



Plenary sitting

A8-0217/2016

27.6.2016

REPORT

on implementation of the 2010 recommendations of Parliament on social and environmental standards, human rights and corporate responsibility
(2015/2038(INI))

Committee on International Trade

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on implementation of the 2010 recommendations of Parliament on social and environmental standards, human rights and corporate responsibility (2015/2038(INI))

The European Parliament,

- having regard to Articles 2, 3, 6 and 21 of the Treaty on European Union,
- having regard to Articles 11, 153, 191, 207 and 218 of the Treaty on the Functioning of the European Union,
- having regard to Articles 12, 21, 28, 29, 31 and 32 of the Charter of Fundamental Rights of the European Union,
- having regard to the Commission Communication: Trade for all: Towards a more responsible trade and investment policy (COM(2015)0497)¹,
- having regard to the conclusions of the 10th WTO Ministerial Conference (MC10)²,
- having regard to the Paris Agreement (30 November to 11 December 2015)³,
- having regard to the EU annual report on human rights and democracy in the world (2014)⁴,
- having regard to the EU Action Plan on Human Rights and Democracy (2015-2019) – Keeping human rights at the heart of the EU agenda,
- having regard to the Guidelines on the analysis of human rights impacts in impact assessments for trade-related policy initiatives⁵,
- having regard to the study on ‘Human rights and democracy clauses in international agreements’ published in 2015 by the European Parliament Policy Department,
- having regard to the resolution adopted by the UN General Assembly on 25 September 2015: Transforming our World: the 2030 agenda for sustainable development⁶,
- having regard to Council Regulation (EC) No 2173/2005 of 20 December 2005 on the establishment of a FLEGT licensing scheme for imports of timber into the European Community⁷,

¹ http://trade.ec.europa.eu/doclib/docs/2015/october/tradoc_153846.pdf

² https://www.wto.org/english/news_e/news15_e/mc10_19dec15_e.htm

³ <http://unfccc.int/resource/docs/2015/cop21/eng/l09r01.pdf>

⁴ http://eeas.europa.eu/human_rights/docs/2014-hr-annual-report_en.pdf

⁵ http://trade.ec.europa.eu/doclib/docs/2015/july/tradoc_153591.pdf

⁶ Resolution adopted by the UN General Assembly on 25 September 2015 (A/RES/70/1)

http://www.un.org/ga/search/view_doc.asp?symbol=A/RES/70/1&Lang=E

⁷ OJ L 347, 30.12.2005, p. 1.

- having regard to Regulation No 978/2012 of the European Parliament and of the Council of 25 October 2012 applying a scheme of generalised tariff preferences¹,
- having regard to the OECD guidelines for Multinational Enterprises²,
- having regard to the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas³,
- having regard to the Commission Staff Working Document on Implementing the UN Guiding Principles on Business and Human Rights – State of Play⁴,
- having regard to the Commission’s 2011 Communication on ‘A renewed EU strategy 2011-14 for Corporate Social Responsibility’ (COM(2011)0681),
- having regard to the UNCTAD Investment Policy Framework for Sustainable Development (2015)⁵,
- having regard to the study ‘The EU’s Trade Policy: from gender-blind to gender-sensitive?’ from the European Parliament Policy Department,
- having regard to the Fourth Report of the Independent Expert on ‘The promotion of a democratic and equitable international order’ – note by the UN Secretary-General to the General Assembly of 5 August 2015 (A/70/285),
- having regard to its resolution of 25 November 2010 on corporate social responsibility in international agreements⁶,
- having regard to UN resolution 64/292, in which water and sanitation are explicitly acknowledged as human rights by the United Nations General Assembly and it is stated that clean drinking water and sanitation are essential to the realisation of all human rights,
- having regard to its resolution of 8 September 2015 on the follow-up to the European Citizens’ Initiative Right2Water⁷,
- having regard to its resolution of 25 October 2010 on human rights and social and environmental standards in international trade agreements⁸,
- having regard to its resolution of 8 November 2010 on international trade policy in the context of climate change imperatives⁹,

¹ OJ L 303, 31.10.2012, p. 1.

² <http://mneguidelines.oecd.org/text/>

³ <http://www.oecd.org/daf/inv/mne/GuidanceEdition2.pdf>

⁴ (SWD(2015)0144) of 14 July 2015 http://ec.europa.eu/growth/tools-databases/newsroom/cf/itemdetail.cfm?item_id=8374

⁵ http://unctad.org/en/PublicationsLibrary/webdiaepcb2015d3summary_en.pdf

⁶ OJ C 99E, 3.4.2012, p. 101.

⁷ Texts adopted, P8_TA(2015)0294.

⁸ Texts adopted, P7_TA(2010)0434.

⁹ Texts adopted, P7_TA(2010)0445.

- having regard to the study on ‘Gender Mainstreaming in Committees and Delegations of the European Parliament’, published in 2014 by European Parliament Policy Department C,
 - having regard to Human Rights Council resolution 26/9, whereby it decided ‘to establish an open-ended intergovernmental working group on transnational corporations and other business enterprises with respect to human rights, whose mandate shall be to elaborate an international legally binding instrument to regulate, in international human rights law, the activities of transnational corporations and other business enterprises’¹,
 - having regard to the EU’s reformed GSP set out by Regulation (EU) No 978/2012,
 - having regard to the Report from the Commission to the European Parliament and the Council entitled ‘Report on the Generalised Scheme of Preferences during the period 2014 – 2015’ (COM(2016)0029),
 - having regard to the United Nations Guiding Principles on Business and Human Rights, the revised OECD Guidelines for Multinational Enterprises, the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, the framework of the International Integrated Reporting Council, the ten principles of the United Nations Global Compact, and the ISO 26000 Guidance Standard on Social Responsibility,
 - having regard to France’s draft law on ‘due diligence’ advancing the UN Guiding Principles on Business and Human Rights, and the statement made by President Juncker at the 2015 G7 summit,
 - having regard to the project ‘Realising Long-term Value for Companies and Investors’, being undertaken in the framework of the UN Principles of Responsible Investment and the UN Global Compact,
 - having regard to Rule 52 of its Rules of Procedure,
 - having regard to the report of the Committee on International Trade and the opinions of the Committee on Foreign Affairs, the Committee on Development, the Committee on Employment and Social Affairs and the Committee on Women’s Rights and Gender Equality (A8-0217/2016),
- A. whereas Parliament issued recommendations to the Commission relating to social and environmental standards, human rights and corporate responsibility in 2010; whereas a number of these recommendations have been implemented, while others have not;
- B. whereas Parliament acts as a co-legislator with respect to measures defining the framework for implementing the Union’s CCP; whereas Parliament’s consent is required for the ratification of every trade agreement negotiated by the Union; whereas the implementation of Parliament’s recommendations is therefore necessary to ensure the success of any initiative undertaken by the Commission in the field of the CCP;
- C. whereas trade plays a powerful role in promoting business opportunities, creating

¹ A/HRC/RES/26/9: <http://www.ihrb.org/pdf/G1408252.pdf>

prosperity and increasing employment, as well as in driving economic development, social progress, living standards, quality of life and the long-term improvement of human rights standards ;

- D. whereas the EU underlines its firm commitment to promote sustainable development as reaffirmed in its ‘Trade for All’ strategy, as well as human rights and good governance, through incentive-based means such as GSP+ and preferential market access provisions in countries committed to implementing core international conventions in those areas;
- E. whereas the EU has the ability to contribute positively to greater respect for human rights (HR) and sustainable development globally through its trade policy; whereas the Commission has to pursue its actions with this objective in mind; whereas trade and investment agreements have an effect on human rights and sustainable development, and should therefore be designed in such a way as to support social and environmental progress, guaranteeing that European standards cannot be compromised, safeguarding human rights and ensuring compliance with social and environmental rules;
- F. whereas trade and foreign investment by international undertakings contribute to an increased commitment to human rights, social rights and workers’ rights in the countries where the undertakings operate;
- G. whereas Parliament’s contribution can be measured in terms of the effective implementation of its recommendations; whereas the implementation of the agreements must be monitored periodically to ensure compliance with the objectives and commitments enshrined in trade agreements, particularly those on protecting human rights;
- H. whereas, according to Article 208 of the TFEU, the EU and its Member States actually have a legal obligation to make their policies coherent with development objectives;
- I. whereas the Commission’s proposal for a new trade and investment strategy – ‘Trade for All’ – recognises the link between trade, human rights and social and environmental standards, and insists on the need to make those rights and standards an integral part of the Union’s economic and commercial relations;
- J. whereas transnational global retailers and enterprises have a great deal of responsibility, on account of current production patterns, in improving labour conditions and wages in producer countries;
- K. whereas women’s rights are a constitutive part of HR; whereas gender equality falls within the scope of the chapters of trade agreements on sustainable development; whereas the specific impact of trade and investment agreements affects women and men differently owing to structural gender inequalities, and whereas sustainable and inclusive development, growth and trade agreements must include HR, including from a gender perspective;
- L. whereas the 2030 Sustainable Development agenda recognises the crucial impact of trade policies in implementing its goals by covering a number of policy areas such as rules of origin, food regulations, commodity markets and gender equality;

