a sign of the Union's position in the world. One can even speak of the Union's vision of the world, which defines the EU's identity both in an external and internal dimension. An important component of that vision is a conviction about a key role of regional integration as a factor contributing to fewer conflicts and building secure international relationships. The European Union's security depends not only on its

military, but mainly economic potential and foreign policy, and to be precise – a commercial policy. This refers, first and foremost, to the treaty-based commercial policy of the EU and trade relationships with third countries, as well as the multilateral trading system.

3. Strategic Goals of European Union's Common Commercial Policy and International Security

The Common Commercial Policy (CCP) is – apart from agricultural policy and competition policy – considered the oldest and the most communitarised (since 1970) of all the European Union's policies. Since the introduction of the customs union in 1968, the CCP has changed significantly, and these changes concern two dimensions, countries – the number of EU Member States has increased to 28 (now 27), and the coverage. In fact, the commercial policy initially covered only trade in goods and over time also trade in services. With the entry into force of the Treaty of Lisbon on 1 December 2009, the common commercial policy moved into a new era. First, the Treaty on the functioning of the European Union substantially increased the role of the European Parliament in the process of shaping the commercial policy, compared to the role of the European Commission and the Council – this resulted, particularly, from the fact that the European Parliament was granted the right to accept or reject all trade and investment agreements and the right to take joint decisions while enacting framework legislation. Therefore, the Treaty increased the European Parliament's role, conferring on it joint powers, alongside the Council, over the development of trade legal framework and enabling the European Parliament to play a more active role in negotiating and ratifying trade agreements (Rudloff, 2017; Woolcock, 2010).

The treaty expands also the CCP coverage (adding direct foreign investments, trade in services and intellectual property rights), therefore, it increases the EU's exclusive trade competences so that they cover more trade-related issues and, importantly, also direct foreign investments. The Treaty of Lisbon codifies the integration of commercial policy and investments in the EU's external activities and formally subjects the CCP to such principles as sustainable economic development, sustainable global resource management, humanitarian aid and international environmental protection policy. All these circumstances have an impact on the role of the EU as a participant of international trade (Woolcock, 2010).

The commercial policy has a powerful effect on the external economic links of the EU, especially, when one considers the fact that it no longer includes only the cross-border movement of goods, but also the exchange of services and direct foreign investments. Furthermore, it also covers cross-sectoral issues, such as the protection of intellectual property right in international trade. During more than fifty years of its existence, the common commercial policy has undergone changes concerning not only its coverage (resulting from amendments to the treaty), but also priorities and the strategy followed. The processes which took place in the global trade in the

1990s, a rise in investment flows, the increased importance of emerging economies (China, India) and establishing the World Trade Organization (WTO), contributed to a broader view of the EU's commercial policy, including its objectives and relationships with third countries. However, two dimensions of the CCP were and are still relevant – multilateralism and regionalism, with the latter becoming the center of attention at the beginning of the 21st century.

4. Treaty-Based Commercial Policy Instruments and International Security – The EU as Soft Power in Multilateral Trading System

Keohane (1990) defined multilateralism as “the practice of coordinating national policies in groups of three or more states”. A similar approach is adopted by Ruggie (1992), according to whom multilateralism refers to the coordination of relationships among three or more states in accordance with certain principles. Hence, multilateralism means an approach to international trade which is based on cooperation, equal rights and duties, non-discrimination, and participation of many countries, irrespective of their size or share in international trade (Goode, 2003).

If one considers the EU's self-restraint and moderation in using military force for international relations (soft power), as is declared by the EU, negotiations concerning international trade represent one of the most important forums for cooperation. Member States of the European Union were not only actively involved in developing the rules of the global trade system, but they also influenced, to a large extent, the form of both such rules and of ongoing trade negotiations, as well as they assumed and still assume responsibility for the final arrangements. Hence, their role in the multilateral trading system is both active and passive. Following the delegation of national powers over commercial policy in 1970 to the Community level, the rights of Member States within the GATT/WTO are exercised by the European Union, whereas Member States are represented by the European Commission, and to be precise, by representatives of the Directorate-General for Trade (van Well and Reardon, 2011).

