



Stocktaking of implementation of TSD 15- points action plan (5 February 2019)



15-points action plan (Commission non-paper of 27 February 2018)

15-points action plan

Commission non-paper to MS and EP of 27 February 2018 (feedback of the debate)

➤ **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)

15 points action plan (2)

➤ **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)

Action 1: Partnership with MS and EP

With MS

- Four meetings of the European Commission (COM)-EU Member States (MS) TSD experts group – strengthened coherence in the implementation of TSD chapters and coordinated thematic issues related to TSD (e.g. CSR, global supply chains).
- First specific synergies built between COM and MS in partner-countries: e.g. partnership with Sweden in assisting Ecuador's early stage efforts to implement the TSD chapter.
- Outreach to EU actors on the ground in FTA partner countries (EU delegations and MS embassies) to encourage closer collaboration on TSD implementation. First results:
 - In Vietnam, the EU delegation and MS embassies have stepped up coordination of their respective TSD-related cooperation and have agreed on joint work
 - TSD issues were raised in meetings with MS Trade Counsellors in Ukraine and Peru.

With EP

- Commission continued to regularly engage with EP on TSD through monitoring groups, INTA Committee agenda points, technical debriefs, and individual contacts.
- COM provided information to EP for specific TSD events:
 - INTA mission to Japan on 18-20 September 2018,
 - EP "Friends of Singapore" Group has regular contacts with Singapore on TSD, notably labour issues.



Action 2: Working with international organisations

- The EU-ILO high-level meeting held on 11-12 October 2018 discussed ways to enhance cooperation on trade and labour issues, including:
 - a strategic approach to cooperation based on partner countries' needs;
 - expanding cooperation to new themes such as occupational health and safety, CSR, responsible supply chains, women empowerment/gender equality;
 - a streamlined, flexible and more efficient approach to joint projects to support trade partners on effective implementation of fundamental ILO Conventions.
- COM engaged with the local ILO offices in Vietnam, Singapore and South Korea to explore synergies in support of these countries' efforts to ratify ILO Conventions and adopt national labour laws.
- EU funding for ILO projects in Armenia, Georgia, Ukraine and Colombia to support the administrative capacity on labour legislation/inspection.

Action 3: Facilitate the monitoring role of civil society

- Launch of the EU Partnership Instrument (PI) project to support civil society by providing additional financial resources and logistics in support of domestic advisory groups in the EU and in partner countries under the agreements with Ukraine, Moldova, Georgia, Central America, Colombia, Peru, Ecuador, South Korea.
- Regular meetings between Commission and DAG Members to inform them of TSD-related developments at governmental level.
- Regular Commission 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. Additional, specific dedicated meetings included:
 - Regular meetings at “pre-implementation stage” with the EESC EU-Japan Follow-up Committee,
 - Commission briefed the EESC missions to support TSD implementation to Canada (October 2017) and Japan (November 2018).



Action 4: Extend the scope for civil Society, including the Social Partners, to the whole FTA

- The setting up of institutions to enable civil society to raise and discuss matters covering the scope of the entire agreement, i.e. beyond the TSD chapter, was agreed with Mexico, and proposed in the negotiations with Mercosur, Chile and Indonesia.

Action 5: Taking action regarding responsible business conduct

- Inclusion of comprehensive provisions to promote and support the uptake of Corporate Social Responsibility (CSR)/ Responsible Business Conduct (RBC) in all recently concluded agreements, and contribution to the establishment of international networks of expertise, building on international guidelines and principles and cooperation with the ILO and OECD.
- To support a swift and robust implementation of these provisions, the Commission:
 - Organised conferences and workshops on responsible business practices in Costa Rica and Guatemala in the context of EU-Central America Trade Agreement,
 - Launched CSR/RBC outreach and capacity building programmes in Asia and Latin America through the EU Partnership Instrument.
 - Reinforced its cooperation with the ILO and the OECD through financial support and joint activities.

Action 6: Country priorities

- The Commission stepped up work to define TSD priorities for FTA partner countries (both as part of TSD chapter negotiations and in the pre-implementation and implementation phase). Examples include:
 - Canada: draft EU country priorities were presented at the TSD Sub-Committee meeting of 13 September, and a number of joint CETA TSD priorities were pre-agreed (e.g. working jointly on labour issues in the global supply chains in third countries; on collective bargaining in the context of the changing world of work, in particular in the platform economy; and on gender-related issues in the world of work).
 - Ukraine: EU draft country priorities were presented at the 2nd TSD Sub-Committee in November 2018.
 - TSD priorities were agreed with Georgia (in the form of Joint work plan) and Moldova.