- M. whereas the potential of the GSP and GSP+ system to ensure the ratification and implementation of human and labour rights conventions in developing countries can be improved by linking economic incentives to the effective adoption and constant monitoring of the implementation of core human and labour rights conventions;
- N. whereas, following the Rana Plaza disaster, the EU, in cooperation with the Government of Bangladesh and the ILO, launched a Global Compact for Improvements in Labour Rights and Factory Safety in Bangladesh that seeks to improve labour, health and safety conditions for workers; whereas these efforts have led to greater public awareness as well as innovative solutions to tackle issues related to TSD, such as the Accord on Fire and Building Safety in Bangladesh;
- O. whereas a regulatory framework on the way corporations comply with HR obligations with respect to social and environmental standards is still lacking; whereas the private sector must contribute, alongside the public sector, to sustainable development; whereas companies must act in a socially and environmentally responsible manner; whereas the EU's new generation of trade and investment agreements comprise chapters on sustainable development that call on the parties to undertake to protect human rights, comply with social and environmental standards and ensure corporate social responsibility; whereas such chapters have displayed differences in their level of ambition in successive EU trade agreements; whereas the Commission is encouraged to pursue the highest level of ambition;
- P. whereas the Commission's 2015 'Trade for All' strategy makes TSD a priority for the EU; whereas in order for this strategy to give proper impetus to the TSD agenda, the Commission must now turn its much welcomed ambition into resolute and concrete action;
- Q. whereas the 'Realising Long-term Value for Companies and Investors' project being undertaken by the UN Principles for Responsible Investment and the UN Global Compact demonstrate that economic recovery in Europe and the world is compatible with, and mutually reinforcing to, principles of social justice, environmental sustainability and respect for human rights;
- R. whereas Article 207 of the Treaty on the Functioning of the European Union (TFEU) states that the EU's common commercial policy will be conducted in the context of the principles and objectives of the Union's external action;
- S. whereas Article 21 of the Treaty on European Union (TEU) reaffirms that the EU's external actions will be guided by the principles of democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms, respect for human dignity, the principles of equality and solidarity, and compliance with the UN Charter and international law;
- T. whereas the link between trade and human rights on the one hand and social and environmental standards on the other has become an integral part of the EU's economic and commercial relations; whereas the EU's human rights and democracy policy in third countries should continue to be mainstreamed through other EU policies having an external dimension, including trade policy; whereas the EU should use trade policy to further the aim of setting high global standards in the areas of human and social rights,

consumer protection and environmental issues;

- U. whereas trade policy and ambitious trade agreements are promoting and strengthening the global rules-based trading system; whereas human rights issues should also be taken into account prior to concluding trade negotiations in a sound and transparent manner; whereas the UN Guiding Principles on Business and Human Rights, together with all other relevant instruments including the promotion of corporate social responsibility, aim at fostering human rights provisions in relation to trade policy;
- V. whereas on 26 June 2014 the UN Human Rights Council adopted a resolution on the establishment of an intergovernmental working group with the task of launching a process leading to the introduction of an international legally binding instrument to regulate the activities of transnational corporations and other business enterprises in the framework of international law;
- W. whereas trade and human rights may reinforce each other, and the business community, while obliged to respect human rights, may also have an important role to play in offering positive incentives in terms of promoting human rights, democracy, environmental standards and corporate responsibility; whereas the EU has played a leading role in negotiating and implementing a number of initiatives for global responsibility which go hand in hand with the promotion and respect of international standards, among others social justice, environmental sustainability and respect for human rights; whereas the long-term positive impact on human rights of European businesses operating globally and leading by example through a non-discriminatory corporate culture is acknowledged; whereas strengthening trade relations based on the protection and enforcement of human rights enhances mutual understanding and common values such as the rule of law, good governance and respect for human rights;

General principles

1. Calls on the Commission and Member States to incorporate a gender-mainstreaming approach into all their policies, including trade policy, and to guarantee inter alia effective compliance with the Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW); calls on the Commission to take aspects related to gender equality into account in its impact assessment of the EU trade strategy, in respect of women's rights, and calls on the Commission to assess existing trade and investment agreements systematically in order to identify their consequences on gender equality;
2. Calls on the Commission to ensure greater coherence with respect to development, to ensure effective policy assessment and coordination between development aid and trade policy, and to strive to ensure that all stakeholders comply with international standards on human rights, gender equality, labour law and respect for the environment;
3. Calls on the EU to play an active role in achieving the 17 Sustainable Development Goals (SDGs) contained in the 2030 Agenda for Sustainable Development, adopted by the United Nations General Assembly at its 70th session;
4. Calls on the EU and the Member States to promote binding measures to ensure that companies pay taxes where economic activities take place and value is created, to

promote compulsory country-by-country reporting by the private sector as recommended by the OECD, and to promote good governance notably in tax matters and effective tax collection; calls furthermore on the Commission and Member States to ensure that this issue is given priority on the agenda in its policy dialogue (at political level on development and on trade) and to support the role of civil society in ensuring public scrutiny of tax governance and monitoring of cases concerning tax fraud; believes that a business's tax policy should be considered part and parcel of CSR and consequently that socially responsible behaviour leaves no room for strategies aimed at evading tax or exploiting tax havens.

5. Recognises that access to common goods such as water, healthcare and education is an important reflection of a country's capacity to guarantee human and social rights;
6. Stresses that the EU's long-term record in accounting for social and environmental issues within the context of its trade diplomacy is already ahead of other major global trade players; underlines that the human rights engagements of our trading partners provide a solid basis for ongoing dialogue, cooperative processes and progressive improvements in the long-term;
7. Stresses the importance of trade and foreign investment as important tools to achieve economic growth, sustainable development, good governance and the protection of human rights;
8. Recalls that trade and foreign direct investment increase prosperity in poorer countries; recalls that there is a by no means negligible connection between increased prosperity and better protection of human rights, social rights and workers' rights and strong environmental protection;
9. Recalls that the EU is committed to the coherent promotion of and respect for human rights and democracy in its relations with third countries in all its policies, including trade policy, and in all its relevant external financing instruments;
10. Recommends, therefore, that the EU's trade strategy be a tool for the promotion of democratic values in third countries; welcomes, therefore, the enhancement of trade agreements and trade preference programmes as levers to promote human rights, eliminate forced and child labour, and ensure food security and the rights to health, sustainable development and high safety and environmental standards, as well as economic opportunities for all;

Human rights, environmental and social standards at multilateral level

11. Stresses how important it is for the EU to build cooperation at multilateral level and therefore reiterates its call to the Commission to take a leading role in the reform of WTO governance, in particular with respect to achieving the following objectives:
 - (a) to strengthen effective cooperation and regular dialogue between the WTO and the relevant UN agencies, notably the High Commissioner for Human Rights, the UN Conference for Trade and Development and the International Labour Organisation, in particular by granting the ILO observer status in the WTO and by involving it in trade disputes related to breaches of international human rights and labour conventions; considers that the ILO should continue to be involved in negotiations

