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P8_TA(2016)0298

Social and environmental standards, human rights and corporate responsibility

European Parliament resolution of 5 July 2016 on implementation of the 2010 recommendations of Parliament on social and environmental standards, human rights and corporate responsibility (2015/2038(INI))

(2018/C 101/02)

The European Parliament,

- having regard to Articles 2, 3, 6 and 21 of the Treaty on European Union,
- having regard to Articles 11, 153, 191, 207 and 218 of the Treaty on the Functioning of the European Union,
- having regard to Articles 12, 21, 28, 29, 31 and 32 of the Charter of Fundamental Rights of the European Union,
- having regard to the Commission Communication: Trade for all: Towards a more responsible trade and investment policy (COM(2015)0497),
- having regard to the conclusions of the 10th WTO Ministerial Conference (MC10) ⁽¹⁾,
- having regard to the Paris Agreement (30 November to 11 December 2015) ⁽²⁾,
- having regard to the EU annual report on human rights and democracy in the world (2014) ⁽³⁾,
- having regard to the EU Action Plan on Human Rights and Democracy (2015-2019) –Keeping human rights at the heart of the EU agenda,
- having regard to the Guidelines on the analysis of human rights impacts in impact assessments for trade-related policy initiatives ⁽⁴⁾,
- having regard to the study on ‘Human rights and democracy clauses in international agreements’ published in 2015 by the European Parliament Policy Department,
- having regard to the resolution adopted by the UN General Assembly on 25 September 2015: Transforming our World: the 2030 agenda for sustainable development ⁽⁵⁾,
- having regard to Council Regulation (EC) No 2173/2005 of 20 December 2005 on the establishment of a FLEGT licensing scheme for imports of timber into the European Community ⁽⁶⁾,
- having regard to Regulation (EU) No 978/2012 of the European Parliament and of the Council of 25 October 2012 applying a scheme of generalised tariff preferences ⁽⁷⁾,
- having regard to the OECD guidelines for Multinational Enterprises ⁽⁸⁾,

⁽¹⁾ https://www.wto.org/english/news_e/news15_e/mc10_19dec15_e.htm

⁽²⁾ <http://unfccc.int/resource/docs/2015/cop21/eng/l09r01.pdf>

⁽³⁾ http://eeas.europa.eu/human_rights/docs/2014-hr-annual-report_en.pdf

⁽⁴⁾ http://trade.ec.europa.eu/doclib/docs/2015/july/tradoc_153591.pdf

⁽⁵⁾ Resolution adopted by the UN General Assembly on 25 September 2015 (A/RES/70/1) (http://www.un.org/ga/search/view_doc.asp?symbol=A/RES/70/1&Lang=E)

⁽⁶⁾ OJ L 347, 30.12.2005, p. 1.

⁽⁷⁾ OJ L 303, 31.10.2012, p. 1.