On 1 January 1995, the European Community became a member of the WTO. Following the entry into force of the Treaty of Lisbon, the membership of the WTO was granted to the European Union, 27 Member States of the European Union are also WTO members. Powers as part of the Union's common commercial policy are delegated from the national to the supranational level in relation to all matters concerning international trade. Consequently, the European Commission speaks on behalf of the Union at the WTO and behaves in the same way as other foreign policy actors within this organization. When an agreement is under negotiation at the WTO, the Commission needs formal authorization from the European Parliament and the Council to sign it on behalf of the EU. All agreements must be ratified by the Council by a qualified majority. The high level of internal compromise, which must be worked out before the EU enters external negotiations, may have both a positive and a negative impact on how the Union is seen in the WTO. The EU which is

striving to reach a consensus among 27 Member States is perceived as devoting much time to “negotiating with itself” (Elgström, 2007). Furthermore, the outcomes of trade negotiations may differ depending on which Directorate-General presents the EU’s position and when (Dür and Zimmerman, 2007). The EU must reconcile different interests of Member States before it may commence negotiations and before compromises (if any) will have to be worked out internally (Dür, 2007).

5. Regionalism in EU’s Common Commercial Policy and International Security – Preferential Trade Agreements

Regionalism of the 21st century includes, first and foremost, deep regional trade agreements (RTAs) and Bilateral Investment Treaties (BITs). The 21st century’s regionalism does not cover mainly preferential market access, as was the case with the regionalism of the 20th century, indeed, there are also areas which are fundamental to a relationship between investments and services (property law, the right to set up businesses, anti-competitive practices, transfer of profits, telecommunications, and infrastructure-related services). This means that regionalism of the 21st century concerns, to a large extent, the area of regulations, and not only tariffs and changes to the conditions for the access of goods to the market. A lot of attention is often attached to heightened security, which is ensured by means of RTAs. Indeed, they can be used by bigger countries to form new geopolitical alliances and cement diplomatic ties, in this way providing or rewarding political support by ensuring more discriminatory (in comparison with other countries) and preferential access to a greater market. In this manner, governments seek to preserve durable peace and improve regional security with their RTA partners (Fiorentino, 2005; Mansfield, 1993; Gowa, 1994).

Horn, Mavroidis, and Sapir (2010) were the first authors who proposed a more advanced classification of RTAs according to their substantive scope, assigning them to two groups, WTO-plus and WTO-extra (WTO-X). WTO-plus agreements include obligations covered by areas already liberalized at the level of multilateral negotiations, e.g., further reduction in tariffs on industrial and agricultural goods, regulations on technical barriers to trade, trade in services, intellectual property rights, investments. WTO-X agreements include obligations in respect of the matters falling outside the current WTO’s mandate, they typically cover the competition policy, investments and capital flows, environmental protection laws, labour, market regulations and measures relating to visas and asylum, working standards, consumer protection, anti-corruption regulations. The European Union has entered into several preferential trade agreements (PTAs) that provide for reciprocal preferences. They are implemented under Article XXIV of the GATT/WTO and can be categorized as:

- First-generation free trade agreements;
- Deep and Comprehensive Free Trade Agreements (DCFTA);
- Economic partnership agreements;
- New-generation free trade agreements.

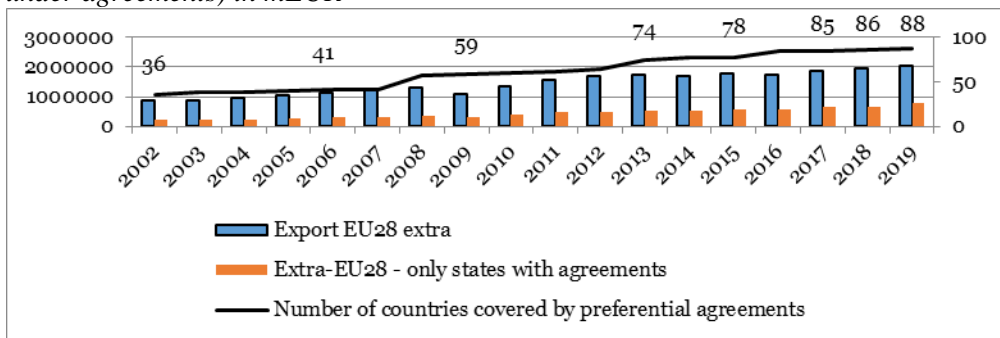
First-generation free trade agreements had been entered into by the EU before the communication “Global Dimension of Europe” was published in 2006. These agreements, by and large, covered only trade in goods; mainly industrial products, agricultural articles were usually subject only to partial and selective liberalization. They also include agreements under which a customs union is formed between the EU and its partners with a view to lifting trade barriers among parties to the agreement and accepting the Union’s tariff in trade with third countries. Agreements of this type were made with Turkey, Andorra, San Marino. First-generation agreements, pursuant to which a free trade area is created, were made with EFTA countries, before extension with countries from Central and Eastern Europe, the Western Balkans, Mediterranean countries; they also include several bilateral agreements (Mexico, Chile, Serbia, South Africa).