- on bilateral, multilateral and plurilateral trade agreements,
- (b) to reform WTO trade policy review mechanisms to include the social, environmental and HR dimensions based on the ILO, UN human rights and Multilateral Environmental Agreements (MEAs) guidelines, and to promote sustainable development, in particular through the setting up of a Committee on Trade and Decent Work at the WTO alongside the existing Committee on Trade and Environment, as requested in its recommendations of 2010,
 - (c) to assess the extent to which the WTO's Committee on Trade and Environment has fulfilled its remit as set out in the WTO Ministerial Decision on Trade and Environment taken at Marrakesh on 15 April 1994 and its conclusions as to what more needs to be done, particularly in the context of the global dialogue on climate change mitigation and adaptation and the WTO, as originally requested by Parliament,
 - (d) to engage constructively in the UN Working Group for a treaty process on business and human rights following the study on dealing with gross corporate violations of human rights through judicial remedy which was conducted by the Office of the High Commissioner for Human Rights;
12. Calls on the Commission to actively promote further reforms of the WTO in order to define multilateral rules for the sustainable management of global supply chains in a responsible way, which should in particular include:
- (a) effective and enforceable supply chain due diligence and transparency requirements, building from the UN Guiding Principles for Business and Human Rights,
 - (b) health and safety standards, recognising in particular the right of workers to safety committees,
 - (c) a social protection floor,
 - (d) respect for ILO core labour standards;
13. Reiterates its request to ensure that any measure adopted by a Party in the framework of the Paris Agreement or relating to any of the principles or commitments contained in Articles 3 and 4 of the UNFCCC will be secured also by providing legally sounder protection of the right to regulate in trade agreements;
14. Urges the Commission to speed up progress towards the development of schemes differentiating among products according to their process and production methods (PPMs) and sustainability criteria within the framework of trade agreements;
15. Calls on Member States to step up their efforts to honour their commitment to phase out subsidies for fossil fuels in line with the G20 commitment;
16. Believes that trade policy could make a greater contribution towards energy transition and that EU trade instruments should foster the emergence and development of renewable energies and the development of green goods and technologies in Europe; acknowledges the Commission's efforts to negotiate a plurilateral agreement on green

goods (the Environmental Goods Agreement - EGA) and calls for these negotiations to produce an ambitious and balanced agreement; asks the Commission, in the framework of the EGA negotiations, to develop quantitative or qualitative criteria to identify 'green goods' and to promote a credible and transparent methodology in the EGA negotiations; further calls on the Commission to take due account of factors influencing trade in green goods, such as anti-dumping policies in the renewable energy sector, intellectual property regimes, tight financing programmes and national environmental policies that create the demand for such goods;

Human rights, environmental and social standards at bilateral level

17. Welcomes the Commission's decision to carry out ex ante and ex post sustainability impact assessments (SIAs) for all trade agreements in accordance with the 'Guidelines on the analysis of human rights impact assessments for trade-related policy initiatives'; calls, in this regard, on the Commission:
 - (a) to apply the guidelines in developing SIAs for all current and future negotiations;
 - (b) to also reflect in these SIAs the guiding principles developed by the UN Special Rapporteur on the right to food;
 - (c) to take into account the impact of trade and investment agreements on particularly vulnerable people such as those who belong to a minority group, or are geographically isolated, poor or socially excluded; draws attention also, in this connection, to the commitment given by the Commission to assess the impact of free-trade agreements on the EU's outermost regions;
 - (d) to ensure proper involvement of SCOs and social partners in the development of SIAs and to involve Parliament at every stage in this process;
 - (e) to take the findings of such assessments fully into account during negotiations;
 - (f) to ensure the timely publication of SIAs in order to inform negotiating positions before they are formulated, to inform the public and to enable elected representatives to properly assess any proposed agreement;
18. Firmly demands that HRIAs and sustainability impact assessments (SIAs) become binding and begin at an early stage in order to inform negotiating positions even before they are formulated;
19. Acknowledges the conclusions of the European Ombudsman concerning the Commission decision to finalise the agreement with Vietnam before the conclusion of the human rights impact assessment and urges the Commission to conduct that assessment at the earliest opportunity on the basis of the new methodology in order to allow Parliament to take an informed decision;
20. Reiterates its support for human rights conditionality in trade agreements and recalls the importance of respecting and implementing human rights clauses; welcomes the Commission and Council's efforts to insert such legally binding HR clauses into all trade and investment agreements in accordance with the common approach and requests the publication of the Council's common approach; notes that HR clauses have not been included in all EU agreements and calls for the ongoing trade negotiations with the

EU's other partners, particularly those on TTIP, to ensure the inclusion of a legally binding human rights clause;

21. Considers however that current clauses have had a limited impact on the fulfilment of HR obligations and commitments; calls therefore on the Commission and the Council to implement the following adjustments:
 - (a) the inclusion of trade safeguard provisions to preserve each agreement party's capacity to meet its HR obligations in the areas in which it is primarily responsible in cases of proven breaches of the provisions of the human rights clauses,
 - (b) regular in-depth monitoring of the implementation of human rights clauses in trade and association agreements, in particular through the publication of regular joint reports from the Commission and the EEAS to Parliament on partner countries' respect for human rights and through the establishment of an inter-institutional committee,
 - (c) to consider the inclusion of a committee for human rights in all EU trade agreements in order to ensure serious and systematic follow-up on human rights issues in relation to the agreement; recalls in this connection the importance of involving the public in negotiations to ensure transparency;
 - (d) to ensure that the EU has a domestic legal remedies system which permits complaints in cases of non-respect of trade agreements and human rights clauses;
22. Recalls the request made in its resolution of 2010 that each EU trade agreement, whether bilateral or plurilateral, should include comprehensive, enforceable and ambitious Trade and Sustainable Development (TSD) chapters; highlights the discrepancies displayed by TSD chapters in the various EU trade agreements; calls therefore on the Commission to uphold the highest level of consistency in all trade negotiations and to introduce TSD chapters with the following features:
 - (a) a commitment by each of the parties to ratify and to effectively implement the eight core and four priority ILO Conventions as well as the international multilateral environmental agreements;
 - (b) coverage of human rights clauses and TSD chapters by the general dispute settlement on an equal footing with the other parts of the agreement as requested in the 2010 recommendations to ensure compliance with human rights and social and environmental standards;
 - (c) the possibility to appeal and seek redress through a complaints procedure for social partners and civil society;
 - (d) effective deterrent measures, including in the form of monetary remedies, in the event of serious, proven breaches of the provisions of the agreement's chapter on sustainable development; such measures could be implemented through a temporary slowing down, reduction or even suspension of certain trade benefits provided under the agreement in the event of an aggravated, continuous breach of these standards as a measure of last resort, and the introduction of action plans with our partners could help remedy non-compliance with certain commitments made in trade and investment agreements;

23. Reiterates its request for sustainable development forums or advisory groups to be set up at the various stages of drafting, negotiating and implementing an agreement; recalls the need for all Domestic Advisory Groups (DAGs) to be fully independent and to have access to adequate resources; takes notes of the criticisms often voiced by some participants in DAGs set up by the EU under existing trade agreements that their deliberations have no practical impact and proposes that the Commission implement the following measures:
- (a) to set up a reporting system that enables Parliament to assess the work of the advisory groups;
 - (b) to respond systematically in a concrete manner to concerns raised by EU DAGs and to follow up on initiatives proposed by EU SCOs and social partners in this framework;
 - (c) to lay out basic logistical provisions in TSD chapters to enable effective implementation, as these aspects have in some cases proven to be serious hurdles, as well as related accompanying measures such as technical assistance and cooperation programmes;
24. Calls for increased transparency and accountability for grassroots organisations in the formulation of international trade rules and national trade policies, while ensuring consistency with regard to respect for workers' rights and human rights, including women's rights;
25. Calls on the Commission to involve Parliament more closely in the process of monitoring the implementation of trade and investment agreements with regard to compliance with human rights and social and environmental standards and calls on the Council to consult Parliament on any decisions to revise or even suspend the application of an agreement if this is necessary;