⁽⁸⁾ <http://mneguidelines.oecd.org/text/>

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- having regard to the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas ⁽¹⁾,
- 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 Commission's 2011 Communication on 'A renewed EU strategy 2011-14 for Corporate Social Responsibility' (COM(2011)0681),
- having regard to the UNCTAD Investment Policy Framework for Sustainable Development (2015) ⁽²⁾,
- having regard to the study 'The EU's Trade Policy: from gender-blind to gender-sensitive?' from the European Parliament Policy Department,
- having regard to the Fourth Report of the Independent Expert on 'The promotion of a democratic and equitable international order' — note by the UN Secretary-General to the General Assembly of 5 August 2015 (A/70/285),
- having regard to its resolution of 25 November 2010 on corporate social responsibility in international agreements ⁽³⁾,
- having regard to UN resolution 64/292, in which water and sanitation are explicitly acknowledged as human rights by the United Nations General Assembly and it is stated that clean drinking water and sanitation are essential to the realisation of all human rights,
- having regard to its resolution of 8 September 2015 on the follow-up to the European Citizens' Initiative Right2Water ⁽⁴⁾,
- having regard to its resolution of 25 November 2010 on human rights and social and environmental standards in international trade agreements ⁽⁵⁾,
- having regard to its resolution of 25 November 2010 on international trade policy in the context of climate change imperatives ⁽⁶⁾,
- having regard to the study on 'Gender Mainstreaming in Committees and Delegations of the European Parliament', published in 2014 by European Parliament Policy Department C,
- having regard to Human Rights Council resolution 26/9 ⁽⁷⁾, whereby it decided 'to establish an open-ended intergovernmental working group on transnational corporations and other business enterprises with respect to human rights, whose mandate shall be to elaborate an international legally binding instrument to regulate, in international human rights law, the activities of transnational corporations and other business enterprises',
- having regard to the EU's reformed Generalised Scheme of Preferences (GSP) set out by Regulation (EU) No 978/2012,
- having regard to the Report from the Commission to the European Parliament and the Council entitled 'Report on the Generalised Scheme of Preferences during the period 2014-2015' (COM(2016)0029),

⁽¹⁾ <http://www.oecd.org/daf/inv/mne/GuidanceEdition2.pdf>

⁽²⁾ <http://unctad.org/en/pages/PublicationWebflyer.aspx?publicationid=1437>

⁽³⁾ OJ C 99 E, 3.4.2012, p. 101.

⁽⁴⁾ Texts adopted, P8_TA(2015)0294.

⁽⁵⁾ OJ C 99 E, 3.4.2012, p. 31.

⁽⁶⁾ OJ C 99 E, 3.4.2012, p. 94.

⁽⁷⁾ A/HRC/RES/26/9 (<http://www.ihrb.org/pdf/G1408252.pdf>).

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- having regard to the United Nations Guiding Principles on Business and Human Rights, the revised OECD Guidelines for Multinational Enterprises, the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, the framework of the International Integrated Reporting Council, the ten principles of the United Nations Global Compact, and the ISO 26000 Guidance Standard on Social Responsibility,
 - having regard to France's draft law on 'due diligence' advancing the UN Guiding Principles on Business and Human Rights, and the statement made by President Juncker at the 2015 G7 summit,
 - having regard to the project 'Realising Long-term Value for Companies and Investors', being undertaken in the framework of the UN Principles of Responsible Investment and the UN Global Compact,
 - having regard to Rule 52 of its Rules of Procedure,
 - having regard to the report of the Committee on International Trade and the opinions of the Committee on Foreign Affairs, the Committee on Development, the Committee on Employment and Social Affairs and the Committee on Women's Rights and Gender Equality (A8-0217/2016),
- A. whereas Parliament issued recommendations to the Commission relating to social and environmental standards, human rights and corporate responsibility in 2010; whereas a number of these recommendations have been implemented, while others have not;
- B. whereas Parliament acts as a co-legislator with respect to measures defining the framework for implementing the Union's CCP; whereas Parliament's consent is required for the ratification of every trade agreement negotiated by the Union; whereas the implementation of Parliament's recommendations is therefore necessary to ensure the success of any initiative undertaken by the Commission in the field of the CCP;
- C. whereas trade plays a powerful role in promoting business opportunities, creating prosperity and increasing employment, as well as in driving economic development, social progress, living standards, quality of life and the long-term improvement of human rights standards;
- D. whereas the EU underlines its firm commitment to promote sustainable development as reaffirmed in its 'Trade for All' strategy, as well as human rights and good governance, through incentive-based means such as GSP+ and preferential market access provisions in countries committed to implementing core international conventions in those areas;
- E. whereas the EU has the ability to contribute positively to greater respect for human rights (HR) and sustainable development globally through its trade policy; whereas the Commission has to pursue its actions with this objective in mind; whereas trade and investment agreements have an effect on human rights and sustainable development, and should therefore be designed in such a way as to support social and environmental progress, guaranteeing that European standards cannot be compromised, safeguarding human rights and ensuring compliance with social and environmental rules;
- F. whereas trade and foreign investment by international undertakings contribute to an increased commitment to human rights, social rights and workers' rights in the countries where the undertakings operate;
- G. whereas Parliament's contribution can be measured in terms of the effective implementation of its recommendations; whereas the implementation of the agreements must be monitored periodically to ensure compliance with the objectives and commitments enshrined in trade agreements, particularly those on protecting human rights;
- H. whereas, according to Article 208 of the TFEU, the EU and its Member States actually have a legal obligation to make their policies coherent with development objectives;