What deserves special attention is a new formula of bilateral agreements between partners, providing for the creation of deep and comprehensive free trade areas (DCFTA). They fall considerably outside the scope of typical free trade agreements. “Comprehensive” means in this case the elimination of barriers to trade in almost all goods, whereas “deep” means the approximation of laws that have a bearing on trade in goods and services, in particular laws designed to ensure greater security of investments, streamline customs and border procedures, reduce technical and other non-tariff barriers to trade, improve competition and public procurement regulations, introduce stricter sanitary regulations, ensure sustainable development.

DCFTAs constitute an important platform which the EU may rely on, while striving to ensure greater security and achieve regional stability. The European Union has entered DCFTAs with Ukraine, Moldova, Georgia, Armenia. Furthermore, it has been negotiating such agreements (since 2011) with Jordan, Egypt, Tunisia, and Morocco as a part of more extensive association agreements. The broad scope of DCFTAs enables the EU to “export” its own trade regulations to other countries to encourage the harmonization with the EU’s policy. Taking into consideration the fact that all third countries – parties to DCFTAs are much poorer than the poorest Member State, there is a fear that these agreements will entail costly regulatory burdens.

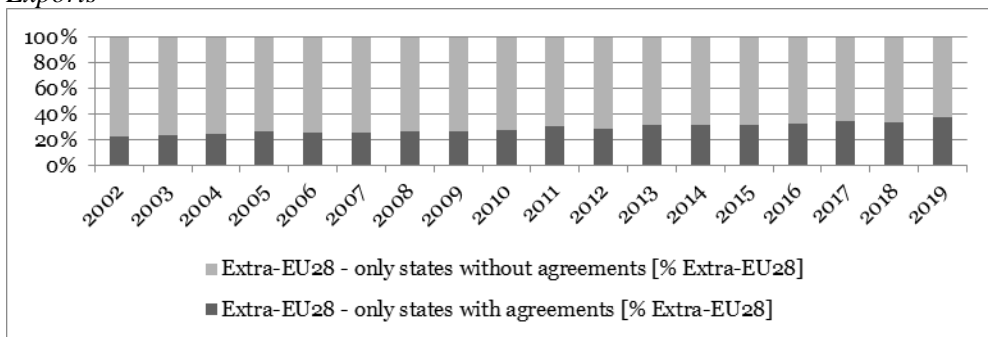
New-generation trade agreements are free trade agreements negotiated after 2006. As regards their contents, new free trade agreements have a comprehensive scope and mean the greatest possible liberalization of trade, including well advanced liberalization of services and investments, as well as the elimination of non-tariff barriers, quantitative restrictions. Free trade agreements also contain provisions on trade facilitation. “New-generation” free trade agreements have been made with South Korea, Canada, Japan, Singapore, and Vietnam. The number of countries with which the European Union has concluded preferential trade agreements in the 21st century increased by 2.4 times, from 36 to 88 (Figure 1).