Human rights, environmental and social standards at unilateral level

26. Welcomes the entry into force of the new Generalised Scheme of Preferences (GSP) (Regulation (EU) No 978/2012) on 1 January 2014 and the publication of the first GSP monitoring report for the period 2014-2015; takes the view that trade policy must be a way to encourage the EU's partner countries to adopt higher social and environmental standards and therefore calls on the Commission to implement the following corrective measures:
- a) to clarify, either through a delegated act or through the forthcoming revision of Regulation 978/2012, the definitions of a 'serious failure to effectively implement' an international convention and 'serious and systematic violation of principles' contained in an international convention,
 - b) to seek the views of all relevant monitoring bodies in order to better assess compliance with the international conventions referred to in the GSP Regulation; in particular to focus its assessment on the views expressed by the ILO's Committee of Experts on the Application of Conventions, with respect to both granting and suspending trade preferences in accordance with the GSP Regulation;

- c) to enhance, in the forthcoming revision of Regulation (EU) 978/2012, the monitoring of commitments undertaken by beneficiary countries; social partners and CSOs should be given a formal role in GSP and GSP+ monitoring, in particular through a procedure to hear and respond to concerns addressed to the Commission;
 - d) to also include in the revision, as requested in 2010, CSR in the GSP Regulation in order to ensure compliance by transnational corporations with national and international legal obligations in the areas of human rights, labour standards and environmental rules; e) to monitor and assess developments related to the implementation and effectiveness of the Everything But Arms (EBA) and standard GSP arrangements and to report back to the European Parliament;
27. Supports the commitment made by the Commission to work towards the elimination of child labour; welcomes the adoption of a Staff Working Document and reiterates its request from 2010 for a balanced and realistic proposal for legislation, including measures such as labelling child-labour-free products, trade preferences given to countries that meet certain labour standards and horizontal import prohibitions for products made using child labour; stresses the importance of including the objective of combating forced labour and child labour in TSD chapters of EU trade agreements alongside the other 6 fundamental ILO conventions, as well as the EU's engagement in international discussions at the WTO, OECD and ILO level to advance its multilateral dimension;
28. Confirms its opposition to any direct or indirect provision affecting trade in energy-related services that would allow for technological neutrality of subsidies; calls on the Commission and Member States to take serious account of the fact that the rising CO2 emissions from international trade undermine the European Climate Strategy, and emphasises that shifting to local production and consumption patterns can contribute to achieving the Paris Agreement's objectives;
29. Recalls the intrinsic link between climate change and deforestation caused by unsustainable and illegal commodities extraction; calls on the Commission to guarantee the effective implementation and enforcement of FLEGT and EUTR, including the obligation to legality in timber supply chains;
30. Welcomes the Commission's decision to initiate a feasibility study for a European Action Plan on Deforestation and Forest Degradation;

Corporate social responsibility (CSR)

31. Recalls Parliament's request from 2010 to include CSR in all EU trade agreements and provisions for greater enforcement, notably the possibility for the Commission to carry out investigations into alleged breaches of CSR commitments and the development of EU contact points building on and strengthening the OECD contact points; asks the Commission to step up its efforts towards achieving compliance by companies, throughout their supply chains, and full respect for ILO core labour standards and internationally recognised CSR standards, in particular the recently updated OECD Guidelines for Multinational Enterprises, the ten principles of the United Nations Global Compact, the ISO 26000 Guidance Standard on Social Responsibility, the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, and the United Nations Guiding Principles on Business and Human Rights, in

particular in the clothing and extractive industries, in which the risks of human rights and social standards infringements are more common; draws attention to the Sustainability Compact launched by the Commission together with Bangladesh, the ILO and the United States following the Rana Plaza disaster in 2013; stresses the importance of continuing to pursue the pact's sustainability objectives in order to improve workers' rights, as well as the need for more responsible management of supply chains at international level; calls on the Commission to pursue similar programmes and measures with other EU trade partners;

32. Believes it is crucial to continue efforts to adhere to the OECD Declaration on International Investment and Multinational Enterprises, ensuring that the Guidelines are specifically cited in all new agreements between the EU and third countries and moving from a 'passive' to an 'active' approach as regards their implementation; calls on the Commission to ensure transparency with regard to access to information on the conduct of enterprises and to introduce an effective and enforceable reporting system which provides information on product value chains; recalls its position from 2010 to request companies to publish their CSR balance sheets and all undertakings to show due diligence; urges the Commission to update its strategy on CSR to establish stronger reporting and compliance requirements and ensure more effective implementation of the UN Guiding Principles on Business and Human Rights, and urges the Member States to endorse the promotion of CSR in trade agreements;
33. Calls for the EU to set up CSR dialogue platforms bringing together civil society, businesses, international organisations and other stakeholders;
34. Invites the Commission to apply the emerging results of the 'Realising Long-term Value for Companies and Investors' project being undertaken by the UN Principles for Responsible Investment and the UN Global Compact to its own European Fund for Strategic Investments and to its dialogue with investors when negotiating trade agreements, and to support the concept of a 'Sustainable Capital Markets Union' through supporting sustainable trade;
35. Recalls that the ILO Tripartite Declaration of Principles concerning multinational enterprises and social policy, the ILO Decent Work Agenda and the labour elements of the OECD Guidelines for Multinational Enterprises are core texts in relation to corporate social responsibility; requests the Commission to follow up on OECD and UN initiatives by incorporating recently and newly developed international standards into EU legislation and to promote balanced and comprehensive policy recommendations, including a strong sustainable development dimension on global value chains, at the July 2016 meeting of G20 Trade Ministers in Shanghai;
36. Recalls that the EU is the world's leading actor in terms of National Action Plans for CSR; calls on the Commission to actively promote responsible business conduct amongst EU companies operating abroad, with a special focus on ensuring strict compliance with all their legal obligations stemming from either domestic laws or any bilateral or international legal obligations that their business operations are subject to therein – not least compliance with international standards and rules in the areas of human rights, labour and the environment; further suggests, to achieve this aim, that the Commission actively engages with its partner countries in the exchange of best

practices and know-how on ways and means to improve the business environment and awareness concerning responsible business conduct;

37. Notes that the CSR agenda must be adapted to the specific needs of regions and countries in order to contribute to improving sustainable economic and social development;
38. Calls on the Commission to take trade and investment measures involving the award of labels, the granting of preferential access to EU public contracts and the implementation of SME support programmes that will encourage and reward companies introducing CSR strategies;
39. Strongly welcomes the inclusion of human rights reporting by large businesses in the EU Non-financial Reporting Directive; calls on the EU Member States to transpose the Directive swiftly and effectively; draws attention to the UN Guiding Principles Reporting Framework, the Corporate Human Rights Benchmark and the objective of 'integrated reporting', and calls on all EU listed companies and their stakeholders to comply with the spirit of the Directive within the EU and when trading outside the EU;
40. Calls for the EU and the Member States to engage actively in the work of the UN's Human Rights Council and of the UN Environment Programme (UNEP) on an international treaty to hold transnational corporations accountable for HR abuses and violations of environmental standards;
41. Stresses that the effective implementation of these recommendations constitutes a crucial element in Parliament's assessment of trade agreements negotiated by the Commission; requests a detailed and timely response from the Commission to all the items raised in this resolution;
42. Instructs its President to forward this resolution to the Council and the Commission, and to the governments and parliaments of the Member States.