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- I. whereas the Commission's proposal for a new trade and investment strategy — 'Trade for All' — recognises the link between trade, human rights and social and environmental standards, and insists on the need to make those rights and standards an integral part of the Union's economic and commercial relations;
- J. whereas transnational global retailers and enterprises have a responsibility in improving labour conditions and wages in producer countries;
- K. whereas women's rights are a constitutive part of HR; whereas gender equality falls within the scope of the chapters of trade agreements on sustainable development; whereas the specific impact of trade and investment agreements affects women and men differently owing to structural gender inequalities, and whereas sustainable and inclusive development, growth and trade agreements must include HR, including from a gender perspective;
- L. whereas the 2030 Sustainable Development agenda recognises the crucial impact of trade policies in implementing its goals by covering a number of policy areas such as rules of origin, food regulations, commodity markets and gender equality;
- M. whereas the potential of the GSP and GSP+ system to ensure the ratification and implementation of human and labour rights conventions in developing countries can be improved by linking economic incentives to the effective adoption and constant monitoring of the implementation of core human and labour rights conventions;
- N. whereas, following the Rana Plaza disaster, the EU, in cooperation with the Government of Bangladesh and the ILO, launched a Global Compact for Improvements in Labour Rights and Factory Safety in Bangladesh that seeks to improve labour, health and safety conditions for workers; whereas these efforts have led to greater public awareness as well as innovative solutions to tackle issues related to TSD, such as the Accord on Fire and Building Safety in Bangladesh;
- O. whereas the private sector must contribute, alongside the public sector, to sustainable development; whereas companies must act in a socially and environmentally responsible manner; whereas the EU's new generation of trade and investment agreements comprise chapters on sustainable development that call on the parties to undertake to protect human rights, comply with social and environmental standards and ensure corporate social responsibility; whereas such chapters have displayed differences in their level of ambition in successive EU trade agreements; whereas the Commission is encouraged to pursue the highest level of ambition;
- P. whereas the Commission's 2015 'Trade for All' strategy makes TSD a priority for the EU; whereas in order for this strategy to give proper impetus to the TSD agenda, the Commission must now turn its much welcomed ambition into resolute and concrete action;
- Q. whereas the 'Realising Long-term Value for Companies and Investors' project being undertaken by the UN Principles for Responsible Investment and the UN Global Compact demonstrate that economic recovery in Europe and the world is compatible with, and mutually reinforcing to, principles of social justice, environmental sustainability and respect for human rights;
- R. whereas Article 207 of the Treaty on the Functioning of the European Union (TFEU) states that the EU's common commercial policy will be conducted in the context of the principles and objectives of the Union's external action;
- S. whereas Article 21 of the Treaty on European Union (TEU) reaffirms that the EU's external actions will be guided by the principles of democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms, respect for human dignity, the principles of equality and solidarity, and compliance with the UN Charter and international law;

