

Belgium's role in EU Trade Policy

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Introduction

As a small, open economy, trade is crucial for the Belgian economy. With increasing economic interdependence and the expanding scope of the trade agenda over the past two decades, trade policy has become even more important. Nonetheless, there is barely any research on Belgium's role in international trade policy. Perhaps this is because Belgium has no direct control over its trade policy, as this has been a supranational European Union (EU; formerly European Community, EC) competence since the Treaties of Rome (1957). However, Belgium does have a role to play in this EU trade policy, most importantly through its participation in the Council of Ministers of the EU (hereafter: the Council). For example, mandates need to be approved by the Council before the European Commission (hereafter: the Commission) can start negotiating free trade agreements (FTAs), ongoing negotiations are being monitored by Member States' representatives in the Trade Policy Committee (TPC), and final agreements need to be approved by the Council, the European Parliament and sometimes still by the Member States' Parlia-

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ments². There are also a number of Council advisory committees, such as on trade defence measures, in which the Belgian government is represented. Trade policy legislation – e.g. regulations on anti-dumping or preferential systems for developing countries – also need approval by the Council. Indirectly, Belgium is involved in trade policy-making through its Members of the European Parliament (MEPs) that has become a co-legislator in trade policy since the Treaty of Lisbon (2009).

This article aims to provide an overview of Belgium's position in EU trade policy. We focus on the (offensive and defensive) positions promoted by Belgium in the context of European trade policy-making³. This mostly involves the negotiations on trade and (more and more) trade-related issues through multilateral and (increasingly) bilateral agreements. It also involves trade defence measures such as anti-dumping, which serve to protect the domestic economy against unfair competition from outside the EU. As will become clear, while being the responsibility of the federal government, the creation of a Belgian position also involves the regional (sub-national) level.

The next section will summarize the general lines of Belgium's position in EU trade policy. It will be argued that the Belgian position has displayed a surprising continuity over the previous decades, namely supporting the Commission's free trade line while defending some very specific sensitivities. Next, we will analyse to what extent this also applies to a recent and most contested case, namely the negotiations on the EU-US Trans-Atlantic Trade and Investment Partnership (TTIP). Based on this analysis as well as illustrative examples from other cases (e.g. EU-Korea, EU-Colombia/Peru and EU-Canada), we will provide two strands of explanations for the Belgian position. A number of institutional variables direct our focus to the fragmented decision-making system of this federal country and the 'Grand Coalition' character of most Belgian governments. A number of interest-based variables bring our

² While most sectors covered in EU trade agreements belong to the exclusive supranational competence of the Common Commercial Policy since the Treaty of Lisbon, some legal discussion remains over specific issues, such as the precise scope of foreign direct investment. Consequently, while the FTA between the EU and South Korea had been concluded after the entry into force of the Lisbon Treaty, it has been defined as a mixed agreement, requiring ratification of the Member States. It is also expected that TTIP, if the negotiations are successfully concluded, would be considered a mixed agreement (see *infra*).

³ In the Belgian Federation, since the state reform of 2001 (also known as the 'Lambermont Agreements'), the Regions have become constitutionally responsible for trade policy. However, an important exception is made for multilateral co-operation (i.e. participation in EU trade policy-making) that remains the competence of the federal government. In practice, this means that the Regions are responsible for (and invest considerable resources in) export promotion activities, while the federal level assumes the coordination role to prepare Belgian positions. *vis-à-vis* EU trade policy.

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attention to the material economic base of the Belgian economy as well as the position of business and civil society groups. We conclude by positing the hypothesis that the recent politicization of EU trade politics renders the traditional consensual Belgian position unsustainable.

