
STATEMENT ON TRADE AND SUSTAINABLE DEVELOPMENT CHAPTER IN TTIP

SGIs, core actors of sustainable development

On 6 November 2015 the European Commission released its proposal on the sustainable development chapter for the Transatlantic Trade and Investment Partnership (TTIP)¹. This chapter shall guarantee the commitment of both parties to pursue high environmental and labour standards. The proposal – which does not yet include any provisions on institutional and enforcement matters – has been tabled by the EU and discussed by both parties during the 11th round of negotiation in Miami. Earlier in October the European Commission also published its new Trade Strategy Trade for All².

In order to promote the labour and environment pillars of sustainable development, the European Commission commits to be ambitious and innovative on sustainable development chapters in Free Trade Agreements (FTAs), as well as to focus on its implementation. This shall include “far-reaching commitments on all core labour rights” in line with the core ILO Conventions and ILO Decent Work Agenda as well as “far-reaching commitments on environmental protection” in relation to multilateral environment agreements. The Commission further promises to be coherent across all relevant areas of FTAs.

CEEP welcomes these steps and commits to support their effective implementation. In order to shape a fair and sustainable globalisation, public services providers and employers gathered within CEEP strongly believe that trade policy has to follow the logics of sustainability which means an economic action taking into account social and environmental objectives. Overall, the EU should more effectively pursue the Sustainable Development Goals 2030 in its trade strategy.

In this context, CEEP would like to stress the importance of safeguarding the essential role played by services of general interest (SGIs). They play a key role in the realisation of the 2030 Goals and in making them a reality in the daily life of citizens and businesses. Thanks to the services provided, citizens have the possibility to become active in the labour market and enterprises have the possibility to reinforce their competitiveness. In many countries, not only in the EU, specific economic models exist to deliver affordable SGIs and guarantee universal access. The recognition of their role in trade agreements has been a core CEEP priority and is in turn also a condition to achieve sustainable development in its social, environmental and economic dimensions.

¹ http://europa.eu/rapid/press-release_IP-15-5993_en.htm

² <http://trade.ec.europa.eu/doclib/press/index.cfm?id=1381>

In order to promote sustainable development, CEEP believes that trade agreements should:

- Include binding and enforceable provisions to promote high environmental and labour standards in all future FTAs negotiated by the EU. Any attempt of social and environmental dumping should be prevented;
- Acknowledge the existence of market failures to respond to certain societal challenges and safeguard the role of SGIs;
- Consider and avoid any adverse effects on third countries;

All these considerations have to be taken into account beyond the Sustainable Development Chapter.

The contribution of Public service employers and providers

CEEP can bring a significant expertise and support to the implementation of the sustainable development chapter of FTAs. The principles underpinning sustainable development are at the core of the concerns and daily activities of public services providers and employers gathered within CEEP. Since 2008, CEEP awards enterprises and organisations providing SGIs with outstanding Corporate Social Responsibility commitments at the CEEP CSR Label³.

Enterprises providing public services are particularly committed to environmental and social objectives and typically combine them with economic and competitiveness concerns. First of all, their business culture puts services in the interest of the public at the centre of their values. Furthermore, they are active in sectors that are called to play a central role in the realisation of those objectives.

As a cross-sectoral social partner, CEEP is directly involved in shaping industrial relations and its members ensure the implementation of social and labour standards at the national level. CEEP is committed to reinforce employment levels in Europe, to achieve a better sustainability of social protection systems, to contribute to capacity building of social partners organisations wherever they are not strong enough and to actively shape and contribute to workers' protection in the workplace.

³ <http://www.ceepcsrlabel.eu/>

An ambitious sustainable development chapter for TTIP

There is a huge potential for TTIP to foster the values of sustainable development and set a standard for a renewed global trade policy which contributes to shaping a fair and sustainable globalisation. European and American investors must not only be granted with rights, but should also be subject to obligations in order to contribute to promote compliance with environmental and labour standards worldwide.

Parties need to take a strong commitment on the protection and the promotion of high labour and environmental standards. In this regard, the current EU textual proposal on trade and sustainable development is comprehensive referring to the core standards of the most important international environmental and labour agreements and declarations. In addition, TTIP should build on the Paris Agreement. Also, it is important that the EU proposes that parties commit to not lower their labour and environmental standards, while remaining free to define policies and measures that they feel appropriate. Finally, a close monitoring by and involvement of social partners and civil society will be essential to ensure the successful implementation of the sustainability chapter.

Specific comments on social aspects

Core standards of the International Labour Organisation (ILO) should be enshrined in FTAs. In particular, as cross-sectoral social partner at EU level, we believe that it is fundamental that trade agreements support and strengthen the important role of social dialogue. Working towards a better recognition of the different core ILO conventions and their protocols in trade agreements has the potential to foster upwards levels of protection and reinforce social protection systems. Therefore, CEEP welcomes that the EU proposes to promote trade and investment relations with the USA in a manner conducive to the realisation of the Decent Work Agenda as expressed through the 2008 ILO Declaration on Social Justice for a Fair Globalisation.

Specific comments on environmental aspects

TTIP should include a strong commitment on the adoption and effective implementation of core environmental agreements. In particular, parties should include the United Nations Framework Convention on Climate Change (UNFCCC) in the group of environmental agreements. They should specifically refer to the Paris Agreement concluded on 19 December 2015 and include strong wording on the effective implementation of its three building blocks: mitigation, adaptation and financing⁴.

⁴ CEEP Opinion 03/2015 on COP 21: http://www.ceep.eu/wp-content/uploads/2015/10/15opinion03_COP21.pdf