



**2017/2015(INI)**

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# **DRAFT REPORT**

on gender equality in EU trade agreements  
(2017/2015(INI))

Committee on International Trade  
Committee on Women's Rights and Gender Equality

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(Joint committee procedure – Rule 55 of the Rules of Procedure)

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## MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

### on gender equality in EU trade agreements (2017/2015(INI))

*The European Parliament,*

- having regard to Articles 2 and 3(3) of the Treaty on European Union,
- having regard to Articles 8, 10, 153(1), 153(2) and 157 of the Treaty on the Functioning of the European Union,
- having regard to Articles 23 and 33 of the Charter of Fundamental Rights of the European Union,
- having regard to the 2015 EU Action Plan on Human Rights and Democracy,
- having regard to the Council conclusions of 16 June 2016 on gender equality (00337/2016),
- having regard to the Commission staff working document of 14 July 2015 on Implementing the UN Guiding Principles on Business and Human Rights – State of Play (SWD(2015)0144),
- having regard to the European Pact for gender equality for the period 2011-2020 annexed to the Council conclusions of 7 March 2011 (07166/2011),
- having regard to the Commission staff working document of 3 December 2015 on the Strategic engagement for gender equality 2016-2019 (SWD(2015)0278),
- having regard to the Commission’s 2017 report on equality between women and men in the European Union,
- having regard to the Commission’s 2015 communication entitled ‘Trade for All – Towards a more responsible trade and investment policy’,
- having regard to the GSP Regulation (Regulation (EU) No [978/2012](#) of the European Parliament and of the Council of 25 October 2012 applying a scheme of generalised tariff preferences and repealing Council Regulation (EC) No 732/2008)<sup>1</sup>,
- having regard to the Conflict Minerals Regulation ([Regulation \(EU\) 2017/821 of the European Parliament and of the Council of 17 May 2017](#) laying down supply chain due diligence obligations for Union importers of tin, tantalum and tungsten, their ores, and gold originating from conflict-affected and high-risk areas)<sup>2</sup>,
- having regard to the Convention for the Protection of Human Rights and Fundamental Freedoms (ECHR), in particular Article 4(1) prohibiting slavery and servitude, and

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<sup>1</sup> OJ L 303, 31.10.2012, p. 1.

<sup>2</sup> OJ L 130, 19.5.2017, p. 1.

Article 14 prohibiting discrimination,

- having regard to the UN Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) of 18 December 1979,
- having regard to the Beijing Declaration and Platform for Action adopted by the Fourth World Conference on Women on 15 September 1995, and to the subsequent outcome documents adopted at the UN Beijing +5 (2000), Beijing +10 (2005) and Beijing +15 (2010) special sessions,
- having regard to the Council of Europe Convention on preventing and combating violence against women and domestic violence (Istanbul Convention), and its Article 3 defining ‘gender’ as ‘the socially constructed roles, behaviours, activities and attributes that a given society considers appropriate for women and men’,
- having regard to the resolution adopted by the UN General Assembly on 25 September 2015, entitled ‘Transforming our world: the 2030 Agenda for Sustainable Development’,
- having regard to the OECD Guidelines for Multinational Enterprises,
- having regard to the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas,
- having regard to the UNCTAD Investment Policy Framework for Sustainable Development (2015),
- having regard to the key ILO conventions on gender equality, including the Equal Remuneration Convention (No 100), the Discrimination (Employment and Occupation) Convention (No 111), the Workers with Family Responsibilities Convention (No 156) and the Maternity Protection Convention (No 183),
- having regard to its resolution of 14 February 2006 on the human rights and democracy clause in European Union agreements<sup>1</sup>,
- having regard to its resolution of 25 November 2010 on human rights and social and environmental standards in international trade agreements<sup>2</sup>,
- having regard to its resolution of 25 November 2010 on international trade policy in the context of climate change imperatives<sup>3</sup>,
- having regard to its resolution of 11 September 2012 on the role of women in the green economy<sup>4</sup>,
- having regard to its resolution of 28 April 2016 on women domestic workers and carers

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<sup>1</sup> OJ C 290E, 29.11.2006, p. 107.

<sup>2</sup> OJ C 99E, 3.4.2012, p. 31.