Belgium's historical position: continuities

There are various avenues for the Belgian governments to be involved in different EU trade policy-making dimensions, making it difficult to identify *the Belgian position*. To characterize the position of a Member States in this domain, it has been customary in the literature on EU trade policy to divide Member States' positions into a 'liberal North' versus 'protectionist Club Med' camp (e.g. Elsig 2002). While this has been called too simplistic by one participant in EU trade policy (Baldwin 2006: 931), a long-standing member of the 'Article 133 committee' (the predecessor of the Trade Policy Committee or TPC) has called it 'a convenient shorthand' (Johnson 1998: 39). When assessing the Belgian position, it is hence useful to start by asking where Belgium stands on this divide. In trade policy circles it is often said that the dividing line between protectionists and liberals coincides with the linguistic frontier within Belgium. In this sense the position achieved by the Belgian policy-makers would reflect a 'mini' version of the consensus reached at EU level. While this image certainly carries some truth, in the remainder of this article we aim to analyse it with more rigour.

A number of striking continuities can be discerned in Belgium's trade policy positions over the past two to three decades. First, Belgium has often and consistently been recognized as one of the most supranationalist or integrationist EU Member States when it comes to trade policy. Although trade has been an exclusive EU competence since the Rome Treaties, there have been several fierce debates on how wide the notion of 'trade' should be interpreted (e.g. if it should also include trade-related services and investment measures). When negotiating Treaty revisions or dealing with disputes at the European Court of Justice (ECJ), Belgium has often sided with the integrationist position of the European Commission. For example, when in the aftermath of the World Trade Organisation's (WTO) Uruguay Round, the European Commission and the Member States disagreed about the scope of the supranational EU trade policy competences resulting in two landmark cases before the European Court of Justice (Opinions 1/94 and 2/92), Belgium was the only Member State that

completely and vocally supported the Commission's position (i.e. comprehensive interpretation of EU trade policy competences) (Young 2000: 108).

Second, but related to the previous point, is that Belgium's substantive position has generally been close to the preferences of the European Commission. The latter tends to balance between protectionist and liberalization trends in Europe, although it is clearly more supportive of liberalization-oriented policies. This supporting liberalization with some reservations position of Belgium includes:

- ◆ **Agriculture:** Particular attention for the specific interests of the agricultural sector, despite a tendency to favour the liberal group within the EU when it comes to free trade in agricultural products. It is recognized that the 'multi-functionality' of agriculture should be respected in international trade, although for several products the liberalization of import tariffs and suppression of export subsidies is generally favoured. Belgium is also supportive of the promotion of geographical indications.
- ◆ **Services:** Generally in favour of the liberalization of trade-related services, although a more defensive position is taken in regards to non-commercial (public) services
- ◆ **Development:** Belgium has generally favoured a preferential treatment for the former colonial countries of Africa, the Caribbean and the Pacific (ACP group) through the subsequent Lomé/Cotonou Conventions, although it has also gradually accepted that this trade relationship should be restructured and made compatible with the rules of the WTO

Third, there are a number of particular points of attention. Belgium has been particularly vigilant when it comes to trade negotiations on public services such as education, public health and social services (FOD Buitenlandse Zaken, n.d.). It has also been one of the strongest opponents of the liberalization of audiovisual services, favouring an *exception culturelle* in this area. Moreover, Belgium has consistently favoured the promotion of social standards through international trade agreements.

Belgium's current position: TTIP et al.

The EU's trade policy agenda has changed significantly in recent years, aiming for a more offensive and bilateral agenda. In 2006 the European Commission moved the main direction of its trade policy from a focus on an agreement at

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the multilateral level in the WTO supplemented with unilateral initiatives aimed at developing countries, to proactively seeking bilateral FTAs. Since then the Commission has concluded free trade negotiations with Korea, Central America, Colombia and Peru, Canada and Singapore. Furthermore, negotiations were recently finalised with Vietnam (December 2015), and are ongoing with Japan, several countries in Southeast Asia, and most importantly the US. The negotiations for a Transatlantic Trade and Investment Partnership (TTIP) were launched in the summer of 2013 and spurred a previously unseen (and some might say unforeseeable) public reaction. In several Member States (especially Germany, Austria and the UK) this public outcry now reaches national media on a weekly basis and confronts national (and European) policy officials with questions about the content of the negotiating documents, the (uncertain and difficult to predict) consequences of an agreement, and the very legitimacy of trade policy-making in the EU itself.