Action 7: Assertive enforcement

- The Commission stepped up monitoring and analysis of compliance with TSD commitments by a number of FTA partner countries:
 - Commissioner Malmström sent a letter to Peru's Trade Minister in July 2018 expressing concerns over TSD implementation. The Commission engaged intensively with Peru during 2018 including during a fact finding mission to Lima in October 2018. 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.
 - The Commission proposed to EU MS to open formal governmental consultations in order to enforce South Korea's TSD commitments to comply with obligations deriving from ILO membership and ILO fundamental principles, as well as the obligation for Korea to make sustained efforts towards ratification of four fundamental ILO Conventions.



Action 8: Encourage early ratification of core international agreements

During negotiations

- The Commission 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 the context of Agreements with Vietnam, Singapore and Japan efforts to push for the ratification of outstanding ILO conventions constituted a key part of the Commission's pre-implementation efforts:
 - Vietnam: the Commission worked closely with the EU delegation to support the reform of the Vietnamese labour code and contributed to the ILO project providing technical assistance to the process;

Action 8: Encourage early ratification of core international agreements (cont.)

- Japan: the Commission has passed strong messages to Japan about the need to ratify the two missing core ILO conventions at the earliest possible opportunity. Japan has launched an internal process of reflection on this, in particular an inter-ministerial working group to implement the TSD chapter. The importance of ratifying the missing ILO was also stressed during EP INTA visit to Japan 18-20 September 2018 and EESC visit to Japan 13-15 November 2018.
- Singapore: EU had exchanges with Singapore on the need to ratify ILO Conventions 87 (Freedom of Association), 105 (Abolition of forced labour); and 111 (Discrimination in Employment and Occupation); and Fundamental Rights at Work principles.



Action 9: Reviewing the TSD implementation effectiveness

- On 31 October 2018 the Commission published an FTA implementation report with comprehensive information on the implementation of TSD chapters.
- Preparatory work was launched for the planned ex-post assessment of the EU-Colombia-Ecuador-Peru Agreement; such assessment will also be conducted for the EU-Central America Agreement.
- CETA review discussions on-going along the timeline set out in the 1st TSD committee

Action 10: Handbook for implementation

- Finalisation of a handbook for TSD implementation in Ecuador, as a pilot project led by Sweden with active contribution by the Commission.
- Based on implementation experiences with other agreements, the Commission engaged in TSD implementation preparation actions in new FTA partners (including missions e.g. Vietnam – September 2017, Canada – April 2018, Japan – planned for the first half of 2019; as well as via holding regular videoconferences).



Action 11: Step up resources

- The Commission 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).
 - Launched CSR projects in Asia and Latin America region through the EU Partnership Instrument (idem).
 - The umbrella project 'Trade for Decent Work' has been signed with the ILO at the end of 2018. This project aims at improving the application of the ILO fundamental Conventions in EU trading partner countries and will start with Bangladesh, Myanmar and Vietnam in 2019. Future countries will be identified based on the priorities identified by DG Trade and ILO.
- 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 the Commission is undertaken an inventory of all relevant TSD-related projects:
 - based on the experience with Vietnam and Ukraine the Commission shared with MS in October 2018 the template that will be used to gather that information from all FTA partners.

Action 12: Climate action

- Reinforced trade and climate provisions (including commitments to implementation of 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 and Canada (the latter through a "Recommendation on trade and climate").
- Similar provisions have been put forward by the EU in ongoing negotiations (Mercosur, Tunisia, Chile, Kyrgyzstan, Australia and New Zealand).
- The following implementation actions were undertaken:
 - In the context of CETA a trade and climate workshop with the participation of civil society, including businesses, from both sides will take place on 23 January 2019 in Brussels.
 - A similar event is planned under the EU-Japan Agreement later in 2019/2020.

Action 13: Trade and labour

- Building on the feedback received on TSD implementation, the Commission 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).
- Such reinforced provisions have already been proposed in the ongoing negotiations with Chile, Indonesia and Tunisia and will be tabled with Australia and New Zealand.



Action 14: More transparency and better communication

- A DG TRADE/EESC task force on transparency is now up and running. It has produced first recommendations: (1) revamping websites with cross-links to DAG subsections on DG TRADE's website, more content from DAG / Civil Society Forums meetings (list of participants, guests, short reports minuetts of the meetings, power point presentations, papers discussed), (2) improving the use of social media.
- The Commission is revamping the TSD webpages in the DG TRADE (due to be ready spring 2019) and EESC websites.

Action 15: Time-bound response to TSD submissions

- The submission that civil society organisation filed with the Commission in October 2017 with allegations concerning Peru failure to comply with TSD commitments has been dealt according to the code of good administrative practice and in full transparency vis-a-vis stakeholders. To ensure transparency technical meetings with the competent Peruvian authorities and civil society stakeholders were organised in 2018. The Commission will now reply to the civil society organisations that filed the submission.



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Thank you