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- T. whereas the link between trade and human rights on the one hand and social and environmental standards on the other has become an integral part of the EU's economic and commercial relations; whereas the EU's human rights and democracy policy in third countries should continue to be mainstreamed through other EU policies having an external dimension, including trade policy; whereas the EU should use trade policy to further the aim of setting high global standards in the areas of human and social rights, consumer protection and environmental issues;
- U. whereas trade policy and ambitious trade agreements are promoting and strengthening the global rules-based trading system; whereas human rights issues should also be taken into account prior to concluding trade negotiations in a sound and transparent manner; whereas the UN Guiding Principles on Business and Human Rights, together with all other relevant instruments including the promotion of corporate social responsibility, aim at fostering human rights provisions in relation to trade policy;
- V. whereas on 26 June 2014 the UN Human Rights Council adopted a resolution on the establishment of an intergovernmental working group with the task of launching a process leading to the introduction of an international legally binding instrument to regulate the activities of transnational corporations and other business enterprises in the framework of international law;
- W. whereas trade and human rights may reinforce each other, and the business community, while obliged to respect human rights, may also have an important role to play in offering positive incentives in terms of promoting human rights, democracy, environmental standards and corporate responsibility; whereas the EU has played a leading role in negotiating and implementing a number of initiatives for global responsibility which go hand in hand with the promotion and respect of international standards, among others social justice, environmental sustainability and respect for human rights; whereas the long-term positive impact on human rights of European businesses operating globally and leading by example through a non-discriminatory corporate culture is acknowledged; whereas strengthening trade relations based on the protection and enforcement of human rights enhances mutual understanding and common values such as the rule of law, good governance and respect for human rights;

General principles

1. Calls 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); calls on the Commission to take aspects related to gender equality into account in its impact assessment of the EU trade strategy, in respect of women's rights, and calls on the Commission to assess existing trade and investment agreements systematically in order to identify their consequences on gender equality;
2. Calls on the Commission to ensure greater coherence with respect to development, to ensure effective policy assessment and coordination between development aid and trade policy, and to strive to ensure that all stakeholders comply with international standards on human rights, gender equality, labour law and respect for the environment;
3. Calls on the EU to play an active role in achieving the 17 Sustainable Development Goals (SDGs) contained in the 2030 Agenda for Sustainable Development, adopted by the United Nations General Assembly at its 70th session;
4. Calls on the EU and the Member States to promote binding measures to ensure that companies pay taxes where economic activities take place and value is created, to promote compulsory country-by-country reporting by the private sector as recommended by the OECD, and to promote good governance notably in tax matters and effective tax collection; calls furthermore on the Commission and Member States to ensure that this issue is given priority on the agenda in its policy dialogue (at political level on development and on trade) and to support the role of civil society in ensuring public scrutiny of tax governance and monitoring of cases concerning tax fraud; believes that a business's tax policy should be

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considered part and parcel of CSR and consequently that socially responsible behaviour leaves no room for strategies aimed at evading tax or exploiting tax havens;

5. Recognises that access to common goods such as water, healthcare and education is an important reflection of a country's capacity to guarantee human and social rights;
6. Stresses that the EU's long-term record in accounting for social and environmental issues within the context of its trade diplomacy is already ahead of other major global trade players; underlines that the human rights engagements of our trading partners provide a solid basis for ongoing dialogue, cooperative processes and progressive improvements in the long-term;
7. Stresses the importance of trade and foreign investment as important tools to achieve economic growth, sustainable development, good governance and the protection of human rights;
8. Recalls that trade and foreign direct investment increase prosperity in poorer countries; recalls that there is a by no means negligible connection between increased prosperity and better protection of human rights, social rights and workers' rights and strong environmental protection;
9. Recalls that the EU is committed to the coherent promotion of and respect for human rights and democracy in its relations with third countries in all its policies, including trade policy, and in all its relevant external financing instruments;
10. Recommends, therefore, that the EU's trade strategy be a tool for the promotion of democratic values in third countries; welcomes, therefore, the enhancement of trade agreements and trade preference programmes as levers to promote human rights, eliminate forced and child labour, and ensure food security and the rights to health, sustainable development and high safety and environmental standards, as well as economic opportunities for all;