This leads us to two questions: has the growing politicization of trade policy (in particular on TTIP) affected the Belgian trade policy debate? And has this had an impact on Belgium's general position in EU trade policy matters?

The answer to the first question is quite straightforward: the widespread debate on TTIP has gradually seeped into Belgian politics as well, as (federal) members of Parliament increasingly interrogate the Minister for Foreign Affairs on a regular basis with oral or written questions (in plenary and the Foreign Relations Committee). To get a snapshot of this phenomenon, we analysed federal parliamentary activity and counted the amount of "interventions" by MPs. Interventions include parliamentary questions (oral and written) and resolutions, in both chambers, in the period 2012 to July 2015. We contrast activity on TTIP with three other related European trade issues after 2006: the Anti-Counterfeiting Agreement (ACTA, struck down in the European Parliament in 2012), the free trade agreement with Canada (CETA, ratification phase) and the plurilateral free trade agreement in services (TiSA, under negotiation).

For ACTA, there has been one resolution and 4 questions, exactly the same as for CETA. TiSA has been discussed the least, with only 1 resolution and 1 question. If we compare this with TTIP, the contrast becomes clear: since the start of the negotiations in 2013 we have encountered 9 resolutions and 39 questions. The widespread concern in several Member States has impacted public opinion in Belgium as well, which has spurred MPs to debate

trade issues that were previously rather uncontested, or at least not politicized. Although it remains to be seen if this current spike of attention for trade deals will continue in the future, it is nevertheless a remarkable contrast compared to the last 10 years. 70% of interventions are furthermore made by centre-left parties, with Ecolo-Groen (the green party) and the PS (the Walloon socialist party) as the most active parties (and opponents). The centre-right is practically silent, although the N-VA (the Flemish nationalist party) also accounts for 12% of activity. While the earlier Economic Partnership Agreements and the failed attempt to launch a new WTO Round in Seattle in 1999 amidst growing anti-globalisation sentiment also attracted broader attention for EU trade politics, the recent debate surrounding TTIP is unprecedented. At the regional level, all Parliaments in Belgium have held hearings on TTIP and discussed a resolution outlining their position. At the time of making the final revisions to this article, the Walloon Parliament voted a resolution asking its Government not to give the authority to the Federal Government to sign CETA. This resolution is clearly a spill-over of the politicization of TTIP and will also put to a test the Belgian Federal system in trade policy (see *infra*).

As for the second question, it seems that the Belgian position has remained remarkably consistent. We see the Belgian position again mirroring the (liberal) view of the Commission, yet with special attention to some specific issues⁴. With respect to *offensive interests*, we notice market access for (Belgian) SMEs, in particular, as an important point, which is hoped to be given a boost by TTIP through general tariff reductions, but especially through the elimination of non-tariff barriers, which are seen as specifically burdensome for small companies (2013b)⁵. Furthermore, the opening of foreign markets for government procurement is an important interest, especially in sectors like dredging, construction or public transport where Belgium has comparative advantages (2015g). The Belgian position also systematically calls for social and environmental standards within an ambitious sustainable development chapter (2013a; 2013c).

Regarding *defensive interests*, Belgium stresses the importance of public health care services and argues to not go any further than the commitments

⁴ The statements that follow are based on the answers by Didier Reynders (Foreign Affairs), Maggie De Block (Social Affairs) and Willy Borsus (Agriculture – SMEs) on (oral and written) parliamentary questions. We refer consistently with e.g. (2013a). See reference list under “De Kamer (2013-2015)” for all sources.

⁵ This should be achieved without any lowering of current standards and regulations, and should, in particular, focus on coordinating new regulations (in the future).

