



Joint Statement on Trade and Sustainable Development Chapters: Support for a More Assertive Partnership

Brussels, 18 October 2017

We, European business organisations representing various industries, signatories of this statement, are strong proponents of cooperation between the EU and partner countries in order to promote trade and sustainable development.

EU trade agreements deliver significant economic benefits and improve the livelihoods of people working in many sectors, including those of the signatories. In particular, the EU's FTAs present an opportunity to enlarge markets and improve regulatory coherence, and thereby expand trade and investment in economies, leading to more economic growth and employment in both Europe and the rest of the world, as well as enhanced competitiveness and productivity globally.

We stress that the intention of the Trade and Sustainable Development (TSD) chapter in trade agreements is to promote long-term cooperation to foster sustainability and promote international standards. It is not envisaged to provide instant solutions to complex issues that are not related to trade, and hence the emphasis must remain on engaging with partner countries in a continuous manner to help them develop and implement international standards and regulations.

In this respect, we welcome the European Commission's non-paper on "Trade and Sustainable Development chapters in EU Free Trade Agreements", and we want to voice our support for the Commission's proposed approach towards "A more assertive partnership on TSD" with partner countries. Considering that the new model of EU trade agreements was quite recently introduced, the first option outlined in the non-paper recognises that progress in the environment, labour and human rights takes time. Nevertheless, it also acknowledges that improvements to the current practice can be made, such as strengthening cooperation with international bodies and stepping up monitoring of TSD issues. The EU also has to make it clear that TSD chapters are an essential part of its FTAs, and that sanctions will be used as a last case scenario in cases of systematic abuse of human rights.

Therefore, we caution the Commission against the second option proposed in the non-paper, "a model with sanctions", which would include the possibility to apply sanctions in case of non-compliance with the TSD chapter. This option runs many risks that were outlined in the non-paper, not least the difficulty of proving trade injuries as a result of non-compliance with international standards. We wish to stress that this option would put the EU at risk of isolating itself, where partner countries might not be willing to engage with an excessively demanding EU.

In conclusion, we call on the EU to ensure that its trade policy still contributes to growth and sustainable development, both at home and abroad, and from our side, we will continue to fully support these activities.

Signatories:



The European Services Forum (ESF) is a private sector trade association that represents the interests of the European services industry in International Trade Negotiations in Services. It comprises major European service companies at the CEO level and European service sector federations covering service sectors such as financial services, tourism, telecommunications, maritime transport, business and professional services, distribution, postal and express delivery, IT services, environmental services and the audio-visual industry.



EuroCommerce is the leading representation of the retail, wholesale and international trade sectors in Europe. Its membership includes national commerce federations in 31 countries, Europe's 27 leading retail and wholesale companies, and federations representing specific sectors of commerce. Overall, it is the voice for six million retail, wholesale, and other trading companies.



Federation of the European
Sporting Goods Industry

The Federation of the European Sporting Goods Industry (FESI) is the representative body for the sporting goods sector in Europe. It represents some 1,800 companies either directly or indirectly through its 12 national federations and Special groupings. Moreover, FESI also represents the interest of its members vis a vis Sport Governing bodies such as UEFA. One of the main goals of FESI is to promote physical activity and fair and free trade world-wide.



Foreign Trade Association

The Foreign Trade Association (FTA) is the leading business association of global commerce that promotes the values of international trade and sustainable supply chains. FTA represents 2,000+ retailers, importers and brands to promote and defend international trade and supports their business by providing information and practical solutions towards sustainability in the global supply chain.