

Presentation of the European Ombudsman's strategic initiative on ensuring respect for human rights in international trade agreements

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Honourable Members,

Thank you for inviting me to speak to you today.

In July last year, I launched an initiative to look into how the European Commission ensures that human rights are respected in the context of international trade agreements.

This initiative followed the Commission's adoption in February 2021 of a new trade strategy that includes the commitment for the EU to "take a more assertive stance to defending its interests and values" through its trade policy.

It also reflects the number of complaints my Office has dealt with in recent years related to how the EU, through its external relations and trade policy, upholds and promotes its values around the world.

The focus of this initiative was on how the Commission prepares the human rights clauses contained in the international trade agreements signed by the EU, and how it monitors these clauses once the trade deal is in place.

The Commission's answers to my questions can be summarised as follows:

DG TRADE and the European External Action Service monitor compliance with the commitments in trade agreements, using tools such as human rights dialogues. The results are published in the Annual Report on Human Rights and Democracy. The Commission also publishes an annual report on the overall implementation of trade agreements.

The Commission recently reviewed its approach to Trade and Sustainable Development in free trade agreements. The new approach includes the possibility to apply trade sanction for breaches of fundamental principles of International Labour Organisation conventions.

Since 2020, a Chief Trade Enforcement Officer oversees the enforcement of EU trade agreements. The Officer manages complaints from different stakeholders, including civil society



organisations, through an online portal established in the same year.

However, only individuals and companies based in the EU can submit complaints. The complaints can relate either to market access issues or to non-compliance with commitments made under trade and sustainability chapters, the latter broadly meaning labour rights.

Although the Commission says the online portal could also deal with complaints touching on human rights issues, there were no such complaints at the time of my initiative.

In essence, the Trade and Sustainable Development approach - in place for over a decade - is not primarily aimed at addressing human rights abuses. It focuses on trade issues, the environment, and labour rights. Moreover, the recent public consultation carried out as part of the Commission's review contained no questions mentioning human rights.

In light of the information provided as part of this strategic initiative, I made the following suggestions to the Commission:

- It should set up a new and separate complaint-handling portal for alleged human rights abuses.
- And it should examine how it can make this portal accessible for human rights-related complaints by civil society organisations and other stakeholders based in the countries with which the EU has agreements.

I have asked the Commission to respond to my suggestions by January 2023.

I also used this strategic initiative to follow up on my inquiry concerning the EU-Vietnam free trade agreement. In 2016, I found that the Commission's failure to carry out a human rights impact assessment before signing the agreement constituted maladministration.

Following my inquiry, the Commission reviewed key policies relating to human rights, particularly its general approach on how to evaluate the impact of free trade agreement on these rights.

The Commission noted that in its subsequent relations with Vietnam, it has been following up on human rights issues including by raising the issue during high-level visits, an annual human rights dialogue, and contacts on the ground through the EU delegation.

It has committed to carrying out an ex-post assessment of the trade deal that will also include human rights and sustainability aspects by 2025, four years after the deal came into force.

Honourable Members, the EU through its Treaties and notably the 2009 Lisbon Treaty is formally compelled to take the human rights dimension into account in its trade agreements as part of its wider commitment to project its values through its external actions.

As a powerful economic and moral actor, the Union can exert enormous positive influence through the coherent integration of human rights into its trade agreements and resist dealing



with them in separate silos. Culturally, all institutional actors need fully to realise the potential of the EU's power and influence and the global transformations these can bring about in the human rights arena.

While these agreements are designed to be beneficial for the economies of both entities, as you well know, they may not necessarily bring benefits to all the peoples of the countries concerned or sufficiently encourage progress in a trading partner's human rights agenda. They may, in some cases, have negative consequences for certain sections of the population. This is explicitly recognised in the Commission's own 2015 comprehensive guidelines on how to evaluate the likely impact of trade liberalisation on the human rights of individuals in the third country.

I continue to take the view that it is best to ask about the potential negative human rights consequences **before** rather than after a deal is concluded and the guidelines I have just referred to make it very obvious as to why this is the case.

It takes an array of organisations, entities and stakeholders - including, of course, Members of this House - to monitor how the EU upholds its values around the world.

Each actor brings pressure to bear in their own way.

My office approaches this issue through the prism of good administration. I can bring about positive change by focusing on whether administrative rules and procedures have been followed.

The EU is a global actor but it is also legally obliged, when acting on the international scene, to follow principles such as support for democracy, the rule of law, and human rights and fundamental freedoms.

My Office will continue - through dealing with complaints and taking proactive initiatives - to play its part in ensuring that the EU institutions live up to these standards.

Thank you.