



THE LONDON SCHOOL  
OF ECONOMICS AND  
POLITICAL SCIENCE ■

# LSE Roundtable: New Trends in the Implementation and Enforcement of Trade and Sustainable Development Provisions

Kick-off event of the UACES TIER Network

8 June 2022

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Trade Policy Hub (TPH) | LSE Consulting



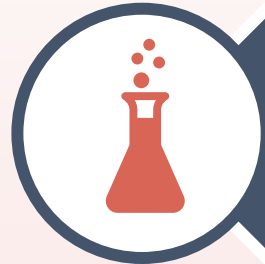
# Today

- ◆ Introduction to TPH, TIER network and our speakers: Elitsa Garnizova
- ◆ Key practices in TSD implementation and enforcement: Jean-Baptiste Velut
- ◆ Reflections on recent reforms
  - ◆ **Ulrich Weigl**, Head of Unit and **Daniel Bloemers**, Policy Officer, Directorate-General for Trade, European Commission;
  - ◆ **Pierre Bouchard**, Director, Trade and Labour Affairs division, Labour Program of Employment and Social Development Canada;
  - ◆ **Dana Cryderman**, Deputy Director - Inclusive Trade, Global Affairs Canada;
  - ◆ **Dominik Ledergerber**, Senior Advisor, Federal Department of Economic Affairs, Education and Research EAER, State Secretariat for Economic Affairs SECO, Free Trade Agreements/EFTA Division;
  - ◆ **Kathleen Claussen**, Associate Professor of Law at University of Miami, and former associate general counsel at USTR.
- ◆ Moderated Discussion with questions and insights from audience

# Trade Policy Hub



Cutting edge  
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Our work centres on four core  
services:

Trade Policy Analysis

Impact Assessments

Capacity-building and technical  
assistance

Stakeholder engagement

# Trade Implementation and Enforcement (TIER) Network

- ◆ University Association for Contemporary European Studies funded
- ◆ Recognition of the importance of trade policy for:
  - ◇ Understanding EU, European and global dynamics
  - ◇ Linkages of trade policy to other areas
  - ◇ Bridge-building across methodologies and across practitioners and scholars
- ◆ Being part of the network:
  - ◇ Featured on website
  - ◇ Receive communication
  - ◇ Participate in events
  - ◇ Contribute and collaborate







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# Comparative Analysis of Trade and Sustainable Development Provisions in Free Trade Agreements

Presentation

June 2022

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## — Aims and scope of the study

- ◆ Informing the Commission's **TSD review** by undertaking a comparative analysis and assessing relevant third-country practices.
- ◆ Providing a **critical review** of seven different approaches to TSD provisions in Free Trade Agreements (FTAs) including in Australia, Canada, Chile, Japan, New Zealand, Switzerland and the United States.
- ◆ Studying **11 EU trade agreements** that include TSD chapters and are currently in force (incl. provisionally applied).



# Implementing TSD provisions



## Prevalence of cooperation

**Even for sanction-based enforcement models, cooperation remains the watchword**, illustrated by the prevalence of cooperation provisions in the selected FTAs' labour and environmental provisions.



## Whole-of-government approach

**Leveraging institutional resources across government agencies** has allowed them to devote greater resources to the implementation and enforcement of TSD provisions.



## Role of international organisations

**Engaging with the ILO at the negotiation and monitoring stages** has delivered tangible outcomes like the ratification of ILO conventions. IOs have had a more limited function in the environmental realm.



## Civil society participation

**A multi-stage and sustained approach to civil society participation** can maximize stakeholders' input at various stages of the trade policy process.

# Enforcing TSD provisions



## Incentive-based practice

**Some agreements have used a “carrot” or incentive-based approach to induce compliance** through conditional/incremental tariff reduction that have led to tangible improvement in workers’ rights.



## Public submissions

In some FTAs, **public submissions for non-compliance have played a role to improve labour, environmental standards, and human rights.**



## Company-level monitoring

**Company-level monitoring or verification processes can act as a form of due diligence,** transferring liability for enforcement onto private actors and incentivizing them to change **behaviour in case** of noncompliance with TSD provisions (e.g., USMCA, US-Peru FTA).



## Pre-ratification processes

**The pre-ratification period can be used to press for domestic reforms,** whether this relates to labour or environmental standards.



## Future Research

- ◆ **Broadening the number of case studies across countries and policy spheres**
- ◆ **Assessing the potential synergies and conflicts** between practices:
  - ◇ Need to understand better cross-government activities that can be complementary
  - ◇ Assessing how to better coordinate TSD implementation across different trading partners
  - ◇ Evaluating the possibility of delegating aspects of enforcement to individual stakeholders, companies, international organizations etc.

# Thank you!

For questions/comments, please reach out to:

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