<sup>3</sup> OJ C 99E, 3.4.2012, p. 94.

<sup>4</sup> OJ C 353E, 3.12.2013, p. 38.

in the EU<sup>1</sup>,

- having regard to its resolution of 26 May 2016 on poverty: a gender perspective<sup>2</sup>,
- having regard to its resolution of 14 March 2017 on equality between women and men in the European Union in 2014-2015<sup>3</sup>,
- having regard to its resolution of 5 July 2016 on implementation of the 2010 recommendations of Parliament on social and environmental standards, human rights and corporate responsibility<sup>4</sup>,
- having regard to its resolution of 12 September 2017 on the impact of international trade and the EU's trade policies on global value chains<sup>5</sup>,
- having regard to its recommendation of 14 September 2017 to the Council, the Commission and the European External Action Service on the negotiations of the modernisation of the trade pillar of the EU-Chile Association Agreement<sup>6</sup>,
- having regard to the study by the International Centre for Research on Women entitled 'Trade liberalisation & women's reproductive health: linkages and pathways',
- having regard to the 2015 UN Women report entitled 'Progress of the world's women 2015-2016. Transforming economies, realising rights'<sup>7</sup>,
- having regard to the 2017 WIDE+ gender and EU trade position paper entitled 'How to transform EU trade policy to protect women's rights'<sup>8</sup>,
- having regard to its 2016 study entitled 'Gender Equality in Trade Agreements'<sup>9</sup>,
- having regard to its 2015 study entitled 'The EU's Trade Policy: from gender-blind to gender-sensitive?'<sup>10</sup>,
- having regard to Rule 52 of its Rules of Procedure,
- having regard to the joint deliberations of the Committee on International Trade and the Committee on Women's Rights and Gender Equality under Rule 55 of the Rules of Procedure,
- having regard to the report of the Committee on International Trade and the Committee on Women's Rights and Gender Equality and the opinion of the Committee on

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<sup>1</sup> Texts adopted, P8\_TA(2016)0203.

<sup>2</sup> Texts adopted, P8\_TA(2016)0235.

<sup>3</sup> Texts adopted, P8\_TA(2017)0073.

<sup>4</sup> Texts adopted, P8\_TA(2016)0298.

<sup>5</sup> Texts adopted, P8\_TA(2017)0330.

<sup>6</sup> Texts adopted, P8\_TA(2017)0354.

<sup>7</sup> [http://progress.unwomen.org/en/2015/pdf/unw\\_progressreport.pdf](http://progress.unwomen.org/en/2015/pdf/unw_progressreport.pdf)

<sup>8</sup> <https://wideplus.org/2017/06/25/wide-gender-and-trade-position-paper-is-available/>

<sup>9</sup> [http://www.europarl.europa.eu/RegData/etudes/STUD/2016/571388/IPOL\\_STU\(2016\)571388\\_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/STUD/2016/571388/IPOL_STU(2016)571388_EN.pdf)

<sup>10</sup> [http://www.europarl.europa.eu/RegData/etudes/IDAN/2015/549058/EXPO\\_IDA\(2015\)549058\\_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/IDAN/2015/549058/EXPO_IDA(2015)549058_EN.pdf)

