



Civil Society Dialogue on Trade and Sustainable Development

Brussels, 29 April 2019

DG TRADE

Unit D1 Trade and Sustainable Development

15-point action plan

➤ Working together

- Member States, European Parliament (1); international organisations (2)

➤ Enabling civil society to play its role

- Monitoring role of civil society (3); responsible business conduct (5)
- Extend the scope for civil society to the whole FTA (4)

➤ Delivering

- Step up action throughout the cycle (negotiation to implementation): country priorities (6); early ratification core conventions (8); assertive enforcement (7)
- Strengthen commitments on climate action (12) and labour (occupational health and safety; labour inspection) (13)
- Capacity building: handbook (10); (financial) resources (11)
- Regular evaluation: reviewing effectiveness of implementation (9)

➤ Transparency and communication

- More transparency and better communication (14)
- Time-bound response to TSD submissions (15)

Priority is the implementation of the action plan



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WORKING TOGETHER



Action 1: Partnership with MS and EP

With MS

- The European Commission (COM) **meets the MS four times per year** at the TSD expert group. The aim is to offer regular updates, strengthen coherence, and better coordinate the approach to thematic issues related to TSD (e.g. corporate social responsibility, global supply chains).
- The synergies between COM and MS are leading to **concrete TSD implementation actions in FTA partners**. An example is the partnership between the COM and Sweden to assist Ecuador's TSD implementation process.
- COM is organising **missions to MS** to discuss TSD and how to better aligned ongoing actions: Paris (15 February) and The Hague (14 March).
- **Outreach to EU actors on the ground in FTA partners** (via EU Delegations and MS Embassies) to encourage closer collaboration on TSD implementation.

With EP

- **COM regularly engages with EP on TSD issues** through monitoring groups, INTA Committee agenda points, technical debriefs, and individual contacts.
- COM provided information to EP for specific TSD-relevant actions (e.g. INTA mission to Japan on 18-20 September 2018,...).



Action 2: Working with international organisations

- COM and the ILO made strides towards **more strategic and flexible cooperation** based on trading partners' needs.
- **High-level EU-ILO meetings** are now held regularly to discuss enhanced cooperation on trade and labour issues and oversee the implementation of joint projects to support trading partners on effective implementation of fundamental ILO Conventions.
- COM and the ILO signed at the end of 2018, the **umbrella project 'Trade for Decent Work'** to support actions to improve the application of the ILO fundamental Conventions in EU trading partners. Activities in 2019 will notably cover **Vietnam and Peru**.
- COM continues to fund ILO projects in FTA partners **Armenia, Georgia, and Ukraine** to support the administrative capacity on labour legislation/inspection. The implementation of a new technical assistance project in **Colombia** started in January 2019.
- COM engaged with the local ILO offices to explore synergies in support of partners' efforts to ratify ILO Conventions, implement the fundamental labour principles and adapt national labour laws.



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ENABLING CIVIL SOCIETY TO PLAY ITS ROLE



Action 3: Facilitate the monitoring role of civil society

- COM launched a **€3 million project to support civil society via the EU Partnership Instrument** to provide additional financial resources and logistics and technical support to all EU domestic advisory groups (DAGs) and to the domestic mechanisms of partners under the agreements with Ukraine, Moldova, Georgia, Central America, and Colombia-Ecuador-Peru.
 - Funding provided for participation of civil society representatives in the Open Session with Civil Society in Quito in December 2018 and for members of the Georgia DAG to participate in the meetings in Brussels in March 2019.
 - First capacity-building workshop for DAGs organised in the margins of the TSD Sub-committee meeting of the EU-Georgia DCFTA in March 2019.
- **Regular meetings of EU DAGs**; Commission invited to debrief on developments.
- **Regular COM participation in meetings with the European Economic and Social Committee (EESC)** - that provides secretariats of DAGs - to take stock of TSD implementation and identify and address bottlenecks, spread good practices and improve transparency in functioning of DAGs.

Action 4: Extend the scope of civil society involvement, including social partners, to the entire FTA

- The setting up of mechanisms enabling civil society to raise and discuss matters related to the entire trade agreement (i.e. beyond the TSD chapter) agreed with Mexico. It was proposed in the negotiations with Mercosur, Chile, Indonesia, Australia and New Zealand.

Action 5: Taking action regarding responsible business conduct

- All recently concluded agreements include **comprehensive provisions to promote and support the uptake of Corporate Social Responsibility/Responsible Business Conduct** and to contribute to the establishment of international networks of expertise in the area, building on international guidelines and principles and cooperation with the ILO and OECD.
- To support a swift and robust implementation of these provisions, COM:
 - **Organised conferences and workshops** on responsible business practices in Costa Rica and Guatemala in the context of EU-Central America Trade Agreement.
 - Launched in January 2019 a **€9 million programme on responsible business conduct with the ILO, OECD and OHCHR**. This programme will enable outreach and capacity building activities in Latin America.
 - It complements the €9 million Responsible Business Conduct **project in Asia** (China, Myanmar, Thailand, Philippines, Vietnam and Japan) launched in early 2018 with ILO and OECD.
 - Reinforced its cooperation with the ILO and the OECD through financial support and joint activities.



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DELIVERING



Action 6: Country priorities

- COM defined **TSD priorities (for pre-implementation and implementation) for each FTA partner** and shared them with MS via the TSD expert group. Discussions with EU civil society via the DAGs on these priorities are ongoing.