Figure 1. EU28 Preferential Exports of Goods (reciprocal preferences, preferences under agreements) in mEUR



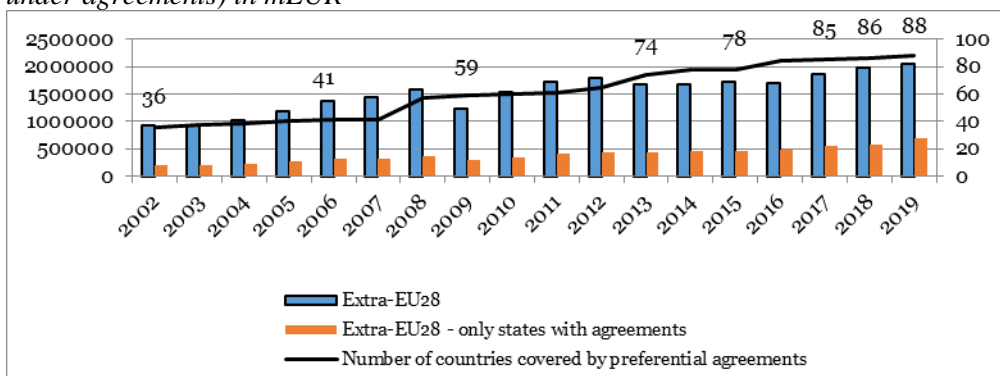
Source: Own calculations based on Eurostat data and WTO's base containing notified preferential agreements, <https://rtais.wto.org>.

Figure 2. Share of EU28 Preferential Exports to PTA Countries in Total Extra-EU Exports



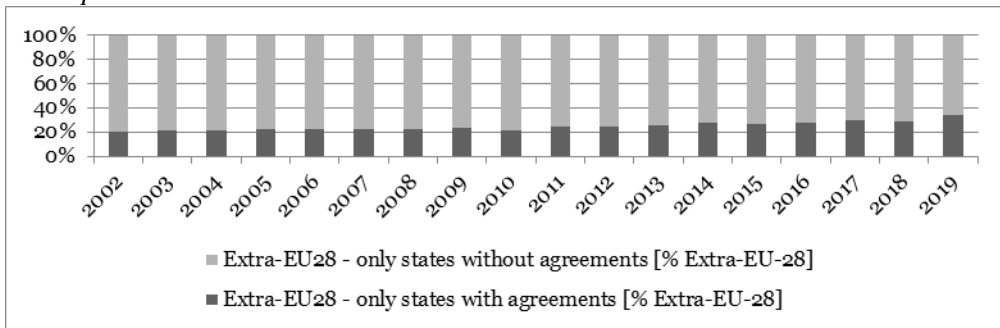
Source: Own calculations based on Eurostat data and WTO's base containing notified preferential agreements, <https://rtais.wto.org>.

Figure 3. EU28 Preferential Imports of Goods (reciprocal preferences, preferences under agreements) in mEUR



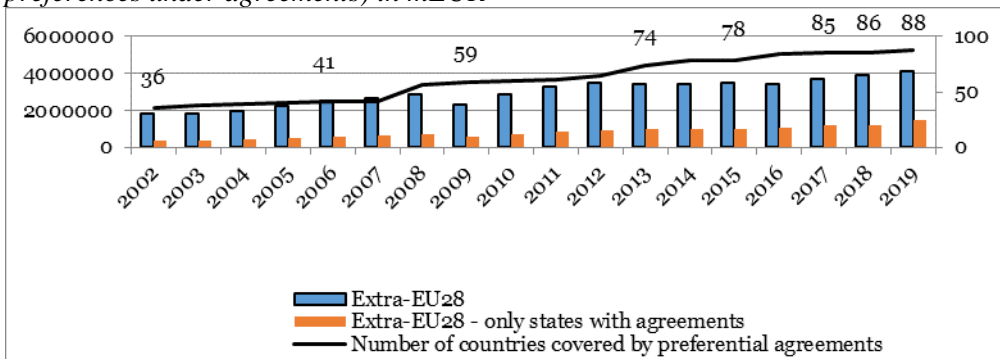
Source: Own calculations based on Eurostat data and WTO's base containing notified preferential agreements, <https://rtais.wto.org>.

