



**JOINT STATEMENT OF THE 4th MEETING OF THE COMMITTEE ON
TRADE AND SUSTAINABLE DEVELOPMENT UNDER THE KOREA-EU FTA
SEOUL, KOREA, 9 SEPTEMBER 2015**

The Republic of Korea and the European Union (EU) held the fourth meeting of the Committee on Trade and Sustainable Development (the CTSD) under the Korea-EU Free Trade Agreement (FTA) in Seoul on 9 September 2015.

The CTSD was co-chaired by Helena König, Director for Asia and Latin America, Directorate-General for Trade at the European Commission; and Mr. Chun Kyoo Park, the Director General of International Cooperation Bureau at the Korean Ministry of Environment; and Mr. Won Doo Lee, Director of International Cooperation Bureau at the Korean Ministry of Employment and Labor for Korea.

In line with the joint statement of the 2nd meeting of the CTSD, agenda space was provided for the Co-Chairs of the Civil Society Forum (CSF) to present the work of the Domestic Advisory Groups (DAGs) since the last Committee meeting. The Co-Chairs provided updates on their work, including Corporate Social Responsibility (CSR), including initiatives for Bangladesh and involvement of EU and Korean companies therein, labour rights, civil society contribution to climate change policy, and the Environmental Goods Agreement. Based on lessons learned from the implementation of the Trade and Sustainable Development Chapter to date, the EU DAG will provide recommendations for further cooperation between the DAGs and the CTSD. The CTSD welcomed the Co-Chairs' presentation and encouraged further work and discussions both in each DAG and between the DAGs through the CSF.

The CTSD agreed to present the summary of the discussion of the 4th meeting of the CTSD to the 4th meeting of the CSF to be held in Seoul on September 10.

The labour policy segment was introduced by a presentation of the International Labour Organisation (ILO) on developments regarding the implementation of ILO Convention 111 and lessons learned from ways to overcome obstacles to compliance.

The Committee discussed labour issues, including commitments under Art. 13.4 of the FTA to respect, promote and realise in law and practice the ILO fundamental principles and rights at work as well as to effectively implement the ILO Conventions that both Parties have ratified respectively and to make continued efforts towards ratifying the core ILO Conventions and other Conventions classified as 'up-to-date' by the ILO. The EU invited Korea to speed up efforts to ratify the fundamental ILO conventions that it hasn't yet ratified.

The Parties updated each other on work towards ratification and effective implementation of ILO fundamental, priority and other up-to-date conventions, as well as on labour market policy developments which may have an impact on trade and/or investment.

The EU provided an update on recent developments regarding efforts towards ratification of the new ILO Protocol which complements the fundamental Forced Labour Convention. Moreover the EU informed on progress made by EU Member States with regard to ratification of the four ILO priority Conventions as well as the most recent technical ILO Conventions, especially the growing number of ratifications of the Domestic Workers Convention and the Maritime Labour Convention. The EU also provided an update of developments regarding labour market policies since the 3rd CTSD.

Regarding ILO Conventions, Korea informed that for further ratification of ILO conventions, the Korean government is working with researchers to examine if there is any conformity between unratified conventions and Korean domestic systems. Among the unratified conventions, the government is seriously considering ratification of the Protection of Wages Convention (C95), the Equality of Treatment (Social Security) Convention (C118), which have a relatively high degree of conformity with Korean laws.

As regards efforts towards ratifying the remaining fundamental ILO Conventions, Korea outlined changes made to the Trade Union and Labour Relations Adjustment Act in order to reflect ILO recommendations. Moreover Korea agreed to share with the TSD Committee and the CSF before its next meeting, texts setting out additional intended concrete steps towards removing remaining obstacles for ratification of the core ILO Conventions. Korea also explained its recent policy efforts to achieve a 70% employment rate and progress that has been made.

Regarding cooperation under Annex 13 of the FTA, Korea and the EU discussed cooperation projects under the EU Partnership Instrument.

In order to further the parties' commitments in the field of labour under the FTA, and building on the ILO's presentation, the Parties agreed to launch a project under the Partnership Instrument to look into the implementation of ILO Convention 111 on Non-Discrimination, with the aim of better understanding the state of play of implementation in Korea and EU Member States, and identifying obstacles, lessons learned and best practices in order to enhance compliance. The Parties agreed to prepare terms of reference with the aim of launching the project in a short-term period.

The Parties also discussed their commitment to responsible business conduct and the possible launch of a project under the Partnership Instrument in the field of Corporate Social Responsibility. The EU and Korea agreed that further exchanges were needed. They stated their intention to reach an agreement on a project in the field of Corporate Social Responsibility at the 5th meeting of the CTSD and agreed to be in touch to this end.

Korea and the EU also discussed recent developments regarding the ongoing negotiations on an Agreement on Environmental Goods and their cooperation in this context. The Parties reiterated their commitment to reach an ambitious outcome by the end of the year. They shared the view that such agreement would be a significant contribution of trade policy to the fight against climate change and to the future climate agreement to be agreed in Paris by the end of the year.

The environment segment opened with a Korea presentation on the Recycling Society, the flagship of the Korean environmental policy. Korea updated on recent developments of the ‘Act on Promotion of Transition to Resource Circulating Society’, which will be enforced from 2017. The EU took note of the developments in Korea and informed about the EU's new flagship strategy on the Circular Economy which is due for adoption by the end of 2015.

This was followed by a discussion on Illegal Logging. The EU informed about the joint collaboration projects with key consumer and producer countries in Asia and expressed openness to establish cooperation with Korea with a view to identifying best approaches to halt importation and trading of illegally harvested timber and derived products. Korea stated that a legislative proposal addressing trade in illegally harvested timber and timber products is under development. Both sides agreed to exchange experience in the light of those ongoing developments.

The Committee then discussed a number of key Multilateral Environmental Agreements, notably the Minamata Convention. On the Minamata Convention on mercury, both the EU and Korea are signatories and in the process of ratification, following which this could be an interesting area for cooperation in the implementation phase.

The Committee welcomed the open and constructive discussion at its 4th meeting and decided to pursue the dialogue between the Parties and the CSF. The Committee agreed that the ambitious Trade and Sustainable Development chapter in the FTA shows the Parties 'common commitment to the overarching objective of sustainable development, which must be lived up to in implementation – both in spirit and in letter. The Committee agreed to hold its 5th meeting before the end of 2016 in Brussels.