



**2018/2107(INI)**

22.1.2019

# **OPINION**

of the Committee on Foreign Affairs

for the Committee on International Trade

on the implementation of the GSP Regulation (EU) No 978/2012  
(2018/2107(INI))

Rapporteur for opinion: Pier Antonio Panzeri

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## 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:

- A. whereas Article 21 of the Treaty on European Union (TEU) sets out the EU's obligation to ensure consistency between the different areas of its external action, including its trade and human rights policies, thus mutually enhancing the potential effectiveness of these policies; whereas Article 3(5) TEU states that the EU shall contribute, *inter alia*, to sustainable development, the eradication of poverty and the protection of human rights;
  - B. whereas EU trade policy must help to promote the values for which the Union stands, set out in Article 2 TEU, and contribute to the pursuit of the aims listed in Article 21 TEU, including the consolidation of democracy and the rule of law, respect for human rights, fundamental rights and freedoms, equality, respect for human dignity and the protection of the environment and of social rights; whereas the Generalised Scheme of Preferences (GSP), GSP+ and Everything But Arms (EBA) systems can be essential tools which enable these values to be upheld, and whereas it is important that they are implemented and monitored effectively;
  - C. whereas in its resolution of 5 July 2016 on the implementation of its 2010 recommendations on social and environmental standards, human rights and corporate responsibility<sup>1</sup>, Parliament proposed: introducing corporate social responsibility into the GSP Regulation (hereinafter 'the Regulation'); ensuring that transnational corporations comply with human and labour rights; and reforming WTO rules to introduce supply chain due diligence and transparency requirements, building on the UN Guiding Principles for Business and Human Rights;
  - D. whereas the GSP has become an instrument of political leverage applied by the European Union and its Member States to garner the support of third countries for various aspects of their international agendas; whereas the European Union should promote different trading models based on equality between partners;
1. Asserts that GSP has proven to be an important tool for the promotion and protection of core human rights and the principles of sustainable development; welcomes the acknowledgement of the need to enhance transparency and accountability by the meaningful participation of civil society and other actors such as social partners, Parliament and the Council in monitoring the effective implementation of human rights commitments under the GSP+ scheme; calls for a structured monitoring mechanism to ensure compliance with the relevant GSP conventions, which should also apply to the GSP general arrangement and the EBA; calls on the Commission to consider more permanent structures for civil society involvement, such as by establishing joint oversight commissions or domestic advisory groups with the participation of local civil society, human rights defenders and trade union representatives;

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<sup>1</sup> OJ C 101, 16.3.2018, p. 19.

2. Recalls the importance of continued engagement with the relevant international organisations and monitoring bodies established under the relevant conventions, such as those of the International Labour Organisation (ILO), OECD and UN, and of supporting local civil society organisations which play a role in defending the interests of marginalised communities, including persons with disabilities;
3. Stresses that the monitoring and evaluation of GSP+ should take into account the reports of international monitoring bodies, such as the UN, the ILO and international NGOs, and their recommendations for each country under each convention, and should seek to ascertain that the Regulation is being implemented effectively;
4. Regrets the fact that the scorecards used for the monitoring of GSP+ beneficiary countries remain confidential; calls on the Commission to make GSP+ assessments for eligibility and the scorecards publicly available in order to increase the transparency and oversight of the scheme;
5. Acknowledges the fact that GSP+ plays an important role in promoting international labour rights, human rights, good governance and environmental protection standards in its beneficiary countries, by not only offering incentives to comply with these standards but also establishing a platform for regular dialogue in the areas covered by the conventions and promoting engagement in substantive reforms;
6. Recalls the potential of the GSP+ scheme to improve the situation with regard to human rights, sustainable development and good governance, including workers' rights, the abolition of child labour and forced labour, the promotion of gender equality, a restricted application of the death penalty that abides by all obligations laid down in international conventions, civil and political rights, freedom of religion and freedom of expression, and the protection of the environment; recalls that the scheme's full potential can only be fulfilled if reporting requirements and monitoring mechanisms for the effective implementation of the obligations under the 27 conventions required for the granting of trade preferences under GSP+ are improved and the incentive of trade preferences is accompanied by other support measures, based on all the information needed to assess compliance with the binding commitments; stresses the need for an impact assessment of human and labour rights, in consultation with civil society;
7. Calls on the Commission to work harder with beneficiary countries, the European External Action Service (EEAS), EU Delegations, Member States' diplomatic missions, international organisations, businesses, social partners and civil society, in order to improve its information gathering and provide more in-depth analysis of the monitoring exercise so that the implementation of all aspects of the system can be clearly evaluated;
8. Calls for ILO Convention 169 on Indigenous and Tribal Peoples to be included as one of the fundamental binding conventions that condition the granting of trade preferences;
9. Underlines the fact that progress at a legislative level has not yet been matched by progress at the level of implementation in many beneficiary countries;
10. Stresses that the local involvement of civil society organisations is essential in order to assert interests effectively, and calls on the Commission to examine objectively, and in a comparable manner, the shrinking space for civil society, and to address threats to

