PRESS RELEASE

TSD COMMUNICATION: A STEP TOWARDS FAIRER TRADE AGREEMENTS?

Brussels, 22 June 2022 – Today, the European Commission has unveiled the new Trade and Sustainable Development (‘TSD’) communication: ‘The power of trade partnerships: together for green and just economic growth’. Executive Vice-President Valdis Dombrovskis led and presented the development of this communication in the context of the Trade and Sustainable Development Chapters in EU Trade Agreements.

The Fair Trade movement welcomes the Commission’s initiative to revise the 15-point action plan for Trade and Sustainable development as well as the Communication’s recognized six policy priorities. The Fair Trade movement, on the other hand, regrets that the Communication fails to take into account other explicit recommendations presented to the Commission by civil society organizations in several instances; the focus on environmental and energy transition only and the affirmation that TSD chapters (as well as bilateral and multilateral cooperation) are meant to supplement autonomous measures.

Virginia Enssle, Project and Policy Officer of the Fair Trade Advocacy Office (FTAO) noted that “EU trade policy and TSD chapters must serve as an enabler for truly fair and sustainable trade, which includes not only improving environmental sustainability, labour rights and conditions, but also improving trade and purchasing practises and prices that allow small farmers, artisans, and workers in value chains to earn a living income and wage. This focus is missing from the Communication, and without it, sustainability cannot be mainstreamed in EU trade agreements."

On the plus side, FTAO welcomes increased engagement with trade partners, the provision of incentives and support, and the implementation of tailored made-in-country approaches. That, combined with clear, enforceable, and binding roadmaps, could lead to effective change on the ground.

However, FTAO observes a greater emphasis on environmental issues and the energy transition, without the same amount of attention being paid to labour and human rights, for instance in the liberalisation of environmental goods and services. Furthermore, we express our concern about using TSD commitments as a supplement to autonomous instruments. In contrast, in a recent report on import standards, the Commission stated that it should rely primarily on bilateral and multilateral cooperation.

1 See for example Trade and human rights - EU is taking steps in the right direction (April 2022); Recommendations for the effective implementation of TSD Chapters (March 2022); Non-paper: Strengthening and Improving the Functioning of EU Trade Domestic Advisory Groups (October 2021); Online Event: Global Trade, Fair Enough? Hosted by the European Parliament Fair Trade Working Group (26 January 2022)
The Fair Trade movement looks forward to actively contributing to the effective implementation and enforcement of this communication as well as the commitments set out in Trade and Sustainable Development Chapters in Trade Agreements. It is hoped that this new approach will enable more assertive labour and environmental standards to be pursued, and that EU trade policy will better align with the Green Deal.

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The Fair Trade Advocacy Office (FTAO) speaks out for Fair Trade and Trade Justice with the aim to improve the livelihoods of marginalised producers and workers in the South. The FTAO is a joint initiative of Fairtrade International, the World Fair Trade Organization-Global and the World Fair Trade Organization-Europe.

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