Figure 4. Share of EU28 Preferential Imports from PTA Countries in Total Extra-EU Imports



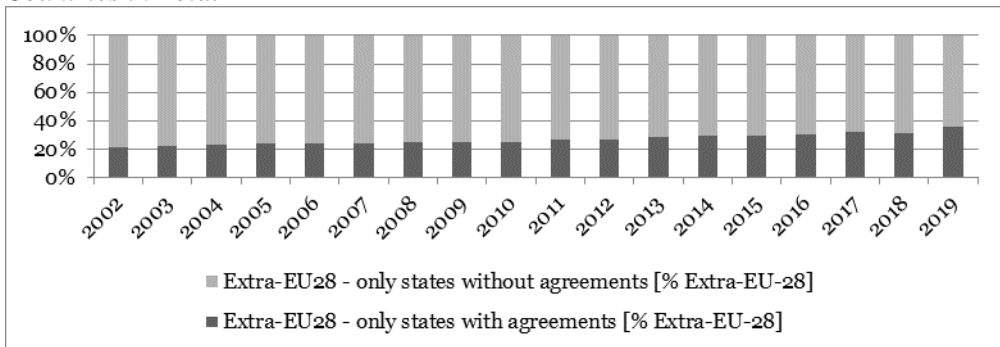
Source: Own calculations based on Eurostat data and WTO's base containing notified preferential agreements, <https://rtais.wto.org>.

Figure 5. Preferential Trade in Goods (exports + imports) (reciprocal preferences, preferences under agreements) in mEUR



Source: Own calculations based on Eurostat data and WTO's base containing notified preferential agreements, <https://rtais.wto.org>.

Figure 6. Share of EU28 Preferential Trade (exports and imports) with PTA Countries in Total



Source: Own calculations based on Eurostat data and WTO's base containing notified preferential agreements, <https://rtais.wto.org>.

The number of countries with which the European Union has concluded preferential trade agreements in the 21st century increased by 2.4 times (Figure 1). The biggest rise in the number of countries covered by reciprocal preferences was seen in 2008 (following the introduction of a new CCP strategy in 2006), and then, in 2011 and in consecutive years – when first new-generation agreements entered into force. The foregoing was accompanied by increased trade volumes (including also imports and exports), and a higher share in the Extra-EU trade with countries which signed RTAs (Figures 1-6). A share in the Extra-EU trade was greater for exports to those countries – which rose by 12%, rather than for imports – by 9%. It can be thus assumed that preferential agreements signed with third countries and opening markets for EU goods encourage a growth in the EU's exports to those countries, however, as far as exports from countries covered by reciprocal preferences (that is to say – EU imports) are concerned, the significance of those agreements is slightly smaller.

How the share of exports to countries with agreements has developed compared to the total export volume can be seen in chart 4 and chart 6. This share rose from just over 20 percent to almost 40 percent. Most RTA countries had already benefited from preferential EU market access conditions (unilateral preferences) before, therefore provisions in this respect contained in RTAs did not translate into significantly better conditions for access to the EU.

A growth rate of preferential exports (and imports) (PTAs) was considerably higher than the growth rate of the Extra-EU trade in 2011 (the agreement with South Korea entered into force), in 2017 (the agreement with Canada became effective) and in 2019 (the agreement with Japan entered into force). Hence entering into preferential agreements with most countries (with those less developed) did not contribute to higher trade volumes over a longer time horizon; the analysis revealed that importance is attached to new-generation agreements made with trading partners selected according to the economic criterion (e.g., with South Korea or Canada and Japan)³.

Along with the increase in exports to PTA countries, of course, the total export volume also increased. Nevertheless, the provisions of agreements entered with individual countries or regions are designed to safeguard the interests of EU companies and protect specific business sectors or manufacturers. Furthermore, incorporating relevant provisions into preferential trade agreements, specifically into new-generation agreements or DCFTAs, the European Union prefers its own solutions and models, which confirms its position in the international scene as a soft power.

³*For comparison, a year after the entry into force of the agreement: with Cameroon, EU exports to this country dropped by 7%; exports to South Korea rose by 16%, exports to Canada increased by 7%, and to Egypt by 33%; own calculations based on Eurostat data and WTO's base containing notified preferential agreements.*

6. Conclusions

Since the Treaty of Rome in 1957, the EU's Member States have moved their commercial policy rights to a supranational level, therefore it is said that as far as trade is concerned, the European Union "has been speaking with one voice" since 1970. The commercial policy has a powerful effect on the external economic links of the EU, especially, when one considers the fact that it no longer includes only the cross-border movement of goods, but also the exchange of services and direct foreign investments. Furthermore, it also covers cross-sectoral issues, among other things, the protection of intellectual property rights in international trade.

