



**European Union**  
**Statement**

**ILO**

**317<sup>th</sup> Session of the Governing Body**

**(6– 28 March 2013)**

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**Employment and Social Protection Segment**

**"Trade and Employment"**

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**Geneva, 14 March 2013**

**- CHECK AGAINST DELIVERY -**

**ILO Governing Body  
317th Session  
Policy Development Section  
Employment and Social Protection Segment  
(Geneva, 6-28 March 2013)**

**EU Statement on  
"Trade and Employment "  
(GB.317/POL/2)**

Thank you chair,

I am speaking on behalf of the European Union and its Member States.

The following countries align themselves with this declaration: Croatia<sup>\*</sup>, Turkey<sup>†</sup>, the former Yugoslav Republic of Macedonia<sup>\*</sup>, Montenegro<sup>\*</sup>, Iceland<sup>‡</sup>, Serbia<sup>\*</sup>, Albania<sup>\*</sup>, Bosnia and Herzegovina<sup>\*</sup>, Ukraine, the Republic of Moldova, Armenia and Georgia.

We thank the Office for the presentation and the useful background document. We very much welcome the confirmation of the agenda item for today's session after two postponements.

The growth of international trade is one of the key features and main driver of globalization. Openness to trade accompanied by adequate domestic policies and institutional reforms provides for economic and social development. Some countries have successfully harnessed the potential of trade for development and are increasingly important trade partners. This has contributed to improving the lives of many people and lifting millions out of poverty. However, the benefits of trade-induced growth are not always evenly distributed and this concern is shared by many countries, irrespectively of their development level.

Many workers and enterprises experience hardship from the changes associated to the internationalisation of production and opening of markets. This calls for effective and coherent policy responses based on a better understanding of trade dynamics, and a coordinated action by

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<sup>\*</sup> Acceding Country Croatia and the Candidate countries former Yugoslav Republic of Macedonia, Montenegro and Serbia as well as potential candidate countries Albania and Bosnia and Herzegovina continue to be part of the Stabilisation and Association Process.

<sup>†</sup> Candidate Country

<sup>‡</sup> Candidate Country Iceland continues to be a member of the EFTA and of the European Economic Area.

different stakeholders. In this context, intensifying research and analysis, is key to identify, anticipate and actively manage changes and adjustments.

The studies presented today show how diverse the effects of trade and market opening can be, and that this diversity relies on a wide range of factors. Democracy, human rights, the rule of law, institutional capacity, employment structures, policies and instruments, the share of the informal economy, education and skills, infrastructure, existence and shape of social protection systems all matter. We particularly appreciate that the studies explore the links between trade and gender equality and social protection topics on which little research have been currently carried out. We also note that the study "from myths to facts" is a joint European Commission-ILO project that aims at supporting partner countries to assess and address the effects of trade on employment.

For us, a better understanding of such interrelations is crucial for shaping effective instruments promoting and linking trade and sustainable development. In this context, the European Union pays special attention to designing its trade instruments in a way that enhances their contribution to sustainable development including decent work and effective implementation of the ILO core labour standards. One important tool is systematic sustainability impact assessments, which help capture the significant economic, social, human rights and environmental impacts of envisaged trade agreements. The EU has also developed ex-post analyses to evaluate the extent to which its policies, including trade policy, deliver their intended outcomes. These instruments build upon a wide consultation of relevant stakeholders and provide guidance for technical assistance or design of possible flanking measures, such as Aid for Trade. Moreover, the EU and its member states are committed to work with partner countries to further support development of inclusive nationally-owned social protection systems as a means to support sustainable development and to address distributional effects resulting from openness to trade.

In 2012, the European Union completed the reform of the Generalised Scheme of Preferences. As from 2014, the EU will concentrate its import preferences on those developing countries most in need. At the same time, the EU will expand the opportunity for additional countries to receive enhanced preferences (GSP+) if they ratify and effectively implement 27 international conventions, which include all core labour standards.

The document prepared by the Office shows that research is being carried out by a number of international actors. We very much welcome this. At the same time, this again shows the need for

coordination and cooperation between the various actors. We therefore reiterate the EU and its member states' strong support for the cooperation between the ILO and other international organisations on these issues and more generally the call for a dedicated cooperation on trade and sustainability within the multilateral system. This cooperation should focus on the impact of trade on employment and inclusive sustainable development, with a special focus on the poor and youth. Education, skills development and social protection also play a key role in this context.

We also take the opportunity to commend the Office's team on "trade and employment" for their commitment and their work.

Thank you, chair.