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that were made in the framework of the GATS 1994 (trade in services; 2015c). Minister De Block also regularly reiterated the statement by EU Trade Commissioner Malmström (and her American counterpart) that public services are not on the table, although the Minister acknowledged that it is impossible to entirely exclude the commercial side of these activities (2015c). Another point where Belgium is standing its ground is the exception for audiovisual services, which has been part of the Belgian position for over 20 years (2013c). The confirmation that this sector would be kept out of the negotiations (until decided otherwise) marked the official start of negotiations (Kirk, 2013). Agriculture is always a contentious issue in the European Union, and Belgium has its concerns as well. It rejects any concessions related to the EU's precautionary principle, and supports the Commission's stance on GMO's (2015i) – in defence of the 'European way of producing' (2015f; 2015j). Although Belgium has made less use of geographical indications than other European countries (it has only 9 registered wines and spirits, and 19 other indications (bread, meat, fruit...)), it again sides with the Commission in its defence of this protective system (2015b).

Finally, Belgium has defended the EU's conduct regarding the alleged opacity of the TTIP talks. Echoing the Commission's position, it claims the negotiations have been the most transparent ever, with numerous documents online and ample opportunities to provide input (2015d). Minister Reynders said that leakage of negotiating documents was regrettable and did not facilitate the already difficult task of the negotiators, although he acknowledged that documents should eventually be published (2013a; 2013c).

In sum, Belgium is generally in line with the Commission on TTIP, arguing for an ambitious agreement with some specific sensitive points such as agriculture or the cultural exception. Remarkably, this has even been the case with the most contentious issue in TTIP so far: the investor-to-state-dispute settlement (ISDS) mechanism⁶. Changes in the Belgian position on this topic have mirrored changes in the Commission's stance. For example, like most Member States it did not initially protest against the inclusion of an ISDS clause in CETA (or in the first resolution on TTIP). Indeed, Minister Reynders in

⁶ ISDS is a mechanism that can be included in investment agreements to allow international investors to sue governments before a special investment tribunal when they argue that a government has breached its investment protection commitments. This mechanism has recently become controversial because skeptics fear that this hands illegitimate special rights to multinationals and might lead governments to restrain from regulating in the public interest ("regulatory chill"). Especially some procedural characteristics of ISDS like the fact that a tribunal can be composed of private investment lawyers leading to conflicts of interest and that there is no appeal mechanism have been the subject of heavy criticism.

2011 argued that Belgium principally backed the initiative of the Commission to include the settlement mechanism (2011)⁷. But when public pressure⁸ forced the Commission to back away from its univocal support of the clause, Belgium was quick to follow. When asked about ISDS in October 2014, Reynders said he was receptive to the concerns of citizens (2014b). In May 2015, Commissioner Malmström's team drafted changes to the existing ISDS clause and Belgium simultaneously changed its position to being favourable of the proposed changes (2015i)⁹. Currently, Belgium sides with a majority of Member States and the Commission that want to find a balance between the protection of investors and the (current and future) right to regulate (2015d). The idea proposed by the Commission (in the same concept paper on ISDS reform) to construct a permanent multilateral Investment Court met with Belgian support as well (2015i).

Minister Reynders acknowledged that TTIP will probably be a mixed agreement (notwithstanding changes to the Lisbon Treaty that were meant to make an end to this cumbersome practice; see footnote 1), meaning that all 6 Parliaments in Belgium will have to ratify the agreement (2015a). While in the past this was unproblematic as EU trade policy was hardly scrutinized (let alone politicized), TTIP might be different.

In Wallonia and the Brussels capital-region the opposition has been more vocal and outspoken than in Flanders. While the latter is traditionally more liberal and export-oriented, Wallonia has less to gain from liberalization and has more intense defensive preferences in areas such as audio-visual and public services, which has helped spur the growth of a more potent anti-TTIP/CETA campaign. A quick search through media databases¹⁰ furthermore shows that the 4 Belgian newspapers covering TTIP most intensively are from the French-speaking community¹¹. It can also be seen in the phenomenon of TTIP-free zones¹²: at the time of writing, in the Brussels capital-region 11 of the 19 communities have declared themselves TTIP-free (Hope, 2015), while

⁷ He mentioned that Belgian business sees benefit in this clause, that it's not wise to exclude it in CETA when the EU has it with other partners, and that it's important to have the same level of protection through EU agreements, like Belgium had under the Belgium-Luxembourg Economic Union (BLEU).