The size of the EU market gives the Union considerable bargaining power. In fact, the EU is not only a trading power, it is becoming so also because of trade. The strength of trade is that the EU market access is discussed during trade negotiations to boost the export of goods, capital, and own services (by reciprocal preferences) and through trade, it consists in the export of the EU's solutions and standards (from the protection of intellectual property rights to technical standards applicable to goods or competition law). These two dimensions cannot, indeed, be separated from each other, as the export of EU standards can often be a precondition for gaining a greater share in the EU market (Meunier and Nicolaidis, 2006).

When describing multilateralism in the EU's commercial policy, attention must be given to its several dimensions which are of relevance to international security. The first dimension refers to the form of the EU's representation within the GATT/WTO, which depends, first and foremost, on the division of competences among EU institutions and Member States. The other dimension concerns the EU's negotiating style: reactive/proactive, as well as the position it takes while conducting multilateral negotiations and a role performed in the WTO's dispute settlement system (the third dimension) – which are closely related to that negotiating style.

To ensure that everyone "speaks with one voice" as regards the commercial policy, including as regards the multilateral trading system, is often a complex process, as EU Members have different interests regarding the commercial policy, therefore they need to work out compromises. On the one hand, this slightly undermines, but at the same time strengthens the EU's position in the multilateral trading system (GATT/WTO), as well as in the bilateral and regional negotiations of trade agreements. It was as early as the mid-1990s that the EU more and more frequently demanded the incorporation of prescriptive objectives, such as environmental protection and employees' rights, into multilateral negotiations. The EU argued that where environmental or labor standards were violated, trade sanctions had to be imposed.

The European Union is a trade power not only in trade, but also through trade. The failure of the Doha Round, difficulties in working out compromises, the increased importance of emerging economies and less developed countries, and consequently,

diminishing the EU's position contributed to a change to the CCP priorities and the shift from multilateralism to bilateralism, beginning from 2006. An important reason for which the EU, yet again, advocated regionalism and bilateralism in the commercial policy in the early 21st century, was a desire to strengthen or "deepen" the contents of trade agreements. These agreements serve a dual purpose. First, they are conducive to opening markets and stimulating economic growth. Second, they represent a geoeconomics instrument designed to retain influence over emerging economic powers (BRICS countries) and avoid the necessity of reaching a consensus together with these new competitors within the WTO. These two purposes are relevant to the security of the European Union.

The EU's commercial policy seems to be utilized mainly and most frequently to safeguard European economic interests at every security level. This also means that the Union, while pursuing the active foreign policy and the common commercial policy, which is, to a certain extent, a part of the foreign policy, resorts to pressure – since it does not have any other alternative – by means of non-military instruments (particularly economic and commercial instruments) to ensure security.

Being a more powerful trading partner, the European Union has bigger – contrary to a multilateral forum – opportunities for pushing its own solutions and safeguarding the interests of EU companies by incorporating relevant provisions into bilateral or regional agreements. The Union is active in using the commercial policy as an instrument for promoting the development and influencing the political behavior of other countries.

Research on the volume of trade with the countries with which the EU made preferential trade agreements (introducing reciprocal preferences) demonstrated that, on the one hand, the share of trade with these countries has indeed been growing, which can be understood given the greater number of countries with which trade agreements have been entered, but on the other hand, the growth rate of preferential trade is not bigger than that of the EU's external trade. Furthermore, exports to countries covered by preferences from the EU have increased more than imports under these conditions, which leads to a tentative conclusion that indeed opening the markets of the third countries – of those with which new-generation agreements were made has been conducive to the growth of exports, and that provisions contained in the agreements have been beneficial to EU exporters.

The commercial policy is the main instrument of the EU's soft power. It is more and more frequently implemented as an instrument designed to achieve the non-commercial objectives of the Union's foreign policy, including the values set out in the Treaty of Lisbon. Preferential access to the EU's market by means of trade agreements – may be contingent on respect for human rights and fundamental values (Borchert at al., 2018). Indeed, the EU's trade agreements aim not only to reduce barriers to market access, but also improve legal regulations in partner countries, including social and labour policy and environmental protection.

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