

Explaining the European approach to enforcing sustainable development standards in EU FTAs: history and latest developments

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The EU in international economic relations: 1999

- Pascal Lamy, nominee Trade Commissioner, 2nd September 1999 at the European Parliament
- trade policy “subordinated [...] to a variety of trade and non-trade objectives, such as multilateralism, social justice and sustainable development” (Meunier 2007)
- **Multilateralism** as the preferred channel

→ “managed globalisation” strategy

The EU in international economic relations: 2004

- 2004, Trade Commissioner Peter Mandelson takes over Lamy's place
- 2006, new strategy called "Global Europe: Competing in the World"
- The preferred channel became **bilateralism/regionalism**
 - Why?
- Opportunity for:
 - Diversification
 - Discussion of a more ambitious agenda on sustainable development

→ "Global Europe" strategy

The Treaty of Lisbon: 2009

Examples:

- Article 3(3): the EU “shall work for the sustainable development of Europe based on a balanced economic growth [...] aiming at full employment and social progress, and a high level of protection and improvement of the quality of the environment”
- Article 3(5): “In its relations with the wider world, the Union shall uphold and promote its values and interests and contribute to the protection of its citizens. It shall contribute to peace, security, the sustainable development of the Earth, solidarity and mutual respect among peoples, free and fair trade, eradication of poverty and the protection of human rights [...]”

Consequences

- More ambitious agenda → difficulties in the multilateral context
- Possibility to leverage the EU internal market power to discuss these issues within bilateral/regional agreements
- Treaty of Lisbon → consistency in how **trade and sustainable development** are combined in EU FTAs
 - TSD chapters with specific clauses → commitments to MEAs, ILO's agreements, etc
 - Specific enforcement mechanisms

Why this choice of enforcement mechanisms

- *Pre 2008:*
 - Enforcement through WTO
 - Sustainable development concerns at the beginning
 - Environmental/health concerns were dealt with in the forms of exceptions to trade liberalisation (GATT Article XX)
- *Post 2008:*
 - Shift to bilateral/regional agreements → easier to table sustainable development discussions
 - **But! The more ambitious, the less coercive** (Marin Duran 2020)
 - Why?

A new “enforcement era” in EU trade policy?