Development (A8-0000/2017),

- A. whereas trade policies should aim to reduce socio-economic gaps between the Global North and the Global South in terms of development and wealth, and between women and men, and realise women's rights by ensuring decent work conditions for women and contributing to sustainable and equitable economic development;
  - B. whereas country-specific and sector-specific assessments are of great importance; whereas women tend to be more concentrated in low-wage or low-status forms of formal and informal employment than men, leading to gender segregation in types of occupations and activities and gender gaps in wages and working conditions;
  - C. whereas the current EU trade policy and its 'Trade for All' strategy lack a gender equality perspective, as well as any binding obligations to enforce core women's rights conventions such as the CEDAW;
  - D. whereas the only area of gender equality in which DG Trade has demonstrated an interest so far is promoting female entrepreneurship;
  - E. whereas a review of current EU multilateral and bilateral agreements shows that only 20 % of the agreements with non-European trading partners make reference to women's rights, and that only 40 % of these agreements include references that aim to promote gender equality; whereas references in these agreements to promoting women's empowerment are voluntary and almost all relate to non-trading aspects of the agreements;
  - F. whereas strong movements have evolved in several countries, criticising, in particular, provisions on investor-state dispute settlement / the investment court system (ISDS/ICS) and intellectual property rights (IPR), as well as non-tariff rules in TTIP, CETA and TiSA, that could lead to breaches of women's rights, labour rights, environmental protection, consumer rights and public services and goods;
  - G. whereas the Generalised Scheme of Preferences (GSP) and GSP+ systems aim to ensure the ratification and implementation of human and labour rights conventions in developing countries;
  - H. whereas civil society, particularly women's rights organisations and trade unions, has the knowledge and potential to strengthen women's economic empowerment;
  - I. whereas special attention must be given to the negative consequences of trade liberalisation as regards basic public services and goods, such as water and sanitation, education and healthcare;
- I. Strengthening gender equality in trade: general considerations and objectives***
- 1. Stresses that fair and inclusive international trade policies require a clearer framework aiming to enhance women's livelihoods, strengthen gender equality, protect the environment, and promote social justice and international solidarity;
  - 2. Insists that all international trade policies must be based on the relevant international

standards and legal instruments, such as the CEDAW, the Beijing Platform for Action and the sustainable development goals (SDGs);

3. Underlines the urgent need to adopt gender-sensitive binding human rights regulations on an international level to regulate transnational companies (TNCs) and other companies; welcomes the UN Guiding Principles on Business and Human Rights;
4. Insists that all international trade agreements must include safeguard clauses enabling the contracting parties to regulate and also reverse liberalisation in order to protect fundamental objectives such as gender equality, human rights, public health and environmental sustainability;
5. Underlines the need to recognise the risks inherent in trade agreement mechanisms such as ISDS and ICS, which undermine the capacity of individual governments to change their laws to include measures to promote gender equality, stronger labour and consumer rights and advancement in environmental policies;
6. Notes that IPR provisions in trade have a significant impact on women's health which must be taken carefully into consideration;

## ***II. Strengthening gender equality in trade: sector-specific considerations and objectives***

7. Underlines that basic public services and goods, such as water and sanitation, education and healthcare (notably access to sexual and reproductive health and rights services), should be exempted from the opening up of public procurement and the trade liberalisation agenda, and that safeguards must be put in place to reinforce states' capacities to provide basic services for all;
8. Calls for binding measures to combat exploitation and improve working conditions for women in the export-oriented industries, in particular the garment and textile manufacturing and agriculture sectors where trade liberalisation has contributed to precarious labour rights and gender wage gaps;
9. Calls for an increased focus on women working in the informal sector, recognising the need to reinforce decent work standards for women workers in this sector;
10. Underlines that the impact of growing agricultural exports is generally less favourable to women than to men, as emerging trends indicate that small farmers, many of whom are women, are often not in a position to compete in overseas markets;

## ***III. Strengthening gender equality in trade: actions required at EU level***

11. Insists that binding instruments are needed in EU trade policy to ensure that decent work standards, women's rights, human rights principles and environmental protection are at the core of all types of EU trade agreements and that EU trade policy is coherent with the Union's overarching aims of sustainable development, poverty reduction and gender equality;
12. Calls for all EU trade agreements to include binding clauses, in the form of a stand-alone article, that promote and protect women's rights, gender equality and gender

mainstreaming, based on the Beijing Platform for Action and the SDGs, with an appropriate body appointed or an explicit mechanism in place to monitor compliance;

13. Stresses that trading commitments in EU agreements should never overrule human rights, women's rights or environmental concerns;
14. Is convinced that the CEDAW is of great importance for all policy areas, including trade; invites the Commission, therefore, to take action in this context to enable the EU's accession to and ratification of the CEDAW Convention, and to include CEDAW as an instrument in trade agreements;
15. Calls for the EU and the Member States to ensure that binding clauses on labour rights, based on the ILO Conventions, including Conventions No 189 on Domestic Workers and No 156 on Workers with Family Responsibilities, are included in trade agreements, and that social clauses in trade agreements also apply to informal work;
16. Acknowledges that the EU's Generalised Scheme of Preferences (GSP) and GSP+ systems need to be improved by linking economic incentives to the effective adoption and constant monitoring of core human, gender and labour rights conventions;
17. Calls for EU legislation similar to UN binding due diligence obligations to ensure respect for human rights, including women's rights, and adequate social and environmental standards;
18. Calls for the EU and the Member States to ensure inclusive participation in trade consultations, including women's rights organisations, trade unions and civil society;

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19. Instructs its President to forward this resolution to the Council and the Commission.