Human rights, environmental and social standards at multilateral level

11. Stresses how important it is for the EU to build cooperation at multilateral level and therefore reiterates its call to the Commission to take a leading role in the reform of WTO governance, in particular with respect to achieving the following objectives:
 - (a) to strengthen effective cooperation and regular dialogue between the WTO and the relevant UN agencies, notably the High Commissioner for Human Rights, the UN Conference for Trade and Development and the International Labour Organisation, in particular by granting the ILO observer status in the WTO and by involving it in trade disputes related to breaches of international human rights and labour conventions; considers that the ILO should continue to be involved in bilateral, multilateral and plurilateral trade agreements,
 - (b) to reform WTO trade policy review mechanisms to include the social, environmental and HR dimensions based on the ILO, UN human rights and Multilateral Environmental Agreements (MEAs) guidelines, and to promote sustainable development, in particular through the setting up of a Committee on Trade and Decent Work at the WTO alongside the existing Committee on Trade and Environment, as requested in its recommendations of 2010,
 - (c) to assess the extent to which the WTO's Committee on Trade and Environment has fulfilled its remit as set out in the WTO Ministerial Decision on Trade and Environment taken at Marrakesh on 15 April 1994 and its conclusions as to what more needs to be done, particularly in the context of the global dialogue on climate change mitigation and adaptation and the WTO, as originally requested by Parliament,
 - (d) to engage constructively in the UN Working Group for a treaty process on business and human rights following the study on dealing with gross corporate violations of human rights through judicial remedy which was conducted by the Office of the High Commissioner for Human Rights;

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12. Calls on the Commission to actively promote further reforms of the WTO in order to define multilateral rules for the sustainable management of global supply chains in a responsible way, which should in particular include:

- (a) effective and enforceable supply chain due diligence and transparency requirements, building from the UN Guiding Principles for Business and Human Rights,
- (b) health and safety standards, recognising in particular the right of workers to safety committees,
- (c) a social protection floor,
- (d) respect for ILO core labour standards;

13. Reiterates its request to ensure that any measure adopted by a Party in the framework of the Paris Agreement or relating to any of the principles or commitments contained in Articles 3 and 4 of the UNFCCC will be secured also by providing legally sounder protection of the right to regulate in trade agreements;

14. Urges the Commission to speed up progress towards the development of schemes differentiating among products according to their process and production methods (PPMs) and sustainability criteria within the framework of trade agreements;

15. Calls on Member States to step up their efforts to honour their commitment to phase out subsidies for fossil fuels in line with the G20 commitment;

16. Believes that trade policy could make a greater contribution towards energy transition and that EU trade instruments should foster the emergence and development of renewable energies and the development of green goods and technologies in Europe; acknowledges the Commission's efforts to negotiate a plurilateral agreement on green goods (the Environmental Goods Agreement — EGA) and calls for these negotiations to produce an ambitious and balanced agreement; asks the Commission, in the framework of the EGA negotiations, to develop quantitative or qualitative criteria to identify 'green goods' and to promote a credible and transparent methodology in the EGA negotiations; further calls on the Commission to take due account of factors influencing trade in green goods, such as anti-dumping policies in the renewable energy sector, intellectual property regimes, tight financing programmes and national environmental policies that create the demand for such goods;

Human rights, environmental and social standards at bilateral level

17. Welcomes the Commission's decision to carry out ex ante and ex post sustainability impact assessments (SIAs) for all trade agreements in accordance with the 'Guidelines on the analysis of human rights impact assessments for trade-related policy initiatives'; calls, in this regard, on the Commission:

- (a) to apply the guidelines in developing SIAs for all current and future negotiations,
- (b) to also reflect in these SIAs the guiding principles developed by the UN Special Rapporteur on the right to food,
- (c) to take into account the impact of trade and investment agreements on particularly vulnerable people such as those who belong to a minority group, or are geographically isolated, poor or socially excluded; draws attention also, in this connection, to the commitment given by the Commission to assess the impact of free-trade agreements on the EU's outermost regions,
- (d) to ensure proper involvement of SCOs and social partners in the development of SIAs and to involve Parliament at every stage in this process,
- (e) to take the findings of such assessments fully into account during negotiations,
- (f) to ensure the timely publication of SIAs in order to inform negotiating positions before they are formulated, to inform the public and to enable elected representatives to properly assess any proposed agreement;