⁸ The Commission had to abandon talks on ISDS temporarily early 2014 and decided to hold a public consultation on the clause, which prompted a record-high of nearly 150.000 responses.

⁹ This would include an appellate mechanism, inscribing the right to regulate, and changes to the relationship between ISDS and domestic courts and the way the tribunals work.

¹⁰ Using online media database GoPress.

¹¹ L'Avenir, Le Soir, La Libre Belgique and Sud Presse.

¹² This refers to local governments that adopt a symbolic resolution opposing the TTIP negotiations and declaring themselves 'TTIP-free'. For an overview of local governments having done so, see <https://www.ttip-free-zones.eu>.

over 50 towns have made this symbolic gesture in Wallonia (Schneider, 2015); the practice remains practically unknown in Flanders¹³. In response to these pressures, in April 2015 the Walloon Parliament adopted a resolution calling for a halt to the negotiations (L'Avenir, 2015).

Explaining the Belgian position

The above analysis has shown the remarkable consistency of the Belgian position on EU trade policy over the past decades. Even during the highly contested TTIP negotiations, Belgium has held on to a position that supports free trade in principle while calling for the defence of some specific sectors and norms. This final section aims to explain this Belgian position. Different explanations are clustered around material interests, lobby group pressure and institutional factors.

Economic interests

Economic interests are an important determinant of countries' international trade politics (cfr. Dür, 2008). Moreover, underlying material interests in EU policy-making can help explain why a country's position remains relatively stable despite shifting political parties in government (Alons, 2010). Considering several economic indicators makes it clear why in Belgium the balance of power on trade issues has been tilted towards pro-trade groups.

Bernard et al. (in Sleuwaegen & Peeters, 2012) describe Belgium as a 'middleman' in trade: heavily dependent on imported inputs for its own production and exports. In part, this is due to the extensive activity of multinational corporations. Although only a very small amount of firms operating in Belgium are multinational companies, these account not only for the bulk of Belgian trade (exports and imports), but also produce nearly half of all value added and employ (in 2005) 36% of private sector workers (Dhyne & Duprez, 2011). Secondly, this 'middleman' status is also due to the increasing dependency of Belgian firms on foreign intermediates (Sleuwaegen & Peeters, 2012). Compared to the EU average, Belgium is somewhat more integrated (in value added terms) internationally, and more so with non-EU countries than the EU

¹³ Ghent was the first city where reigning majority (progressive) parties have come out against TTIP and were campaigning for a TTIP-free zone. However, in September 2015, the City Council decided to drop this (symbolic) wording and advocated a "smart-TTIP".

average. About 16% of all value added embedded in Belgian exports is from a non-EU source¹⁴. This is an indication of the extent to which Belgian competitiveness is dependent on the price and quality of imports. Because of this, trade policy measures like tariffs and anti-dumping measures can actually harm the industries they're designed to protect (Ahmad, 2013; IMF, 2013; Timmer, Los, Stehrer, & de Vries, 2013) met problemen (iets moeilijker bekijk nog eens.

Furthermore, the Belgian economy has become more dependent on (Belgian and EU) exports to non-EU markets. In 2011 about 17% of all employment in Belgium was supported by EU exports to non-EU countries, some 2.5 percentage points above the European average, up from 10% in 1995. Three quarters of these jobs were in services, only 23% was in manufacturing, and 30% (twice the European average) was linked to EU trade with the US. Total value added 'generated in Belgium by EU exports to the rest of the world' has increased by 180% since 1995, and this export-dependent share in value added has increased from 11% to 18% in 2011 (Arto, Rueda-cantuche, Amores, & Dietzenbacher, 2015). There are indications that this trend has not yet peaked: a majority of Flemish SMEs, for example, is hoping to increase its exports in the coming years (Flanders Investment & Trade, 2014).

