











Valdis Dombrovskis

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C.c.:

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Colin Brown, Head of Unit (Legal Aspects of Trade and Sustainable Development and Investment), DG Trade

Brussels, 28 October 2021

Dear Executive Vice-President Dombrovskis,

The undersigned organisations would like to bring your attention to the set of demands they jointly presented in the consultation launched by the European Commission on the Trade and Sustainable Development (TSD) Review.

With the Green Deal and its related strategies such as Farm to Fork, the EU has demonstrated high ambition in the fields of the environment, climate and animal welfare. It is thus essential to ensure that the EU trade policy is consistent with the objectives listed by the EU in these fields. There is, for instance, no genuine ambition in striving to reduce intra-European emissions if the EU's carbon footprint - that is, the emissions contained in imported products - continues to grow. The same goes with improving animal welfare standards within the EU, while externalising animal welfare concerns by simply importing lower welfare products.

The EU is responsible for the environmental and social impacts its consumption generates in third countries. Aligning EU trade policy with the EU's commitments not only implies trying to maximise the positive effects of trade, but also requires changing the rules governing trade to prevent and mitigate the negative impacts it has globally. The EU needs to maintain the leadership in upholding and developing high environmental and animal welfare standards.

In our attached document, we detail ten key reforms that we deem necessary for a better incorporation of sustainability objectives and ambitious innovation, both within and beyond TSD

chapters:

- 1. EU FTAs should feature a number of structural provisions to put sustainability at the core of trade agreements
- 2. EU FTAs should set conditional preferential tariffs for certain products
- 3. EU FTAs should include specific, measurable and enforceable sustainability obligations
- 4. EU FTAs should include an ex-post monitoring system and a 'review and revision' clause
- 5. EU FTAs should include an obligation to establish a complaint mechanism along with formal procedural rules
- 6. EU FTAs should reinforce the expertise and powers of the panel of experts provided in the TSD chapter
- 7. EU FTAs should include the possibility of penalties/sanctions in case of violations of the TSD chapter provisions
- 8. EU FTAs should clarify and reinforce the role and powers of Domestic Advisory Groups (DAGs) in the monitoring, enforcement and dispute settlement processes
- 9. EU FTAs negotiations should ensure democratic participation and involve relevant sustainability experts and decision makers
- 10. EU FTAs negotiations should be based on sound ex ante sustainability impact assessments

We thank you for considering our recommendations and would welcome an opportunity to further discuss these with your services.

Sincerely,

Anais Berthier,

Head of EU affairs,

ClientEarth

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Director-General,

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