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18. Acknowledges the conclusions of the European Ombudsman concerning the Commission decision to finalise the agreement with Vietnam before the conclusion of the human rights impact assessment and urges the Commission to conduct that assessment at the earliest opportunity on the basis of the new methodology in order to allow Parliament to take an informed decision;

19. Reiterates its support for human rights conditionality in trade agreements and recalls the importance of respecting and implementing human rights clauses; welcomes the Commission and Council's efforts to insert such legally binding HR clauses into all trade and investment agreements in accordance with the common approach and requests the publication of the Council's common approach; notes that HR clauses have not been included in all EU agreements and calls for the ongoing trade negotiations with the EU's other partners, particularly those on TTIP, to ensure the inclusion of a legally binding human rights clause;

20. Considers however that current clauses have had a limited impact on the fulfilment of HR obligations and commitments; calls therefore on the Commission and the Council to implement the following adjustments:

- (a) the inclusion of trade safeguard provisions to preserve each agreement party's capacity to meet its HR obligations in the areas in which it is primarily responsible in cases of proven breaches of the provisions of the human rights clauses,
- (b) regular in-depth monitoring of the implementation of human rights clauses in trade and association agreements, in particular through the publication of regular joint reports from the Commission and the EEAS to Parliament on partner countries' respect for human rights and through the establishment of an inter-institutional committee,
- (c) to consider the inclusion of a committee for human rights in all EU trade agreements in order to ensure serious and systematic follow-up on human rights issues in relation to the agreement; recalls in this connection the importance of involving the public in negotiations to ensure transparency,
- (d) to ensure that the EU has a domestic legal remedies system which permits complaints in cases of non-respect of trade agreements and human rights clauses;

21. Recalls the request made in its recommendations of 2010 that each EU trade agreement, whether bilateral or plurilateral, should include comprehensive, enforceable and ambitious Trade and Sustainable Development (TSD) chapters; highlights the discrepancies displayed by TSD chapters in the various EU trade agreements; calls therefore on the Commission to uphold the highest level of consistency in all trade negotiations and to introduce TSD chapters with the following features:

- (a) a commitment by each of the parties to ratify and to effectively implement the eight core and four priority ILO Conventions as well as the international multilateral environmental agreements,
- (b) coverage of human rights clauses and TSD chapters by the general dispute settlement on an equal footing with the other parts of the agreement as requested in the 2010 recommendations to ensure compliance with human rights and social and environmental standards,
- (c) the possibility to appeal and seek redress through a complaints procedure for social partners and civil society,
- (d) effective deterrent measures, including in the form of monetary remedies, in the event of serious, proven breaches of the provisions of the agreement's chapter on sustainable development; such measures could be implemented through a temporary slowing down, reduction or even suspension of certain trade benefits provided under the agreement in the event of an aggravated, continuous breach of these standards as a measure of last resort, and the introduction of action plans with our partners could help remedy non-compliance with certain commitments made in trade and investment agreements;

22. Reiterates its request for sustainable development forums or advisory groups to be set up at the various stages of drafting, negotiating and implementing an agreement; recalls the need for all Domestic Advisory Groups (DAGs) to be fully independent and to have access to adequate resources; takes notes of the criticisms often voiced by some participants in DAGs set up by the EU under existing trade agreements that their deliberations have no practical impact and proposes that the Commission implement the following measures:

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- (a) to set up a reporting system that enables Parliament to assess the work of the advisory groups,
- (b) to respond systematically in a concrete manner to concerns raised by EU DAGs and to follow up on initiatives proposed by EU SCOs and social partners in this framework,
- (c) to lay out basic logistical provisions in TSD chapters to enable effective implementation, as these aspects have in some cases proven to be serious hurdles, as well as related accompanying measures such as technical assistance and cooperation programmes;