Of course, a substantial amount of economic activity is still mostly domestic and/or EU-oriented, while particular (sub-)sectoral interests might push for a more defensive stance on certain issues¹⁵. When looking at anti-dumping behaviour since the eighties, we see that Belgian companies have participated in investigations with some regularity – although participation was limited from 2000 until the onset of the crisis. The iron and steel sector has been the most active here, accounting for about a third of all cases, followed by the textile, electrical machinery and fertilizer industries. Several of these sectors have faced hard times in the past decades and (especially in the case of textiles and basic metals) have been shedding workers for years¹⁶. These are also sectors in which the EU has faced growing international competition, especially from the Asian countries that are increasingly targeted by the EU's

¹⁴ According to calculations based on the OECD's Trade in Value Added database (available online). The sectors most dependent on foreign inputs for their own exports were producers of transport equipment, chemicals and metals. In fact, all of Belgian manufacturing was more integrated than the EU average.

¹⁵ According to the UN's Merchandise Trade Correlation Index, Belgium's most important competitors (i.e. they export what Belgium exports) are situated within the EU. Belgium's export profile is most similar to that of the Netherlands, Spain, Finland and Germany. In recent years, however, there has been increasing pressure from Asian economies, notably Korea, China, Japan and Singapore (UNCTADstat, available online).

¹⁶ Source: OECD STAN database, available online.

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defensive instruments. On average, however, Belgian interest groups and policy-makers can be expected to favour both efforts at opening foreign markets¹⁷ while reducing barriers 'at home'.

Lobby groups

The Belgian position has also been backed by the main interest groups involved in this policy domain. Specifically, the main business associations in Belgium have supported free trade in general and have recently been outspoken proponents of the TTIP negotiations. They have also expressed their satisfaction with the outcome of CETA (VBO-FEB, 2014; 2015; Timmermans et.al., 2015). These business groups, such as the VBO-FEB, VOKA, Unizo, BECI, UWE, Boerenbond and UCM, are all part of the Belgian trade policy making cycle, both institutionalized and informal. Business associations are active participants of the Inter-ministerial Economic Conferences (IEC), organized when the European Commission proposes new trade negotiations. At the IEC, business associations provide input for the Ministry of Economy, which is used to map both the offensive and defensive interests of the Belgian economy in upcoming trade negotiations.

Different ministries also take the initiative to consult with business associations at regular times. This engagement occurs not the least at the regional level. The Flemish trade administrators, for example, actively cooperates with the policy unit of VOKA to get a broad picture of Flemish interests (Adriaensen, 2014, pp. 116-117). VBO-FEB specifically takes on its lobby role directly on the European level. Belgian businesses are represented by VBO-FEB in the European business community through *BUSINESSEUROPE*. Moreover, the federation has good contacts in both the European Commission and the European Parliament. VBO-FEB is also part of the Employers' Group in the European Economic and Social Council (VBO-FEB, n.d.).

Whereas Belgium's pro free trade line has been supported by major business, trade unions have been relatively supportive of more liberalization as well. An analysis of their press releases reveals that trade unions in Belgium

¹⁷ Looking at the Merchandise Trade Complementarity Index published by the UN, Belgium has below-EU-average complementarity (i.e. doesn't export what they import) as well as lower competition (i.e. doesn't export what they export) with recent and potential bilateral FTA partners of the EU. This indicates that, on aggregate, the stakes were not very high for Belgium – although this is a very crude measure that doesn't tell us anything about industry or firm preferences. Moreover, export competition by (potential) FTA partners such as Korea, Japan and Singapore has been on the rise for several years (UNCTADstat, available online).

have traditionally not focused intensively on trade issues within a European context. More recently, however, they have been taking explicit positions with regard to the agreements with Colombia, CETA and TTIP. In 2010 there was a successful campaign by trade unions and NGOs targeted at stopping an investment agreement between the Belgian-Luxemburg Union and Colombia because of the latter's lack of Decent Work (an agenda promoted by the International Labour Organisation to promote decent and full employment as well as social protection and dialogue) (ABVV, 2010). Recently, they have also formed a united front against CETA and TTIP. Not only do they want these to be mixed agreements, they are also opposed to the undemocratic nature of the negotiations and the inclusion of ISDS (Belgisch middenveld, 2015).