independent trade unions, risks and threats to human rights defenders and obstacles to EU funding to NGOs in scorecards and GSP+ dialogues, as these issues are directly related to legal obligations under the International Covenant on Civil and Political Rights and the relevant provisions of the ILO core conventions; urges the Commission, once again, to continue to fund civil society initiatives that monitor the implementation of this scheme;

11. Stresses that human rights defenders should be able to perform their task freely and unhindered and that the circumstances of their duties should be benchmarked in the assessment of GSP+ compliance;
12. Recommends, within the framework of the review of the Regulation, that the conventions currently listed under GSP+ be extended to EBA and GSP beneficiary countries; reiterates its call for the Rome Statute of the International Criminal Court to be included in the list of conventions required for GSP+ status;
13. Recalls the importance of establishing clear benchmarks pertinent to each country's problems and shortcomings in order to assess the effective implementation of the 27 international conventions and, as appropriate, of systematically including these benchmarks in the human rights country strategy papers with a view to ensuring policy coherence;
14. Calls for the establishment of an independent complaints mechanism and body within the GSP scheme which would allow all interested parties, including local stakeholders, to submit complaints concerning alleged labour and human rights violations committed by states or corporations that benefit from trade preferences under the Regulation;
15. Calls on the Commission to address labour standards, including collective bargaining and freedom of association, in Export Processing Zones (EPZs) situated in current or potential beneficiary countries; calls on the Commission, furthermore, to ensure that carve-outs are removed from labour rights protections in EPZs and to establish a long-term road map with the partner countries concerned;
16. Expresses concern about reports of the GSP+ scheme contributing to landgrabbing and other human rights violations; calls on the Commission to address such negative consequences effectively and to ensure that adequate mitigation and redress measures are in place;
17. Supports more engagement with least developed countries under the EBA scheme with regard to preventing and addressing cases of serious and systematic violation of human rights; calls, in this regard, for the EBA scheme's scoreboard system to be extended; considers that the threat of withdrawal of trade preferences needs to be accompanied by suitable political initiatives and assistance in order to ensure that the beneficiary countries genuinely comply with international human rights commitments;
18. Considers that any decision to suspend preferences must be completely consistent with the overarching objective of alleviating poverty and that if a partial suspension method is chosen, it should be designed in such a way as to minimise the negative effects for the local population; stresses that the withdrawal of trade preferences should be seen as a measure of last resort applied only in cases of serious shortcomings in the effective

implementation of the international conventions and a clear lack of willingness and engagement by the EBA beneficiary country to address them;