23. Calls for increased transparency and accountability for grassroots organisations in the formulation of international trade rules and national trade policies, while ensuring consistency with regard to respect for workers' rights and human rights, including women's rights;

24. Calls on the Commission to involve Parliament more closely in the process of monitoring the implementation of trade and investment agreements with regard to compliance with human rights and social and environmental standards and calls on the Council to consult Parliament on any decisions to revise or even suspend the application of an agreement if this is necessary;

Human rights, environmental and social standards at unilateral level

25. Welcomes the entry into force of the new Generalised Scheme of Preferences (GSP) (Regulation (EU) No 978/2012) on 1 January 2014 and the publication of the first GSP monitoring report for the period 2014-2015; takes the view that trade policy must be a way to encourage the EU's partner countries to adopt higher social and environmental standards and therefore calls on the Commission to implement the following corrective measures:

- (a) to clarify, either through a delegated act or through the forthcoming revision of Regulation (EU) No 978/2012, the definitions of a 'serious failure to effectively implement' an international convention and 'serious and systematic violation of principles' contained in an international convention,
- (b) to seek the views of all relevant monitoring bodies in order to better assess compliance with the international conventions referred to in the GSP Regulation; in particular to focus its assessment on the views expressed by the ILO's Committee of Experts on the Application of Conventions, with respect to both granting and suspending trade preferences in accordance with the GSP Regulation,
- (c) to enhance, in the forthcoming revision of Regulation (EU) No 978/2012, the monitoring of commitments undertaken by beneficiary countries; social partners and CSOs should be given a formal role in GSP and GSP+ monitoring, in particular through a procedure to hear and respond to concerns addressed to the Commission,
- (d) to also include in the revision, as requested in 2010, CSR in the GSP Regulation in order to ensure compliance by transnational corporations with national and international legal obligations in the areas of human rights, labour standards and environmental rules,
- (e) to monitor and assess developments related to the implementation and effectiveness of the Everything But Arms (EBA) and standard GSP arrangements and to report back to the European Parliament;

26. Supports the commitment made by the Commission to work towards the elimination of child labour; welcomes the adoption of a Staff Working Document and reiterates its request from 2010 for a balanced and realistic proposal for legislation, including measures such as labelling child-labour-free products, trade preferences given to countries that meet certain labour standards and horizontal import prohibitions for products made using child labour; stresses the importance of including the objective of combating forced labour and child labour in TSD chapters of EU trade agreements alongside the other 6 fundamental ILO conventions, as well as the EU's engagement in international discussions at the WTO, OECD and ILO level to advance its multilateral dimension;

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27. Confirms its opposition to any direct or indirect provision affecting trade in energy-related services that would allow for technological neutrality of subsidies; calls on the Commission and Member States to take serious account of the fact that the rising CO₂ emissions from international trade undermine the European Climate Strategy, and emphasises that shifting to local production and consumption patterns can contribute to achieving the Paris Agreement's objectives;

28. Recalls the intrinsic link between climate change and deforestation caused by unsustainable and illegal commodities extraction; calls on the Commission to guarantee the effective implementation and enforcement of FLEGT and EUTR, including the obligation to legality in timber supply chains;

29. Welcomes the Commission's decision to initiate a feasibility study for a European Action Plan on Deforestation and Forest Degradation;

Corporate social responsibility (CSR)

