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“The role of trade policy in enabling social economy”

Debate of the European Economic and Social Council: “Which contribution to the Conference on the Future of Europe? Social economy, the future of Europe”

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The European Union is a democratic construct, built by men and women of Europe, on the ashes of the Second World War. And this European democracy is deeply rooted in common values of freedom, human dignity, equality, and the rule of law.

The Union has always been a community of law. Abiding by rule of law ensures an environment based on stable procedures in which people feel safe and businesses can thrive.

Globalization has lifted millions of people from poverty, but it also strengthened inequalities.

A serious decent work deficit persists in global supply chains in many parts of the world, from serious violations of freedom of association to poor working conditions and forced labor.

Depriving workers of their fundamental rights puts downward pressure on social conditions globally and fuels people’s disenchantment with globalization and open trade. We need to make globalization more sustainable and socially fairer to deliver on the expectations of people.

It is a fact of life that we are undergoing a transformational period in European trade policy.

The pandemic made the case for a switch to a fair, sustainable and resilient economic model even stronger than before.

Citizens see that trade is at the intersection of many pressing and urgent challenges affecting their everyday life. We could listen to their concerns throughout the Conference on the Future of Europe.

We know that trade policy can be an accelerator for positive change in our response to climate change, to the need to promote labor and human rights, ensure the security and resilience of supply chains, ban child labor, and achieve the digital transformation of our economies.

Most enterprises in the social economy ecosystem are SMEs, that bring value to the economy and the society, and are important vectors for an inclusive green and digital transition.

The social economy industrial ecosystem carries our European values and social market traditions as enablers for an inclusive, accessible and a citizens driven development.

But the social economy is not only "filling in the gaps", it is also a frontrunner in developing innovative services, products and new markets for a more sustainable and inclusive economy and society.

In the Union, our locally-rooted SMEs can benefit from a vast network of trade agreements.

The EU has invested a lot to fully use the strength provided by its openness and the attractiveness of its Single Market. We work with partners to ensure adherence to universal values, including the promotion and protection of human rights.

This includes core labor standards, and social protection in line with the European Pillar of Social Rights, gender equality, and the fight against climate change and biodiversity loss.

The EU's global network of bilateral trade agreements facilitates trade in green technologies, goods, services and investments.

For years now ambitious sustainable development chapters in our FTAs have been an important tool to promote sustainability.

But still a lot remains to be done regarding the effective implementation and enforcement of TSD chapters, to level-up social, labor and environmental standards globally.

By strengthening the implementation and enforcement of its agreements, the EU's trade policy can create conditions for businesses to develop, grow and innovate and secure high-quality decent jobs in Europe and beyond.

Moreover, the EU's Generalised System of Preferences (GSP) has played an important role in promoting respect for core human and labor rights as reflected in the UN fundamental conventions of the ILO.

The challenge is to continue focusing on the implementation of these commitments, including enforcing our zero tolerance for child labor.

Finally, our ambition is to continue leading efforts to reform the World Trade Organization and improving the effectiveness of the rules based multilateral framework for trade.

It should be key priority for the EU to achieve this objective.

We know that only in such environment trade can thrive and international cooperation can develop in the interest of a global sustainable future.