



2015/2038(INI)

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

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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	<div style="display: flex; justify-content: flex-end; align-items: center;"> <div style="text-align: right; padding-right: 10px;">+:</div> <div>47</div> </div> <div style="display: flex; justify-content: flex-end; align-items: center;"> <div style="text-align: right; padding-right: 10px;">-:</div> <div>4</div> </div> <div style="display: flex; justify-content: flex-end; align-items: center;"> <div style="text-align: right; padding-right: 10px;">0:</div> <div>1</div> </div>
Members present for the final vote	<p>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</p>
Substitutes present for the final vote	<p>Maria Arena, Georges Bach, Heinz K. Becker, Lynn Boylan, Karima Delli, Paloma López Bermejo, António Marinho e Pinto, Edouard Martin, Ivo Vajgl</p>