30. Recalls Parliament's request from 2010 to include CSR in all EU trade agreements and provisions for greater enforcement, notably the possibility for the Commission to carry out investigations into alleged breaches of CSR commitments and the development of EU contact points building on and strengthening the OECD contact points; asks the Commission to step up its efforts towards achieving compliance by companies, throughout their supply chains, and full respect for ILO core labour standards and internationally recognised CSR standards, in particular the recently updated OECD Guidelines for Multinational Enterprises, the ten principles of the United Nations Global Compact, the ISO 26000 Guidance Standard on Social Responsibility, the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, and the United Nations Guiding Principles on Business and Human Rights, in particular in the clothing and extractive industries, in which the risks of human rights and social standards infringements are more common; draws attention to the Sustainability Compact launched by the Commission together with Bangladesh, the ILO and the United States following the Rana Plaza disaster in 2013; stresses the importance of continuing to pursue the pact's sustainability objectives in order to improve workers' rights, as well as the need for more responsible management of supply chains at international level; calls on the Commission to pursue similar programmes and measures with other EU trade partners;

31. Believes it is crucial to continue efforts to adhere to the OECD Declaration on International Investment and Multinational Enterprises, ensuring that the Guidelines are specifically cited in all new agreements between the EU and third countries and moving from a 'passive' to an 'active' approach as regards their implementation; calls on the Commission to ensure transparency with regard to access to information on the conduct of enterprises and to introduce an effective and enforceable reporting system which provides information on product value chains; recalls its position from 2010 to request companies to publish their CSR balance sheets and all undertakings to show due diligence; urges the Commission to update its strategy on CSR to establish stronger reporting and compliance requirements and ensure 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;

32. Calls for the EU to set up CSR dialogue platforms bringing together civil society, businesses, international organisations and other stakeholders;

33. Invites the Commission to apply the emerging results of the 'Realising Long-term Value for Companies and Investors' project being undertaken by the UN Principles for Responsible Investment and the UN Global Compact to its own European Fund for Strategic Investments and to its dialogue with investors when negotiating trade agreements, and to support the concept of a 'Sustainable Capital Markets Union' through supporting sustainable trade;

34. 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 for Multinational Enterprises are core texts in relation to corporate social responsibility; requests the Commission to follow up on OECD and UN initiatives by incorporating recently and newly developed international standards into EU legislation and to promote balanced and comprehensive policy recommendations, including a strong sustainable development dimension on global value chains, at the July 2016 meeting of G20 Trade Ministers in Shanghai;

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35. Recalls that the EU is the world's leading actor in terms of National Action Plans for CSR; calls on the Commission to actively promote responsible business conduct amongst EU companies operating abroad, with a special focus on ensuring strict compliance with all their legal obligations stemming from either domestic laws or any bilateral or international legal obligations that their business operations are subject to therein — not least compliance with international standards and rules in the areas of human rights, labour and the environment; further suggests, to achieve this aim, that the Commission actively engages with its partner countries in the exchange of best practices and know-how on ways and means to improve the business environment and awareness concerning responsible business conduct;

36. Notes that the CSR agenda must be adapted to the specific needs of regions and countries in order to contribute to improving sustainable economic and social development;

37. Calls on the Commission to take trade and investment measures involving the award of labels, the granting of preferential access to EU public contracts and the implementation of SME support programmes that will encourage and reward companies introducing CSR strategies;

38. Strongly welcomes the inclusion of human rights reporting by large businesses in the EU Non-financial Reporting Directive; calls on the EU Member States to transpose the Directive swiftly and effectively; draws attention to the UN Guiding Principles Reporting Framework, the Corporate Human Rights Benchmark and the objective of 'integrated reporting', and calls on all EU listed companies and their stakeholders to comply with the spirit of the Directive within the EU and when trading outside the EU;

39. Calls for the EU and the Member States to engage actively in the work of the UN's Human Rights Council and of the UN Environment Programme (UNEP) on an international treaty to hold transnational corporations accountable for HR abuses and violations of environmental standards;

40. Stresses that the effective implementation of these recommendations constitutes a crucial element in Parliament's assessment of trade agreements negotiated by the Commission; requests a detailed and timely response from the Commission to all the items raised in this resolution;

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41. Instructs its President to forward this resolution to the Council and the Commission, and to the governments and parliaments of the Member States.