## EXPLANATORY STATEMENT

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Trade is not gender neutral and trade policies have gender specific effects. The European Parliament Reports *on implementation of the 2010 recommendations of Parliament on social and environmental standards, human rights and corporate responsibility* (2015/2038(INI)) and *on the impact of international trade and the EU's trade policies on global value chains* (2016/2301(INI)) highlighted most of the gender issues involved in trade policy.

Trade and investment agreements affect women and men differently due to structural gender inequalities: women are paid less and the global gender gap remains significant. Gender equality has not been met in any country. Moreover, women and men are structured into different sectors of the economy. The majority of women work in sectors such as agriculture, the informal and unpaid care sector, or as seasonal workers. These workers, essential contributors to the global economy, remain invisible in trade policies and are the ones that are mostly affected by the current trade and investment practices.

Gender Equality is a universal goal encompassed by international tools such as the Charter of the UN, the Universal Declaration of Human Rights (1948) and the Convention of all Forms of Discrimination Against Women (CEDAW, 1979). The EU has firmly committed itself to promoting and ensuring gender equality in its fundamental Treaties, amongst which the Charter of Fundamental Rights of the European Union. As any other EU policy, trade policy needs to contribute to the wider goal of UN such as the Sustainable Development Goals (SDGs). In particular, Goal 5 states that gender equality and the empowerment of women and girls must be achieved by 2030. Such an objective has a transversal dimension that has implications in achieving all the other SDGs.

### **EU Trade policy**

The European Commission has made progress in mainstreaming gender equality in some of the EU policy areas. Trade policy, however, has been very much left aside in this policy process, and matters pertaining to gender equality are not dealt with in a systematic manner by DG Trade. While new trade agreements include a Sustainability chapter, at the same time human rights are excluded from new agreements and sustainability commitments are not binding like the trade commitments. EU seems to be more interested in closing deals than in ensuring sustainable trade and human rights protection. This is a pressing matter, in particular due to the new generation of trade agreements that the EU is ratifying and negotiating, such as the CETA (EU - Canada Comprehensive Economic and Trade Agreement), the TTIP (Transatlantic Trade and Investment Partnership) and the TiSA (Trade in Services Agreement), which now include services, standards and regulations.

That means that new trade agreements have an increased implication on human rights, due to their broader scope, compared to earlier agreements. And similarly the effects of climate change are becoming more and more manifest, calling for stronger and swifter enforcement of environmental agreements.

EU trade policy narrows economy policy to increasing GDP and exports; it is grounded in an economic theory that makes the domain of unpaid care work and reproduction invisible. The co-rapporteurs are of the opinion that trade policy must aim to reduce socio-economic gaps, and one central aspects of these are gender inequalities.

The current neo-liberal setting is not the only framework through which trade agreements can be stipulated. It is actually damaging sustainable development and human rights, including women's rights, which are part of human rights themselves. This conclusion comes from substantial empirical research which show the effects of free trade agreements.

The co-rapporteurs share the concerns of a growing number of civil society and experts at international institutions and academia, who are deeply concerned over the current EU trade policy.

A thorough consultation with representatives of women and girls' rights organisations, organised by the co-rapporteurs, has highlighted the importance of the involvement of civil society in trade negotiations, both on multi- and bilateral level. Civil society should be also consulted in Sustainable Impact Assessments (SIAs) that should be concluded before the Council gives the Commission a mandate to negotiate, so as to inform both the mandate and the negotiations, and include representative and inclusive gender lenses.

The objective of the co-rapporteurs has been to present concrete recommendations on what the EU could and should do to improve its commitment on gender equality issues, and to call 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). The CEDAW needs to be urgently ratified by the EU. The ILO standards, including Convention No. 189 on Domestic Workers and No. 156 on Workers with Family Responsibilities, need to be part of any human rights dispute settlement and monitoring of EU trade agreements.