Although NGOs are regularly consulted at the European level in a formalized (and institutionalized) way through Civil Society Dialogues, the influence of these stakeholders on trade policy is not assumed to be very big when compared to business actors (Dür & De Bièvre, 2007). In Belgium, however, there is an active NGO community working on trade issues, with Greenpeace and II.II.II-CNCD often considered as the leading 'powers' – the latter with a specific expertise in the trade-development nexus. The above-mentioned politicization of TTIP subsequently spurred several new initiatives within this already fertile Belgian NGO field: DI9-20, for example, is a new platform bringing together several citizen movements, and is now seen as one of the driving forces of opposition against '21st century trade agreements' in Belgium. It regularly stages protests in major cities and continues to attract new movements that support their cause. Furthermore, the so-called '4 May Coalition' against TTIP and CETA has also for the first time brought together a wide range of organisations (going beyond the traditional players such as trade unions and North-South NGOs) that voice similar concerns regarding modern trade agreements¹⁸. However, it remains to be seen if their efforts in pushing the politicization of TTIP (and trade policy in general) will result in lasting changes and/or an increasing impact of civil society.

Institutions and Belgian politics

In addition to the underlying economic structure and the impact of major lobby groups, there is also an institutional dimension to the Belgian position on EU

¹⁸ For the common position, see <https://www.acv-online.be/Images/Verklaring-TIPP-middenveld-150430-tcm183-360704.pdf>.

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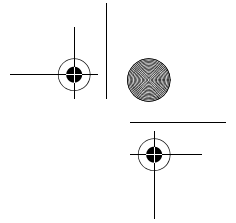
trade policy. The fragmented nature of the decision-making process¹⁹ – across different ministries as well as policy levels – contributes to the middle ground position that generally follows that of the European Commission.

The expertise and knowledge that are necessary to develop Belgian positions on EU trade policy are very fragmented at the administrative level. In Belgium, participation in EU trade policy is the responsibility of a special unit within the Ministry of Foreign Affairs²⁰ Directorate-General for European Affairs and Coordination, called E5. It convenes on a weekly basis on Thursdays to prepare Belgian positions on EU trade policy, in anticipation of the EU's Trade Policy Committee where Member States' representatives meet every Friday to discuss current affairs (e.g. the progress in free trade negotiations). In these coordination meetings, experts from ministerial cabinets and departments at both the federal and regional level are invited. DG E5 is a relatively small unit composed of generalist diplomats. Also, the Regions have only a very small number of administrators that are specifically dedicated to EU trade policy. They replicate the role of the MoFA DG E5 diplomats on the regional level, gathering expertise from other departments (for example with regard to agriculture or cultural services, which are subnational competences) and coordinating their government's position on EU trade issues. This limited and fragmented capacity in trade policy tends to reinforce the Belgian position: resource constraints do not allow for Belgium to play a deviant role on many issues. It is more feasible to generally support the Commission's proposal while scrutinizing some particular sensitive elements. Especially given the broadening of the trade agenda, it would be difficult for Belgium to develop specific positions in each trade-related matter, while it is more practical to focus on some specific issues such as audiovisual services and agriculture – relying on the knowhow in the respective ministries. It can be said that trade policy-making in Belgium is of a rather technocratic nature, since it concerns a limited number of experts that meet behind closed doors – without much public scrutiny. Such an insulated style typically enables a more free trade oriented orientation (Meunier 2005: 8-9).

An obvious additional explanation for the generally balanced nature of Belgian trade policy positions, is that compromises need to be reached between

¹⁹ This is considered as a structural issue in Belgium's economic diplomacy (see Coolsaet 2014: 539-552).