OPINION OF THE COMMITTEE ON FOREIGN AFFAIRS

for the Committee on International Trade

on the implementation of the 2010 recommendations of Parliament on social and environmental standards, human rights and corporate responsibility (2015/2038(INI))

Rapporteur: Godelieve Quisthoudt-Rowohl

SUGGESTIONS

The Committee on Foreign Affairs calls on the Committee on International Trade, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- having regard to the United Nations Guiding Principles on Business and Human Rights, the revised OECD Guidelines for Multinational Enterprises, the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, the framework of the International Integrated Reporting Council, the ten principles of the United Nations Global Compact, and the ISO 26000 Guidance Standard on Social Responsibility,
 - having regard to France’s draft law on ‘due diligence’ advancing the UN Guiding Principles on Business and Human Rights, and the statement made by President Juncker at the 2015 G7 summit,
 - having regard to the project ‘Realising Long-term Value for Companies and Investors’, being undertaken in the framework of the UN Principles of Responsible Investment and the UN Global Compact,
- A. whereas Article 207 of the Treaty on the Functioning of the European Union (TFEU) states that the EU’s common commercial policy will be conducted in the context of the principles and objectives of the Union’s external action;
- B. whereas Article 21 of the Treaty on the European Union (TEU) reaffirms that the EU’s external actions will be guided by the principles of democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms, respect for human dignity, the principle of equality and solidarity, and compliance with the UN Charter and international law;

- C. whereas the link between trade and human rights on the one hand and social and environmental standards on the other has become an integral part of the EU's economic and commercial relations; whereas the EU's human rights and democracy policy in third countries should continue to be mainstreamed through other EU policies having an external dimension, including trade policy; whereas the EU should use trade policy to further the aim of setting high global standards in the areas of human and social rights, consumer protection and environmental issues;
- D. whereas trade policy and ambitious trade agreements are promoting and strengthening the global rules-based trading system; whereas human rights issues should also be taken into account prior to concluding trade negotiations in a sound and transparent manner; whereas the UN Guiding Principles on Business and Human Rights, together with all other relevant instruments including the promotion of corporate social responsibility, aim at fostering human rights provisions in relation to trade policy;
- E. whereas on 26 June 2014 the UN Human Rights Council adopted a resolution on the establishment of an intergovernmental working group with the task of launching a process leading to the introduction of an international legally binding instrument to regulate the activities of transnational corporations and other business enterprises in the framework of international law;
- F. whereas trade and human rights may reinforce each other, and the business community, while obliged to respect human rights, may also have an important role to play in offering positive incentives in terms of promoting human rights, democracy, environmental standards and corporate responsibility; whereas the EU has played a leading role in negotiating and implementing a number of initiatives for global responsibility which go hand in hand with the promotion and respect of international standards, among others social justice, environmental sustainability and respect for human rights; whereas the long-term positive impact on human rights of European businesses operating globally and leading by example through a non-discriminatory corporate culture is acknowledged; whereas strengthening trade relations based on the protection and enforcement of human rights enhances mutual understanding and common values such as the rule of law, good governance and respect for human rights;
1. Recalls that the EU is committed to the coherent promotion of and respect for human rights and democracy in its relations with third countries in all its policies, including trade policy, and in all its relevant external financing instruments;
 2. Recommends, therefore, that the EU's trade strategy be a tool for the promotion of democratic values in third countries; welcomes, therefore, the enhancement of trade agreements and trade preference programmes as levers to promote human rights, eliminate forced and child labour, and ensure food security and the rights to health, sustainable development and high safety and environmental standards, as well as economic opportunities for all;
 3. Welcomes the new 'Trade for all Strategy', as well as the reference to corporate social responsibility now included in all the EU's trade and other bilateral agreements; calls on the EU to propose appropriate follow-up measures, such as a complaint mechanism, and to deal with possible shortcomings in trade and investment agreements, as well as to update its legislation on dual-use export controls;

4. Notes the Commission's efforts to fulfil its commitment to include human rights and economic, social and environmental issues in its impact assessment studies of legislative and non-legislative proposals, implementing measures and trade agreements; reiterates that impact assessments should lead to enhancement of the human rights protections and mechanisms established in trade agreements and policies; calls on the Commission, furthermore, to systematically carry out such human rights impact assessments as well as ex post impact assessments, and to improve their quality and comprehensiveness; is deeply concerned that the Commission did not carry out a human rights impact assessment for the EU-Vietnam Free Trade Agreement, and reiterates its support for a comprehensive assessment of Vietnam, including human rights, to be conducted as part of the ex post evaluation of that agreement and as a follow-up to the Sustainability Impact Assessment launched in 2009; welcomes all coordination efforts at international level, especially with the office of the UN High Commissioner for Human Rights, with a view to enforcing all international principles agreed on and conventions signed in the field of human rights;
5. Reiterates its support for the systematic introduction of human rights conditionality clauses in international agreements, including trade agreements between the EU and third countries; highlights the need for a political will to enforce commitments made by third countries; calls on the Commission to report regularly on the implementation of the UN Guiding Principles on Business and Human Rights by all UN members; calls for those principles and other international corporate responsibility standards to be consistently invoked by EU representatives in human rights dialogues with third countries; calls on the EU to support civil society in third countries in contributing to impact assessments;
6. Calls, furthermore, on the Commission to systematically monitor the implementation of the human rights clauses and to report regularly to Parliament on partner countries' respect for human rights; also calls on the Commission to establish the necessary safeguards with a view to addressing possible negative human rights impacts of trade agreements, and to take into account the input provided by domestic advisory groups and joint consultative committees, as well as to set up adequate monitoring, complaints and enforcement mechanisms so as to ensure that companies and investors respect human rights;
7. Welcomes the Commission's efforts to support the implementation of the UN's Guiding Principles for Business and Human Rights, the UN Global Compact, the revised OECD Guidelines for Multinational Enterprises, the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, and the ISO 26000 Guidance Standard on Social Responsibility, and at the same time to encourage, assist and monitor compliance by all trading partners with these international principles; considers that the aspect of access to remedies should be enhanced in the national action plans and the EU strategy under the Guiding Principles; reiterates the importance of the effective implementation of those principles and of the Global Compact; welcomes the work so far of the Intergovernmental Working Group (IGWG), and encourages all UN members, including EU Member States, to engage constructively in the negotiations; welcomes the study on dealing with gross corporate violations of human rights through judicial remedy which was conducted by the Office of the High Commissioner of Human Rights;
8. Welcomes the entry into force of the new Generalised Scheme of Preferences (GSP) (Regulation (EU) No 978/2012) on 1 January 2014; recalls that partner countries are

required to implement the 27 core international conventions on human rights and labour standards listed in the GSP Regulation; stresses that the Commission has to monitor and report on the implementation of these conventions by the GSP+ beneficiaries; calls for continuing the dialogue with GSP+ countries, since in this way the EU can have the most impact on the fight against human rights violations, and can be prepared to suspend GSP+ benefits in the most serious cases of such violations;

9. Welcomes the inclusion of human rights reporting by big companies in the EU Non-Financial Reporting Directive, and calls for its swift implementation; expresses its support for the OECD guidelines as a mean of enhancing human rights provisions in relation to trade; highlights, in this regard, the importance of transparency mechanisms and of judicial cooperation between countries; draws attention to the UN Guiding Principles Reporting Framework, the Corporate Human Rights Benchmark and the objective of 'integrated reporting', and calls on all stakeholders to comply with the above-mentioned directive;
10. Stresses that the EU's 'Trade for All' strategy commits it to 'reinforcing corporate social responsibility initiatives', and underlines that this must mean new forms of action at EU level, including agreeing on a new EU CSR Action Plan up to 2020;
11. Invites the Commission to apply the emerging results of the 'Realising Long-term Value for Companies and Investors Project', now being undertaken in the framework of the UN Principles of Responsible Investment and the UN Global Compact, to the EU's own European Fund for Strategic Investments (ESFI), to its dialogue with investors, and to supporting the concept of a 'Sustainable Capital Markets Union'.

RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

Date adopted	11.4.2016
Result of final vote	+: 44 -: 9 0: 3
Members present for the final vote	Lars Adaktusson, Michèle Alliot-Marie, Nikos Androulakis, Francisco Assis, Petras Auštrevičius, Amjad Bashir, Bas Belder, Goffredo Maria Bettini, Klaus Buchner, James Carver, Fabio Massimo Castaldo, Lorenzo Cesa, Javier Couso Permuy, Andi Cristea, Arnaud Danjean, Knut Fleckenstein, Eugen Freund, Iveta Grigule, Richard Howitt, Sandra Kalniete, Tunne Kelam, Afzal Khan, Eduard Kukan, Ilhan Kyuchyuk, Ryszard Antoni Legutko, Arne Lietz, Barbara Lochbihler, Sabine Lösing, Andrejs Mamikins, Ramona Nicole Mănescu, David McAllister, Demetris Papadakis, Alojz Peterle, Tonino Picula, Kati Piri, Andrej Plenković, Cristian Dan Preda, Jozo Radoš, Sofia Sakorafa, Jean-Luc Schaffhauser, Helmut Scholz, Jaromír Štětina, Miguel Urbán Crespo, Ivo Vajgl, Elena Valenciano, Geoffrey Van Orden, Hilde Vautmans, Boris Zala
Substitutes present for the final vote	Antonio López-Istúriz White, Tokia Saïfi, György Schöpflin, Igor Šoltés, Bodil Valero
Substitutes under Rule 200(2) present for the final vote	Beatriz Becerra Basterrechea, Georgios Epitideios, Claudiu Ciprian Tănăsescu

