Basic information

2002/2070(COS) COS - Procedure on a strategy paper (historic)	Procedure completed
Economic globalisation: social governance, core labour standards **Subject** 4.15.12 Workers protection and rights, labour law 5.03 Global economy and globalisation 6.20.01 Agreements and relations in the context of the World Trade Organization (WTO)	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
EMPL Employment and Social Affairs	GILLIG Marie-Hélène (PSE)	12/09/2001

Committee for opinion	Rapporteur for opinion	Appointed
LIBE Citizens' Freedoms and Rights, Justice and Home Affairs	ROURE Martine (PSE)	21/11/2001
ITRE Industry, External Trade, Research, Energy	ALYSSANDRAKIS Konstantinos (GUE/NGL)	22/11/2001
ENVI Environment, Public Health, Consumer Policy	The committee decided not to give an opinion.	
DEVE Development and Cooperation	HOWITT Richard (PSE)	18/04/2002
FEMM Women's Rights and Equal Opportunities	OOMEN-RUIJTEN Ria (PPE-DE)	22/01/2002

Council of the European Union

Council configuration	Meetings	Date
General Affairs	2372	2001-10-08
General Affairs	2522	2003-07-21
Employment, Social Policy, Health and Consumer Affairs	2373	2001-10-08

European Commission

Commission DG	Commissioner
Trade and Economic Security	

Key events

Date	Event	Reference	Summary
18/07/2001	Non-legislative basic document published	COM(2001)0416	Summary
08/10/2001	Debate in Council		
11/04/2002	Committee referral announced in Parliament		
19/06/2002	Vote in committee		Summary
19/06/2002	Committee report tabled for plenary	A5-0251/2002	
04/07/2002	Decision by Parliament	T5-0374/2002	Summary
04/07/2002	Debate in Parliament		
04/07/2002	End of procedure in Parliament		
21/07/2003	Resolution/conclusions adopted by Council		
12/11/2003	Final act published in Official Journal		

Technical information

Procedure reference	2002/2070(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 148 Rules of Procedure EP 050
Stage reached in procedure	Procedure completed
Committee dossier	EMPL/5/16115

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, single reading		A5-0251/2002	19/06/2002	
Text adopted by Parliament, single reading		T5-0374/2002 OJ C 271 12.11.2003, p. 0382-0598 E	04/07/2002	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2001)0416	18/07/2001	Summary

Economic globalisation: social governance, core labour standards

2002/2070(COS) - 18/07/2001 - Non-legislative basic document

PURPOSE : to propose an EU strategy to promote core labour standard and social governance globally. CONTENT : the communication proposes action at European and international levels, to support the effective application of core labour standards at global level. The development dimension is central to the strategy, which aims to help developing countries apply core labour standards for social development. The strategy confirms the central role of the International Labour Organisation (ILO). The communication supports a better balance of the global governance system, through both strengthening and using more effectively ILO instruments and fostering joint work by international organisations. In the ILO, this would imply discussion of steps to reinforce the effectiveness of supervision, including better publicity and more effective follow-up and discussion of a new incentive mechanism to promote the respect for core labour standards, as well as increased contributions to ILO technical assistance. The communication also proposes to create a high-level international dialogue, with the participation of international organisations the ILO and the World Trade Organisation, as well as development organisations such as the United Nations Conference on Trade and Development (UNCTAD), the World Bank and the United Nations Development Programmes (UNDP). This international dialogue would help identify best practices and policies that will further the contribution of trade to social development world-wide. The Communication stays true to the fundamental principles of clearly rejecting any use of core labour standards for protectionist purposes and putting into question the comparative advantage of low-wage developing countries. As regards action at the European level, the strategy proposes a more coherent use of a wide range of policy instruments. Poverty and inadequate domestic governance structures are often the main cause of social problems, and development tools therefore play a central role. The communication suggests integrating core labour standards in its development policy and strengthening capacity in developing countries to apply core labour standards. It also suggests that core labour standards should have their place in bilateral agreements between Europe and the third countries. The Generalised System of Preferences (GSP) of the EU provides preferential market access to developing countries. Additional preferences are given to countries under the social incentive scheme, provided they apply core labour standards. The Commission suggests improving this social incentive scheme to make it more attractive to developing countries and making available development assistance available to developing countries to help them make better use of the social incentive opportunities. The Commission also recognises the importance of private voluntary initiatives. Such initiatives reflect the corporate social responsibility of companies and their increasingly important role in supporting social development. The Commission has also adopted a Green Paper on Corporate Social Responsibility (see COS/2002/2069) which complements this communication on the promotion of core labour standards and the improvement in social governance.

Economic globalisation: social governance, core labour standards

2002/2070(COS) - 04/07/2002 - Text adopted by Parliament, single reading

The European Parliament adopted the resolution drafted by Marie-Helene GILLIG (PES, France) on core labour standards. (Please refer to the document dated 19/06/02.) Parliament called for a multilateral WTO agreement to provide incentives to observe core labour standards. The ILO's constitution permits the imposition of trade sanctions. The latter alone should have that power. Parliament asked the WTO to state clearly that trade sanctions imposed pursuant to an ILO decision could not be considered incompatible with the WTO Treaties. The WTO's dispute settlement body should be obliged to consult the ILO and the ILO opinion should be attached to the ruling when a trade dispute between the WTO member countries involves a failure to observe core labour standards. The EU must ensure full respect for CLS, which implies full compliance with the ban on child labour, stepping up action against trafficking and slavery and a European immigration policy which encourages legal immigration. Parliament went on to endorse the decision of the Council and the Commission to gear the Union's development strategy towards incentive clauses and not to penalty clauses. The Commission must reinforce the GSP and ensure that the fundamental labour standards component of the EU's new GSP are actually enforced. New non-trade incentive clauses must be proposed for developing countries. The EU should incorporate in all third country agreements, whether commercial or cooperation, a CLS clause. Parliament stressed that financial aid must be stepped up to promote fundamental labour standards. It called attention to the rapid growth of Export Processing Zones (EPZ) in different parts of the world and the fact that in many cases national labour legislation does not apply in these zones. The promotion of corporate responsibility must follow on from what is happening in the OECD and ILO context and must be accompanied by the promotion of worldwide social labelling. The EU must incorporate this labelling into the development of the GSP. Finally, Parliament stressed the role and responsibility of transnational companies in ensuring equitable working conditions in line with the OECD guidelines revised in 2000.