The lack of gender perspectives and expertise in the negotiation of trade agreements and in impact assessments must to be remedied, and the participation of women and girls' right groups and civil society in the follow-up monitoring mechanisms should be transparent and guaranteed.

### **Trade and gender in different sectors**

Gender-differentiated effects can be either positive or negative, depending on specific contexts and circumstances, and most importantly on whether trade measures are designed and

implemented to take into account the gendered structure of the economies concerned.

There are different sectors that pertain to the domain of trade policy – services, manufactory, agriculture, garment, intellectual property rights, and in each of these a gender-specific cause and effect can be found.

For instance, in the food sector gender-differentiated consumption effects exists because women tend to have main responsibility for the purchase and preparation of food for their children and families. Women are incredibly important to agriculture, the food production sector, in the Global South. Small scale female farmers make up half or more of the agricultural production in Sub-Saharan Africa and South Asia and the numbers of women may well have risen in the past years, since there is a general trend of feminisation of agriculture. At the same time small scale farming is at risk of not being able to compete with an international liberalised food production market.

Trade and development policies should be reformed in order to ensure food sovereignty – supporting local production-, not only food security, instead of undermining them. This is important, since without additional measures, the effects of climate change will directly and disastrously impact the possibility of many men and women to manage their food and water supplies, have access to sustainable housing, clean air and basic health –in several instances around the world the impacts are already very noticeable and they are gendered, impacting women in different ways than men.

Transnational trade policies also have an impact on government expenditure and provision of basic services. In the context of trade agreements such as the CETA and TiSA, the liberalisation of health services for the elderly, will affect women more than men because women tend to live longer but be poorer than men, and also because they play a greater role as care providers for other family members even in their old age.

More specifically, unless carefully framed and regulated, trade in services would negatively affect gender equality, especially through its impact on the distribution of unpaid care work. Women will be most affected by the consequences of trade agreements related to the public sector (in particular in areas such as education, health or social work) as they represent the 70% of work force in the sector. Services liberalisation and privatisation (leading to higher fees for childcare, reduced services for elderly and persons with disabilities, privatisation and closure of hospitals) lead to the replacement of state-based entitlements by market-based individualised entitlements for those who can afford them, and poverty and exclusion for those who cannot.

The different sectors involved in trade policy are involved in the human right's endeavour. The privatisation of services such as water and sanitation, education and health (notably sexual and reproductive health and rights), would have enormous impact on the lives of the most disadvantaged people of society: women, minority groups, migrants, persons with disabilities,

children, indigenous groups, LGBTIQ people and the elderly. Safe access to abortion and family planning information, services and supplies, allows individuals and couples to choose whether, when and how many children they have. Family planning has a relevance also for the access to education and decent paid work.

The UNFPA Annual Report 2013 forwarded important conclusions on the interdependence of human rights, sexual and reproductive health, population dynamics, poverty reduction and economic development. The co-rapporteurs highlighted also disparities in health coverage and services for LGBTIQ individuals.

Access to global health, guaranteed as a basic human right, must become a binding element in trade agreement. Human rights shouldn't be considered as non-tariff barriers, but as a tool to create prosperity, equality and social justice. EU Trade agreements should encourage and facilitate for States to regulate and provide for social protection.

In this context it is important to mention that different instruments like the Impact Assessment (IA) and Trade Sustainability Impact Assessments (TSIAs) can be useful tools for assessing the impact of trade policy on social and human rights. Another trade-related tool is EU's Generalised Scheme of Preferences (GSP), and GSP+, which provides preferential access to the EU's market for developing countries and includes human rights provisions. Furthermore, gender-disaggregated statistics with an intersectional approach are a key tool to be used in all stages of the policy cycle. It is important to know exactly how different sections of women and men are impacted differently by trade agreements.

Beyond international commitments and vague EU objectives in the field of gender equality, it is clear that from a feminist perspective, which is a justice perspective for all not just for women and girls, the goal of economic policy, including trade and investment, is to sustain livelihoods for everyone, the environment and ecosystems, as well as social and human resources. Such an economic policy must also encompass the care work, or reproductive work. Such economies cannot be governed by the narrow principles of growth, competition and efficiency that currently dominate the trade agenda. There is a need to modernise and reassess EU trade policies from a more feminist outlook.