OPINION OF THE COMMITTEE ON DEVELOPMENT

for the Committee on International Trade

on the implementation of the 2010 recommendations of Parliament on social and environmental standards, human rights and corporate responsibility
(2015/2038(INI))

Rapporteur: Lola Sánchez Caldentey

SUGGESTIONS

The Committee on Development calls on the Committee on International Trade, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Stresses that EU trade and investment policies are interlinked with social protection, development, human rights and environment policies; calls on the Commission to respect the principle of Policy Coherence for Development in all external policies and, specifically, to include it in all treaties in ways consistent with agreed international commitments to human rights, decent work, gender equality and environmental sustainability;
2. Recalls the 1986 UN Declaration on the Right to Development, which confirms the right to development as an inalienable human right; calls on the EU to respect, within the framework of the Universal Declaration of Human Rights, other internationally agreed treaties and the Sustainable Development Goals, the sovereignty of developing countries in line with the development principle of democratic ownership, as embedded in the development effectiveness agenda; stresses the importance of ensuring people's dignity and the obligations and duties of all investors, in order to guarantee internationally agreed social, environmental and human rights standards, while promoting effective cooperation with all development actors;
3. Calls on the EU to recognise the common, but differentiated, responsibility of developing countries, while ensuring equity when addressing the post-2030 Sustainable Development Agenda and the economic, social and environmental dimensions of sustainable development; recalls the EU's responsibility in guaranteeing partner countries' ownership and contribution to their own development, particularly as regards tax, trade and investment policies; in particular, stresses the need to rebalance global rules governing trade and investment with human rights obligations, so as to find the right balance between the rights and responsibilities of firms and governments;
4. Recalls that the implementation of the Decent Work Agenda (based on ILO Conventions

and recommendations) constitutes an essential part of the sustainable development strategies that can be applied by business enterprises; stresses in this context that social dialogue is a key criterion for business accountability;

5. Notes that the CSR agenda must be adapted to the specific needs of regions and countries in order to contribute to improving sustainable economic and social development;
6. At a time of increasing interest in the private sector as a development actor, views as regrettable the significant lack of adequate information and transparency as regards the actions of corporations and their impact on social and environmental standards and human rights; underlines the importance of an effective increase in the transparency and accountability of corporations and an independent ex-ante impact analysis prior to the signing of any international agreement, including trade agreements; calls, in the remit of EU trade agreements, for a strong monitoring and enforcement mechanism to effectively ensure corporations comply with social, environmental and human rights standards; calls on the European Union and its Member States to promote binding measures to ensure that multinational corporations pay taxes in the countries in which their profits are generated and to promote compulsory country-by-country reporting by the private sector, thus enhancing the domestic resource mobilisation capacities of countries;
7. Recalls that the incorporation of a human-rights-based approach should be at the heart of EU development policy; reiterates that, at a time when the use of blending as an EU development tool is growing, adherence to, and implementation of, internationally recognised guidelines and principles concerning business behaviour and their accountability instruments (namely the ILO Conventions and standards, including the ILO Declaration on Principles concerning Multinational Enterprises and Social Policy, the OECD Guidelines for Multinational Enterprises, the UN Global Compact and the Guiding Principles on Business and Human Rights) should become key conditions for the granting of private-sector support in development cooperation;
8. Deplores the fact that despite the unanimous endorsement of the UN Guiding Principles on Business and Human Rights by the Human Right Council in 2011, the number of human rights abuses linked to business activity continues to grow; calls on the Commission to conduct a report on the state of implementation on the UN Guiding Principles on Business and Human Rights;
9. Considers it regrettable that a regulatory framework for the way corporations comply with human rights standards and obligations with respect to social and environmental standards is still lacking, which allows certain states and companies to circumvent them with impunity; calls for the setting-up of a mandatory and enforceable regulatory framework to govern the way corporations comply with human rights and obligations with respect to social and environmental standards; regrets that current human rights clauses in free trade agreements and other economic partnership agreements are usually not respected; reiterates its call for the European Commission to be more committed to promoting binding and non-negotiable human rights and social and environmental clauses in the negotiation of international agreements;
10. Urges the Commission to further promote mandatory and enforceable initiatives for responsible mining, logging and sourcing of commodities, which may include private sustainability-bound schemes throughout the supply chain, and to step up environmental

and social product and process life cycle analysis, in order to improve consumer information and effectively ensure the accountability of companies;

11. Calls for the EU to follow UNCTAD's Comprehensive Investment Policy Framework for Sustainable Development recommendations in order to ensure responsible, transparent and accountable investments, so as not to undermine social and environmental standards, human rights, development and people's dignity, while guaranteeing respect for human rights, gender equality, decent work, union rights, environmental protection, social protection, universal access to quality goods and public services (paying particular attention to public and universal health coverage), social protection, universal access to medicines, and food and product safety;
12. In a context where existing standards, principles, and mechanisms for redress on business and human rights are fragmented in international law, welcomes the recent incorporation of human rights clauses into bilateral free trade agreements and other economic partnership agreements, as well as a chapter dealing with sustainable development; considers that these clauses pave the way for better cooperation between the EU and its partner countries; recalls the responsibility of the states to guarantee respect for and promotion of human rights; considering that there has been little progress in the implementation of the UN Guiding Principles, calls for the EU and its Member States to engage actively in the work of the UN Human Rights Council and the UN Environment Programme on an international treaty which would hold transnational corporations accountable for human rights abuses and violations of environmental standards.

RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

Date adopted	10.11.2015
Result of final vote	+: 14 -: 9 0: 0
Members present for the final vote	Beatriz Becerra Basterrechea, Ignazio Corrao, Doru-Claudian Frunzuliță, Nathan Gill, Charles Goerens, Enrique Guerrero Salom, Heidi Hautala, Maria Heubuch, Teresa Jiménez-Becerril Barrio, Linda McAvan, Norbert Neuser, Cristian Dan Preda, Lola Sánchez Caldentey, Elly Schlein, Pedro Silva Pereira, Davor Ivo Stier, Paavo Väyrynen, Bogdan Brunon Wenta, Rainer Wieland, Anna Záborská
Substitutes present for the final vote	Louis-Joseph Manscour, Paul Rübiger, Joachim Zeller

21.3.2016

OPINION OF THE COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS

for the Committee on International Trade

on implementation of the 2010 recommendations of Parliament on social and environmental standards, human rights and corporate responsibility
(2015/2038(INI))

Rapporteur: Tiziana Beghin

SUGGESTIONS

The Committee on Employment and Social Affairs calls on the Committee on International Trade, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Calls for observance of the ILO's eight core labour standards, the four ILO Priority Conventions for the industrialised countries and the relevant EU law to be included through a social clause in all bilateral and multilateral EU trade agreements and for these standards to be applied; considers it necessary to provide incentives for enterprises to commit to corporate social responsibility (CSR) and take proactive measures to identify and prevent any violation of human or environmental rights, corruption or tax evasion, including in their subsidiaries and supply chains; points to the importance of the observance of labour minimum standards in third countries and, calls on the Commission, therefore, to provide for monitoring mechanisms, with the involvement of the social partners; stresses the need to ensure not only ratification, but also effective implementation of the standards, which requires adequate staffing of labour inspectorates in line with ILO recommendations;
2. Recalls that the ILO Tripartite Declaration of Principles concerning multinational enterprises and social policy, the ILO Decent Work Agenda and the labour elements of the OECD Guidelines on Multinational Enterprise are core texts in relation to corporate social responsibility, and stresses that the Commission's Directorate-General for Employment (DG Employment) must continue to play a leading role in jointly coordinating the EU's CSR policy;
3. Calls on the Commission to follow up the EU renewed strategy for the period 2011-2014 in the field of CSR, giving due consideration to launching a public consultation;
4. Recalls the interplay of social and environmental standards, human rights, labour rights,

and development policy in EU external relations, and the important role the EU should play in promoting these rights and standards, particularly in external trade policy and agreements;

