



CICLO DE CONVERSATORIOS
ACUERDO DE ASOCIACIÓN
CHILE - UNIÓN EUROPEA



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Partnership Agreement Chile – European Union – Panel Discussion Series

Background Paper for the Panel Discussion

Trade and Sustainable Development

Thursday, November 23rd, 2017 in Santiago

- The current Partnership Agreement between the EU and Chile¹ (EU-Chile Partnership Agreement) does not include provisions on trade and sustainable development, therefore limiting the Agreement's potential contribution towards the promotion of a positive impact on social, environmental and labour conditions.
- The most recent Free Trade Agreements (FTAs) concluded by the EU include chapters on Trade and Sustainable Development with solid provisions on labour and environmental protection that refer to ILO conventions, other ILO instruments and Multilateral Environmental Agreements (MEAs).
- The Free Trade Agreements recently subscribed to by Chile consider chapters on both environmental and labour issues. Both chapters include a commitment by the Parties involved to comply with its laws and regulations in terms of labour and environmental issues, a commitment to make an effort to improve environmental protection levels, the promotion of corporate social responsibility, and articles to promote cooperation between the Parties involved.
- During the modernization process, the Parties involved will work to achieve a result that will allow them to show a solid commitment to both labour and environmental issues.

Questions

- The agreement establishes a legal framework for trade between the EU and Chile – What types of commitments do you think the governments should make in terms of trade and sustainable development?

¹ Complete text of the 2002 Partnership Agreement between Chile and the European Union: http://eur-lex.europa.eu/resource.html?uri=cellar:f83a503c-fa20-4b3a-9535-f1074175eaf0.0004.02/DOC_2&format=PDF



- ¿Can you provide us with a good example of a best practice in terms of trade and sustainable development in your sector?
- Keeping in mind current and future trade between the EU and Chile, where do you think are the main sustainability challenges as related to the environment and social issues?
- What are the private sector's needs to maximize its contribution to the country's sustainable development within the framework of the trade of goods and services with the EU?
- What types of contributions could other social actors such as NGOs, trade unions and universities offer in this area?

Example of a chapter on trade and development in the CETA between the EU and Canada²:

- Includes three chapters that touch upon sustainable development topics. Chapter 22 with the general framework, Chapter 23 with the regulation on labour issues and Chapter 24 on environmental topics.
- Chapter 22: The parties involved recognize that economic growth, social development and environmental protection are interrelated and make a commitment to ensure that economic growth will support both social and environmental goals.
- It is important to note the creation of a Joint Committee on Trade and Sustainable Development, which commits the Parties involved to promote dialogue and discussion forums with interested groups.
- It also establishes a joint representative forum for civil society participants in both countries involved to foster their participation in the agreement's development. This forum shall meet on a yearly basis.
- It also generates institutional mechanisms for cooperation and the promotion of transparency via the exchange of information.
- In *Chapter 23*, it recognizes ILO as the international regulatory body in this field, highlighting the autonomy of each of the Parties involved, but establishing what is considered a healthy level of regulation. Notwithstanding the foregoing, it establishes a singular method for settling labour disputes.
- In *Chapter 24*, it promotes cooperation via multilateral organizations to exploit natural resources in the best way possible, avoiding irreversible damage to the environment.

² <http://ec.europa.eu/trade/policy/in-focus/ceta/ceta-chapter-by-chapter>



Example of a chapter on the Environment in the Agreement between Chile and Argentina:

- Agrees on a comprehensive Environmental Chapter (Chapter 13), in which the Parties involved commit to obeying their environmental legislation and not relaxing their environmental regulations in an effort to promote trade or investment.
- It includes a specific article on Multilateral Environmental Agreements (MEAs) where it recognizes the importance of MEAs and each Party involved reaffirms its commitment to implementing those MEAs it is part of.
- It considers an article on access to justice, information and participation, where it creates spaces where citizens and relevant actors can offer their opinion on the chapter's implementation.
- Cooperation is a fundamental aspect of this Chapter, highlighting areas such as: sustainable development objectives, chemical substances management, and access to information, participation and justice in environmental issues, among others.
- It considers the implementation of a Committee on Trade and the Environment, where parties involved can discuss the chapter's implementation and identify areas of cooperation and mutual interest, among others.
- It contains specific articles on climactic change, sustainable agriculture, invasive exotic species, fisheries and forestry matters.

Example of a chapter on Labour in the Agreement between Chile and Argentina:

- Chapter 12 considers among its commitments compliance with labour legislation and the application and promotion of internationally recognized labour standards such as: freedom of association, the right to collective bargaining and non-discrimination in employment and occupation, and the abolition of forced and child labour.
- Likewise, it places a strong emphasis on labour cooperation, which makes it possible to carry out projects in this sector.
- The aforementioned Chapter has a modern content since it incorporates provisions on transparency and the participation of civil society.
- In its provisions there is an express recognition of the rights of migrant workers by referring to the United Nations International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families (1990), as well as the promotion of the implementation of the United Nations Guiding Principles for Business and Human Rights.