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Answer given by Executive Vice-President Dombrovskis
on behalf of the European Commission
(13.9.2021)

Promoting responsible and sustainable value chains is one of the pillars of the recent EU trade strategy. The Commission committed in the Trade Policy Review Communication of 18 February 2021¹ to action on forced labour.

The Commission is preparing a proposal on sustainable corporate governance². It will include a horizontal due diligence duty requiring EU companies to account for sustainability impacts in their own operations and value chains. Subject to the impact assessment³, this will include effective action and enforcement mechanisms to ensure that forced labour does not find a place in the value chains of EU companies.

Bridging the time until legislation on Sustainable Corporate Governance is in place, on 13 July 2021 the Commission and the European External Action Service published guidance⁴ on due diligence to help EU companies to address the risk of forced labour in their operations and supply chains, in line with international standards.

EU trade policy already contributes to the abolishment of forced labour. EU trade agreements include binding commitments to ratify and effectively implement all fundamental ILO (International Labor Organization) Conventions, including those on forced labour. This commitment extends to the countries benefitting from the special incentive arrangement for sustainable development and good governance (GSP+) under the EU's General Scheme of Preferences (GSP). All 71 beneficiary countries of the General Scheme of Preferences are obliged to not commit serious and systematic violations of the principles of the fundamental ILO Conventions.

¹ https://trade.ec.europa.eu/doclib/docs/2021/february/tradoc_159438.pdf

² Announced in the 2021 Commission Work Programme: https://eur-lex.europa.eu/resource.html?uri=cellar%3A91ce5c0f-12b6-11eb-9a54-01aa75ed71a1.0001.02/DOC_1&format=PDF

³ https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12548-Sustainable-corporate-governance_en

⁴ https://ec.europa.eu/commission/presscorner/detail/en/IP_21_3664