5. Emphasises that CSR has a long European tradition and that socially responsible businesses continue to set an example today;
6. Emphasises that, in addition to its impact at global level, CSR has an impact at local and regional level which must be acknowledged and fostered;
7. Believes that a business's tax policy should be considered part and parcel of CSR and that socially responsible behaviour consequently leaves no room for strategies aimed at evading tax or exploiting tax havens;
8. Calls for the ILO to be involved in the work of the WTO, by granting it observer status in the WTO and the right to speak at WTO ministerial conferences; considers that the ILO should also be involved in negotiations on bilateral and multilateral trade agreements; calls for CSR to be duly taken into account in trade policy at multilateral level, within the international fora fostering CSR, notably the OECD and ILO, as well as within the WTO;
9. Considers that closer cooperation at multilateral level will promote the achievement of genuine coordination between international organisations, which will, for example, enable the ILO to carry out independent experts' reports, so that labour and decent labour provisions are given due consideration in the WTO's activities, in order to avoid jeopardising social development;
10. Calls for a strengthening of the chapter on sustainable development in bilateral and multilateral agreements through the provision of a monitoring and reporting mechanism open to the social partners and for the establishment of accountability mechanisms in the event of non-compliance; believes that such a procedure should have consequences in the event of recorded violations of sustainable development rules or breaches of certain labour provisions and standards;
11. Requests that, in the next EU trade agreements with third countries, work safety and health take a more prominent place as part of the agenda on decent work; calls for EU technical support for the implementation of these provisions in order to ensure that they do not constitute a trade barrier;
12. Considers that more effective implementation of the UN Guiding Principles on Business and Human Rights is essential as a means of upholding core labour, social and environmental standards in workplaces;
13. Points to the need to include in the CSR new areas such as the organisation of work, equal opportunities and social inclusion, anti-discrimination measures, and the development of lifelong education and training; emphasises that CSR should cover, for example, quality of work, equal pay, career prospects and the promotion of innovative projects so as to assist the shift towards a sustainable economy;
14. Believes that social, environmental and human rights policies need to be promoted through the EU's various activities, including through bilateral agreements; notes, also,

that no EU policy should hinder policies implemented by states parties to bilateral agreements on sustainable development and respect for individual rights and freedoms laid down in the EU Charter of Fundamental Rights; calls, therefore, on the Commission to ensure that social, environmental and economic impact assessments and human rights impact assessments are carried out before negotiations, and that ex-post systematic monitoring and evaluation are applied; recalls that existing suspension clauses in bilateral agreements should be triggered in cases where serious infringements of agreed social, environmental and human rights objectives and/or standards are uncovered;

15. Calls on the Commission to respect and promote in all free trade agreements negotiated with non-EU countries high social standards in line with the ILO's Decent Work Agenda, which sets key objectives for ensuring dignified, stable and peaceful work environments and stresses the importance of social partner engagement in promoting this agenda in order to promote quality employment and decent jobs more effectively, to secure recognition and respect for the rights of workers, to extend social protection and to promote social dialogue; calls also on EU businesses to respect these core objectives both within the Union, and in dealings with non-EU actors;
16. Stresses that the European 'Trade for All' strategy commits the EU to 'reinforcing corporate social responsibility initiatives', and stresses that this must entail new action at EU level, including the adoption of a new EU CSR Action Plan up to 2020 and a mechanism in all new trade agreements not simply referencing CSR, business and human rights but introducing a follow-up and implementation mechanism in each case;
17. Calls on the Commission to engage proactively and constructively with the OECD and the ILO in order to develop a global approach to improving working conditions in the garment sector;
18. Calls on the Commission, when negotiating new trade agreements, e.g. those with Australia and New Zealand, to establish new standards on a bilateral basis for democratic, transparent fair trade agreements which can be recognised as milestones in a new global trade policy;
19. Recalls that the European Social Dialogue provides an integral opportunity for the social partners to address CSR issues, and encourages the negotiation of new framework agreements in particular sectors to advance CSR aims;
20. Stresses that EU institutions consider as a priority a business's record and proven commitment to sustainable and ethical conduct when awarding public procurement contracts, and urges contracting authorities to use these criteria in accordance with the procurements directives;
21. Stresses that CSR can play an important role in ensuring environmentally, socially and economically sustainable growth and labour standards and in preventing corruption both in the EU and around the world, especially if it includes adequate transparency standards and reliable accountability mechanisms; suggests that undertakings be held more accountable in this regard; urges the Commission to adopt a new strategy on CSR that establishes stronger reporting and compliance requirements, ensuring more effective implementation of the UN Guiding Principles on Business and Human Rights, and urges the Member States to endorse the promotion of CSR in trade agreements;

22. Continues to urge the Commission to ban all types of EU imports of goods and services using modern forms of slavery or forced labour, especially of vulnerable groups, or in violation of basic human rights;
23. Calls on the Commission to provide constructive support for entrepreneurs who make a commitment to CSR, to foster sustainable CSR partnerships worldwide, for example by means of active mediation, and to take executive measures to coordinate this work;
24. Calls on the Commission to create incentives and promote the uptake of CSR, which must complement and under no circumstances replace labour and environmental laws;
25. Welcomes the role of DG Employment and the Commission in convening the Member States' High Level Group on Corporate Social Responsibility and calls for increased dialogue and cooperation between EU institutions and Member States to promote the EU's corporate social responsibility strategy;
26. Strongly welcomes the labour elements of the social impact reporting requirements for big business incorporated in the Non-Financial Reporting Directive¹; calls on the Member States to transpose the directive swiftly and effectively; calls on all EU listed companies and their stakeholders to comply with the spirit of the directive, in order to pursue a more socially just and sustainable economy;
27. Notes the increasing attention given to promoting good employment practices through global supply chains following the Rana Plaza factory collapse, the introduction of the draft French law on 'due diligence' and the statement made by President Juncker at the G7 Summit in favour of 'urgent action' to improve responsibility in global supply chains;
28. Recalls the EU's continuing failure to address the justice gap in relation to the provisions of the UN Guiding Principles on Business and Human Rights on 'access to remedy' in extreme cases where there is a mass loss of life by workers, such as the Bhopal tragedy; calls for provisions to be brought forward to give European courts jurisdiction in such cases, where insufficient remedies are available in the third countries concerned;
29. Calls on the Commission, notably its Directorate-General for Justice, to put forward proposals to further facilitate access to justice in the EU Courts for the most extreme, egregious cases of human or labour rights violations by European-based businesses or their subsidiaries, subcontractors or business partners, as recommended by the UN Secretary-General's Special Representative on Business and Human Rights.

¹ Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups.

RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

Date adopted	16.3.2016
Result of final vote	+: 47 -: 4 0: 1
Members present for the final vote	Laura Agea, Guillaume Balas, Tiziana Beghin, Brando Benifei, Vilija Blinkevičiūtė, Enrique Calvet Chambon, David Casa, Ole Christensen, Jane Collins, Martina Dlabajová, Lampros Fountoulis, Elena Gentile, Thomas Händel, Rina Ronja Kari, Jan Keller, Ádám Kósa, Agnieszka Kozłowska-Rajewicz, Jean Lambert, Jérôme Lavrilleux, Jeroen Lenaers, Verónica Lope Fontagné, Javi López, Morten Løkkegaard, Dominique Martin, Anthea McIntyre, Joëlle Mélin, Elisabeth Morin-Chartier, Emilian Pavel, João Pimenta Lopes, Georgi Pirinski, Marek Plura, Terry Reintke, Sofia Ribeiro, Maria João Rodrigues, Claude Rolin, Anne Sander, Sven Schulze, Siôn Simon, Jutta Steinruck, Romana Tomc, Yana Toom, Ulrike Trebesius, Jana Žitňanská
Substitutes present for the final vote	Maria Arena, Georges Bach, Heinz K. Becker, Lynn Boylan, Karima Delli, Paloma López Bermejo, António Marinho e Pinto, Edouard Martin, Ivo Vajgl