Action 7: Assertive enforcement

- **COM stepped up monitoring and analysis of compliance** with TSD commitments by a number of FTA partners. In some cases COM put in place concrete enforcement-oriented actions:
 - Commissioner Malmström sent a letter to **Peru's** Trade Minister in July 2018 expressing concerns over TSD implementation. COM engaged intensively with Peru during 2018 including during a fact-finding mission in October. As a result, of the intensified bilateral exchanges the parties agreed on a way forward at the TSD sub-committee meeting in Quito in December 2018.
 - Given the EU's key longstanding concerns about **Korea's** implementation of its FTA commitments on multilateral labour standards and agreements in December 2018 the EU requested formal consultations under the Agreement's dispute settlement mechanism for the TSD Chapter. The consultations took place on 21 January 2019 in Seoul. This is a first step in the dispute settlement procedures.



Action 8: Encourage early ratification of core international agreements

During negotiations

- COM made the ratification of all fundamental ILO conventions a clear priority of the TSD chapters' negotiations with Australia and New Zealand.

Prior to entry into force

- In Vietnam and Singapore COM's pre-implementation efforts were directed to push for the ratification of outstanding ILO conventions:
 - **Vietnam:** COM worked closely with the EU Delegation to support the reform of the Vietnamese Labour Code; and the ratification of three core conventions and contributed to the ILO project providing technical assistance to the process;
 - **Singapore:** exchanges on the need to ratify ILO Conventions 87 (Freedom of Association), 105 (Abolition of forced labour); and 111 (Discrimination in Employment and Occupation); and to observe the Fundamental Rights at Work principles.

Early implementation

- **Japan:** COM has passed strong messages about the need to ratify the two missing core ILO conventions at the earliest possible opportunity. The same messages were reiterated during the EP INTA visit on 18-20 September 2018 and the EESC visit on 13-15 November 2018.



Action 9: Reviewing the TSD implementation effectiveness

- On 31 October 2018, COM published the **annual FTA implementation report** with comprehensive information on the implementation of TSD chapters. The work to prepare this year's FTA implementation report is now underway.
- COM is now launching an **ex-post assessment of the EU-Colombia-Ecuador-Peru Agreement**. The EU-Central America Agreement will be the next to undergo an ex-post assessment.
- CETA review discussions are on-going along the timeline set out in the 1st TSD committee.

Action 10: Handbook for implementation of TSD chapters

- The **handbook for TSD implementation in Ecuador** is finalised. This is a pilot project led by Sweden with active contribution by COM.
- Based on implementation experiences with other agreements, COM engaged in early TSD implementation preparation actions in new FTA partners. These include missions (Vietnam: September 2017, Canada: April 2018, Japan: planned for May 2019) as well as regular videoconferences.

Action 11: Step up resources

- COM has allocated **additional financial resources to support implementation of TSD chapters**:
 - The Partnership Instrument project to **support civil society** in the FTAs (see under Action 3 above).
 - The **CSR** projects in Asia and Latin America region through the EU Partnership Instrument (idem).
 - The umbrella project '**Trade for Decent Work**' with ILO launched at the end of 2018.
- COM is undertaking an **inventory of relevant TSD-related projects** to make the most of existing resources, and to achieve a better matching between ongoing and/or planned cooperation projects (included those funded by MS) and key TSD implementation actions.



Action 12: Climate action

- **Reinforced trade and climate provisions** (including commitments to implement the Paris Agreement and cooperation and joint actions with respect to the UNFCCC objectives) have been included in the TSD chapters of the Agreements concluded with Mexico, Vietnam, Japan, Singapore. In the case of Canada (CETA) a "Recommendation on trade and climate" was adopted at the first Trade Committee.
- Similar provisions in ongoing negotiations (with Mercosur, Tunisia, Chile, Kyrgyzstan, Australia and New Zealand).
- The following implementation actions were undertaken:
 - In the context of CETA a **trade and climate workshop** was held on 23 January 2019 in Brussels with the participation of civil society, including businesses, from both sides.
 - A similar event is planned under the EU-Japan Agreement in 2020.

Action 13: Trade and labour

- Building on the feedback received, COM aims to strengthen trade and labour provisions of TSD chapters by **extending commitments beyond ILO core labour standards to also cover labour inspection and health and safety at work** (in line with the related ILO conventions).
- COM has already proposed such reinforced provisions in the ongoing negotiations with Chile, Indonesia, Tunisia, Australia and New Zealand.



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TRANSPARENCY AND COMMUNICATION

Action 14: More transparency and better communication

- Work is ongoing to revamp TRADE/EESC websites with cross-links to DAG subsections and more content from DAG/Public Civil Society Sessions (list of participants and guests, short reports of the meetings, presentations and papers discussed) as well as improving the use of social media.
- COM is revamping the TSD webpages in the DG TRADE website.

Action 15: Time-bound response to TSD submissions

- The submission that civil society organisations filed with COM in October 2017 with allegations concerning Peru's non-compliance with TSD commitments was dealt according to the code of good administrative practice and in full transparency vis-à-vis stakeholders. To ensure transparency, technical meetings with the competent Peruvian authorities and civil society stakeholders were organised in 2018, including during a fact-finding mission to Lima in October. The issues raised in the submission were also part of the discussions at the December 2018 TSD Sub-Committee meeting in Quito.
- COM replied in March 2019 to the civil society organisations and informed them about the outcomes of the increased engagement with the Peruvian authorities on the issues of concern.



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Thank you