19. Welcomes the Commission's recent decisions to launch the process for the withdrawal of EBA preferences for Cambodia and to send an emergency, high-level EU mission to Myanmar, in response to the human rights situation in both countries; expects the Commission to keep Parliament closely informed and involved in further steps, including with regard to the suspension of preferences;
20. Considers that the EU should ensure policy coherence by encouraging other international actors, such as multinational enterprises, to participate fully in the improvement of human rights, social rights and environmental standards worldwide, not least by obliging economic operators to put in place due diligence practices in line with the UN Guiding Principles for Business and Human Rights; calls on the Commission to show leadership in order to ensure that human rights and labour rights are upheld in global value chains, and to report on the implementation of Parliament's 2016 resolution on the implementation of its recommendations on social and environmental standards, human rights and corporate responsibility, including its call to include corporate social responsibility (CSR) in the Regulation and to reform WTO rules to institute supply chain due diligence and transparency requirements, building on the UN Guiding Principles for Business and Human Rights;
21. Calls on the Commission to establish an inter-institutional task force on business and human rights and to initiate mandatory EU due diligence legislation without further delay;
22. Calls on the Commission to modify the standard GSP and EBA schemes in the new Regulation after 2023 in order to authorise the blacklisting of companies responsible for serious human rights violations that wish to export to the EU.

## INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	22.1.2019
<b>Result of final vote</b>	+: 50 -: 2 0: 6
<b>Members present for the final vote</b>	Michèle Alliot-Marie, Francisco Assis, Petras Auštrevičius, Amjad Bashir, Goffredo Maria Bettini, Mario Borghezio, Klaus Buchner, James Carver, Aymeric Chauprade, Javier Couso Permuy, Arnaud Danjean, Georgios Epitideios, Knut Fleckenstein, Eugen Freund, Michael Gahler, Sandra Kalniete, Manolis Kefalogiannis, Wajid Khan, Andrey Kovatchev, Eduard Kukan, Ilhan Kyuchyuk, Ryszard Antoni Legutko, Barbara Lochbihler, Sabine Lösing, Andrejs Mamikins, Ramona Nicole Mănescu, David McAllister, Clare Moody, Pier Antonio Panzeri, Demetris Papadakis, Ioan Mircea Pașcu, Tonino Picula, Julia Pitera, Cristian Dan Preța, Jozo Radoš, Alyn Smith, Jordi Solé, Dobromir Sośnierz, Dubravka Šuica, Charles Tannock, László Tőkés, Ivo Vajgl, Geoffrey Van Orden, Anders Primdahl Vistisen
<b>Substitutes present for the final vote</b>	Asim Ademov, Doru-Claudian Frunzuliță, Elisabetta Gardini, Rebecca Harms, Patricia Lalonde, Juan Fernando López Aguilar, Antonio López-Istúriz White, Bodil Valero, Marie-Christine Vergiat, Janusz Zemke, Željana Zovko
<b>Substitutes under Rule 200(2) present for the final vote</b>	Norbert Erdős, Axel Voss, Martina Werner

## FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

50	+
ALDE	Petras Auštrevičius, Ilhan Kyuchyuk, Patricia Lalonde, Jozo Radoš, Ivo Vajgl
ECR	Amjad Bashir, Ryszard Antoni Legutko, Charles Tannock, Anders Primdahl Vistisen
EFDD	Aymeric Chauprade
PPE	Asim Ademov, Michèle Alliot-Marie, Arnaud Danjean, Norbert Erdős, Michael Gahler, Elisabetta Gardini, Sandra Kalniete, Manolis Kefalogiannis, Andrey Kovatchev, Eduard Kukan, Antonio López-Istúriz White, David McAllister, Ramona Nicole Mănescu, Julia Pitera, Cristian Dan Preda, Dubravka Šuica, László Tőkés, Axel Voss, Željana Zovko
S&D	Francisco Assis, Goffredo Maria Bettini, Knut Fleckenstein, Eugen Freund, Doru-Claudian Frunzulică, Wajid Khan, Juan Fernando López Aguilar, Andrejs Mamikins, Clare Moody, Pier Antonio Panzeri, Demetris Papadakis, Ioan Mircea Pașcu, Tonino Picula, Martina Werner, Janusz Zemke
VERTS/ALE	Klaus Buchner, Rebecca Harms, Barbara Lochbihler, Alyn Smith, Jordi Solé, Bodil Valero

2	-
EFDD	James Carver
NI	Georgios Epitideios

6	0
ECR	Geoffrey Van Orden
ENF	Mario Borghezio
GUE/NGL	Javier Couso Permuy, Sabine Lösing, Marie-Christine Vergiat
NI	Dobromir Sośnierz

Key to symbols:

+ : in favour

- : against

0 : abstention