3.12.2015

OPINION OF THE COMMITTEE ON WOMEN'S RIGHTS AND GENDER EQUALITY

for the Committee on International Trade

on implementation of the 2010 recommendations of Parliament on social and environmental standards, human rights and corporate responsibility
(2015/2038(INI))

Rapporteur: Malin Björk

SUGGESTIONS

The Committee on Women's Rights and Gender Equality calls on the Committee on International Trade, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- A. whereas trade agreements and trade liberalisation may affect women and men differently owing to structural gender inequalities in access to education, job opportunities, services, resources, or in income, their position as consumers, their representation in decision making, their presence in low skill positions, and in terms of different social rules applying to men and women;
- B. whereas gender equality as a strategic objective is essential for the achievement of general EU objectives; whereas the current EU Strategy for Equality between Women and Men (2010-2015) provides that the EU will integrate gender equality into its trade policy as part of a wider framework of sustainable development;
- C. whereas any measure improving workers' skills, employment stability, working conditions, unemployment insurance and benefits – such as paid leave, including parental leave, and healthcare – is likely to benefit women workers greatly, especially those in the most precarious conditions;
- D. whereas comprehensive and balanced trade agreements may have a positive impact on women's employment rate, contributing to growth and social cohesion; whereas according to Article 8 TFEU the gender dimension should be incorporated into all EU activities, including when negotiating trade agreements;
- E. whereas gender was not mentioned in Parliament's resolution of 25 November 2010 on corporate social responsibility (CSR) in international trade agreements;

- F. whereas the fifth objective of the Sustainable Development Goals is the achievement of gender equality by 2030;
 - G. whereas trade agreements should on no account weaken the progress made by the EU, or its Member States, in gender equality;
 - H. whereas abolishing barriers to investments in the form of legal rights, social standards, consumer protection and environmental regulations will lead to a ‘harmonisation’ towards lower labour standards, as well as privatisation of public services and the welfare sector, which will have a negative impact on gender equality;
 - I. whereas sustainable and inclusive development and growth must include gender equality and the empowerment of women and girls;
 - J. whereas trade liberalisation cannot be expected to eliminate gender inequalities on its own and needs specific tailored measures and economic resources in order to monitor the impact on women;
1. Calls for the binding application of the International Labour Organization’s (ILO) core labour standards and of its Decent Work Agenda, given that ILO standards are particularly relevant to improving gender equality because of their principles of non-discrimination on the grounds of sex and equal pay for men and women, as well as international environmental protection commitments in EU preferential trade agreements;
 2. Calls for a broad-based effective, continuous and transparent participation of not only women and women’s rights organisations and trade unions in particular, but also of environmental, consumer, labour, and development organisations, in trade consultations and negotiations as well as in trade policy-making and related implementation; encourages women and women’s organisations to participate actively and to put forward initiatives and information relevant to the negotiations;
 3. Calls for increased transparency and accountability for grassroots organisations in the formulation of international trade rules and national trade policies, while ensuring consistency with regard to respect for workers’ rights and human rights including women’s rights;
 4. Calls on the EU to ensure that trade policy does not overturn domestic regulations on social protection, consumer protection, public safety, public health and education, food safety, environmental protection and gender equality;
 5. Notes the inclusion of the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) in the list of conventions of the GSP+ scheme, and calls for thorough monitoring of the beneficiaries’ compliance with the obligations;
 6. Calls on the EU to systematically include binding, enforceable and non-negotiable human rights clauses, including girls’ and women’s rights, in the EU’s international agreements, including trade and investment agreements already concluded or to be concluded;
 7. Reiterates the importance of activating the suspension clause in international trade agreements in the event of human rights infringements by the other contracting party;

8. Recalls likewise the EU's commitment to mainstreaming gender in all its policies and the importance of guaranteeing that men and women benefit equally from social changes, economic growth and the creation of decent jobs, while eliminating discrimination and promoting respect for women's rights in the world;
9. Considers it regrettable that trade agreements are often negotiated without specific reference to their impact on women's and girls' rights such as the rights to health – and the associated rights, including to reproductive health – access to education, training, food, work, safe working conditions and water;
10. Calls on the Commission and the Member States to collect data and analyse in depth the potential specific impact thereof on the situation of women and girls, including in third countries, in order to increase coherence among different but interlinked policies, such as trade, development, employment, migration and gender equality;
11. Calls on the Commission, based on gender-equality benchmarks and resources, to conduct ex ante and ex post assessments of the impact of trade agreements on women and gender equality, as part of a broader human development impact assessment; stresses the need for sound and reliable data to evaluate the gendered impacts of different trade measures and instruments e.g. TTIP, TISA, CETA; calls for existing trade and investment agreements to be assessed thoroughly, systematically and compulsorily in order to identify any areas which may negatively affect gender equality;
12. Stresses that EU trade policy must ensure that the capacity of states to regulate and protect women's rights, as well as the environment, consumer rights and workers' rights, is not undermined, and that corporations and investors are held accountable to people and governments for their human rights, gender equality, social, environmental and development impacts;
13. Calls for in-depth impact analyses, from a human rights, climate, gender equality and sustainability perspective, on the outcome of multilateral and bilateral trade agreements negotiated between the EU and third countries;
14. Stresses that the EU, when negotiating trade agreements, should be concerned with not only improving global social and environmental standards and a fairer and equitable global model of trade, but also with promoting gender equality;
15. Regrets that gender perspectives have so far been largely neglected in the field of corporate social responsibility (CSR); calls on the Commission to mainstream gender into its policy on CSR, including in CSR clauses in international trade agreements through inclusive measures, e.g. for corporations to increase the representation of women in management positions at all levels and to support life-long learning and training for women at work, to ensure adequate work conditions and rights for women throughout their supply chains, and to avoid sourcing material from conflict areas where there is widespread gender-based violence;
16. Notes that the EU Strategy for equality between men and women has not taken due account of the gender dimension of EU trade policy; deplores the fact that the communication of 15 October 2015 on the new EU strategy for trade and investment failed to take due account of gender;

17. Highlights that alternative business models such as cooperatives, mutuals, and social enterprises play an important role at promoting gender equality, and advancing sustainable and inclusive development and growth; calls on the Commission and the Member States to facilitate and promote these alternative models across the EU, and in trade and development policy.

RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

Date adopted	3.12.2015
Result of final vote	+: 15 -: 8 0: 2
Members present for the final vote	Daniela Aiuto, Maria Arena, Catherine Bearder, Malin Björk, Anna Maria Corazza Bildt, Iratxe García Pérez, Anna Hedh, Mary Honeyball, Elisabeth Köstinger, Angelika Mlinar, Maria Noichl, Terry Reintke, Jordi Sebastià, Beatrix von Storch, Jadwiga Wiśniewska, Anna Záborská, Inês Cristina Zuber
Substitutes present for the final vote	Izaskun Bilbao Barandica, Eleonora Forenza, Mariya Gabriel, Julie Girling, Kostadinka Kuneva, Constance Le Grip, Dubravka Šuica, Julie Ward
Substitutes under Rule 200(2) present for the final vote	Kristina Winberg

RESULT OF FINAL VOTE IN COMMITTEE RESPONSIBLE

Date adopted	16.6.2016
Result of final vote	+: 30 -: 5 0: 1
Members present for the final vote	Laima Liucija Andrikienė, Tiziana Beghin, Daniel Caspary, Christofer Fjellner, Eleonora Forenza, Yannick Jadot, Ska Keller, Alexander Graf Lambsdorff, Bernd Lange, David Martin, Emmanuel Maurel, Emma McClarkin, Anne-Marie Mineur, Alessia Maria Mosca, Franck Proust, Tokia Saïfi, Marietje Schaake, Helmut Scholz, Adam Szejnfeld, Iuliu Winkler, Jan Zahradil
Substitutes present for the final vote	Goffredo Maria Bettini, Agnes Jongerius, Sander Loones, Bolesław G. Piecha, Fernando Ruas, Jarosław Wałęsa
Substitutes under Rule 200(2) present for the final vote	Georges Bach, Eider Gardiazabal Rubial, Carlos Iturgaiz, Jan Keller, Dominique Martin, Giulia Moi, Jozo Radoš, Dario Tamburrano, Hermann Winkler