²⁰ Within the European Union, there is a wide diversity among the Member States with regard to which ministry is responsible for participation in EU trade policy: this can be the Ministry of Economy, the Ministry of Foreign Affairs (MoFA) or exceptionally a separate Trade Ministry or State Secretariat, while also other Ministries such as Finance and Agriculture often play a role (see Adriaensen 2014).



the different regions. Without a consensus among the various regional governments, Belgium cannot pick sides at the EU level and may be forced to abstain when trade-issues come to a vote. This has led to a complex series of institutions oriented at producing agreement among (as well as within) the federal and regional levels (Kersschot, Kerremans, & De Bièvre, 2014). A related institutional trait is the ‘Grand Coalition’ character of most Belgian governments where the more liberal (and Flemish) parties can be contented by supporting the general, liberal orientation of the European Commission while the more centre-left (and Walloon) parties can be satisfied with protecting the most sensitive agricultural and services sectors and the promotion of social standards through trade policy. In Flanders as well as at the federal level, the Minister (or Secretary of State, trade is either a specific portfolio or part of the foreign policy responsibility) has almost always been from a liberal party, while at the Walloon side this position has been held mostly by socialists²¹.

Conclusions

In this contribution, we have discussed Belgium’s historical and current positions in the context of the EU’s common external trade policy. We have argued that this position has been remarkably stable: Belgium has tended to endorse the European Commission’s trade agenda, supporting it both on procedural/competence issues as well as in its substantial positions. Belgium is hence an advocate of progressive liberalisation, while promoting a number of particular sensitivities (which could be labelled either ‘progressive’ or ‘protectionist’ depending on one’s standpoint) in such fields as audiovisual and public services or labour rights. This position can be explained by reference to Belgium’s economic structure, the position of (economic) interest groups and the institutional set-up of Belgian trade policy. The resulting standpoints taken by Belgium, often coinciding with the European middle ground, has contributed to a depoliticised context in the trade policy domain.

However, as the EU-US TTIP negotiations are leading to an unseen politicisation of trade policy across Europe, this policy domain is becoming increas-

²¹ At the federal level trade was dominated by liberals between 1999 and 2014. Although since then the portfolio has been shared by a Secretary of State for trade (Pieter de Crem, Flemish christian-democrats) and the Minister for Foreign Affairs (Didier Reynders, Walloon liberals), the latter is considered to be dominating this portfolio in practice. In Flanders, the liberal party held the trade portfolio until 2009, when a christian-democrat took over. Since 2014 the competence has been with Geert Bourgeois from the Flemish nationalist party. In Wallonia, trade has been always been held by a minister from the PS, except between 2000-2004 when it was in the hands of a liberal, Serge Kubla.

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ingly contested in Belgium as well. Currently, the historical Belgian practice of trade policy-making seems untenable for at least three reasons. First, as civil society criticism is directed at the procedural and substantial position of the European Commission (which is itself based on a mandate by the Member States), the debate within Belgium can also no longer be defused by hiding behind the Commission. Second, this politicisation of EU trade policy is happening at a historical moment when the Belgian federal level is being governed by a clear right-wing (and Flemish-dominated) government and the Walloon and Brussels regional government are of a different composition, opening space for contestation by left-wing parties at the federal level and possible regional defection in the ratification phase. Third, and arguably more fundamentally, TTIP, with its focus on regulatory differences, represents the tentative apex of the intrusion of trade politics 'behind-the-border'. This leads to much stronger ideological differences than more traditional trade agreements, both between political parties and between business interests and trade unions and NGOs. Therefore, in the coming years trade policy-making in Belgium is unlikely to remain as calm, technocratic and consensual as has been the case in the past.

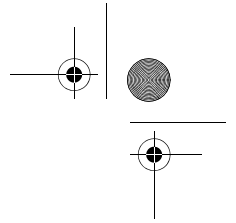
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