

## International trade must be good for people and the planet

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### For a new approach to international trade with workers at its centre

**In a time of geopolitical crisis, increased inequality and climate change disasters, industriAll Europe sets out clear trade union demands for the EU 2024-2029 mandate, calling for a change in the EU's approach to international trade putting people and the planet before profits while also levelling the global playing field. Trade must benefit workers and citizens, not just big business.**

#### Introduction: strong global governance needed

International trade needs global governance to ensure that it is fair and that it benefits people as well as the planet. No one country should set the rules. To make sustainable global trade a reality, we need a progressive, international rules based system, with a fully functioning World Trade Organisation (WTO) with strong input from the International Labour Organisation (ILO) and the United Nations (UN). The danger of trade wars sparking military conflicts is a sad, historical fact, and now, more than ever, we need a less volatile world, which requires a new era of global governance.

Trade unions have long called for a new approach to EU trade, insisting that EU trade tools, including bilateral trade agreements with third countries, should be used as a **lever for promoting decent work and good employment** for workers both in Europe and abroad. Furthermore, with recent COP28 climate talks concluding that progress is too slow in all areas of climate action<sup>1</sup>, it is clear that environmental criteria must also remain as a non-negotiable condition in current and future EU trade deals.

IndustriAll Europe insists that European trade deals must benefit everyone, including workers, and not only multinational businesses. In our previous trade policy paper *'industriAll Europe calls for a new approach to trade deals' (2017)*<sup>2</sup>, the priority of ensuring that the imported goods we consume are made by *"people who are not exploited, receive fair compensation, work in safe environments and are employed by companies that respect global codes of conduct"* continues to be our priority today.

While some of our 2017 demands have been met, such as the inclusion of new trade and sustainable development chapters in EU trade agreements, with sanctions for non-compliance with ILO fundamental principles, many issues remain which prevent EU trade measures from truly improving the lives of workers both in and out of the EU.

Today's geopolitical landscape has greatly affected trade flows, not least the illegal invasion of Ukraine by Russia and the subsequent EU sanctions which continue to impact EU industry, and new technologies continuing to call for access to critical raw materials making the topic of EU open strategic autonomy of utmost importance.

<sup>1</sup> <https://unfccc.int/cop28>

<sup>2</sup> [https://agenda.industrial-europe.eu/uploads/documents/2017/6/636329434040756286\\_iAll82-AdoptedDoc-ECJun17-NewApproach2TradeDeals-EN.pdf](https://agenda.industrial-europe.eu/uploads/documents/2017/6/636329434040756286_iAll82-AdoptedDoc-ECJun17-NewApproach2TradeDeals-EN.pdf)

With tough global competition in almost all manufacturing sectors - from steel to automotive, batteries and chips - **trade unions call for a new approach to EU trade which levels the global playing field, creates sustainable value chains, respects the environment, and of course provides decent work for workers everywhere.** The days of a rush to the bottom in low-cost production at a global level must end.

## Rebalancing the level playing field: an international issue

European industry has seen an **increase in unfair state aid and foreign competition of late, with a surge in EU investigations** on subsidies, dumping and countervailing in a range of products, from electric vehicle imports, chemicals, and paper from China, glass fibre fabrics from China (via Morocco), and stainless steel from Indonesia. In fact, 182 trade defence measures were in place in the EU at the end of 2023 (+40% since 2018) the vast majority covering industriAll Europe's sectors.

While improvements to the **EU's Trade Defence Instruments (TDIs)** have been implemented following modernisation in 2022<sup>3</sup>, and many of industriAll Europe's demands have been met<sup>4</sup>, including the ability of trade unions to submit complaints, concerns remain about the huge number of TDI cases, the large amount of circumvention and human resource needs to monitor the situation in the trade of industrial products.

*A fair level playing field is essential to decarbonise the sector while facing tough global competition, and to keep good industrial jobs in Europe. The **EU Political Guidelines 2024-2029** refer to TDIs, stating "we will be more ambitious in enforcing our trade agreements and will use all of our trade defence instruments where and when needed". Trade unions call for all countries to respect international trade rules to avoid the use of TDIs and potential trade wars, in which workers are always the first victims. Therefore negotiated solutions aimed at establishing fair competition, based on universal rules and principles, are always preferable. Case in point is the recent decision of the EU to impose countervailing duties on imports of battery electric vehicles (BEVs) from China, ranging from 17.0% to 35.3%<sup>5</sup>. Workers call on both sides to find an immediate solution which respects international trade law and prevents a tariff war pitting one industrial worker against another. While necessary as temporary answers to urgent trade-related crisis, TDIs does not make an industrial policy. TDIs do not exempt the EU and its Member States from creating the conditions for maintaining industrial sectors in Europe and the quality jobs they generate.*

IndustriAll Europe supports the ETUC's demand<sup>6</sup> for progressive, rules-based trade, which is open, just and sustainable, with the WTO able to regulate multilateralism. With an increase in unfair trading practices from dumping, circumvention and unilateral export bans, including raw materials like nickel from Indonesia, industriAll Europe has often called on the EU to submit official complaints to the WTO on behalf of industrial workers in Europe. **As such, it is essential that the WTO is fully functional and can quickly investigate and react to official complaints.**

The last WTO Ministerial Conference, which took place in February 2024, was seen as an opportunity to reform the WTO, including its dispute settlement mechanism considering the Appellate Body crisis. It was also hoped that the topics of industrial subsidies and Just Transition could be further discussed and officialised, as asked for by the EU, supported by trade unions. Unfortunately, this was not the case, and trade unions were left frustrated by the lack of progress on the aforementioned issues, with a fully

<sup>3</sup> <https://circabc.europa.eu/ui/group/2e3865ad-3886-4131-92bb-a71754ffec6/library/a43ebafe-aefc-46f6-a56c-e3a4896a7c71/details>

<sup>4</sup> [https://agenda.industriall-europe.eu/uploads/documents/2017/6/63632943463111982\\_iAll83-AdoptedDoc-EClun17-UpdateTDI-EN.pdf](https://agenda.industriall-europe.eu/uploads/documents/2017/6/63632943463111982_iAll83-AdoptedDoc-EClun17-UpdateTDI-EN.pdf)

<sup>5</sup> [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_24\\_5589](https://ec.europa.eu/commission/presscorner/detail/en/ip_24_5589)

<sup>6</sup> <https://www.etuc.org/en/document/etuc-resolution-rights-based-trade-policy-workers-and-jobs>

functioning WTO Appellate Body remaining central to ensure a level playing field. The [Political Guidelines for the next European Commission 2024–2029](#) specifically call for a “reformed and strengthened World Trade Organization”, and we expect EU leaders to undertake all possible efforts to make this a reality.

Another international body which covers trade is the **Organisation for Economic Co-operation and Development (OECD)**, which industriAll Europe engages with on sector-specific trade and economic issues, including for the shipbuilding, steel, textiles and extractive mining sectors. Unfair competition, such as global overcapacity and state-funded cross-border investment (steel), as well as export credits and unfair state aid (shipbuilding) continue to prove to be huge obstacles to be tackled before a level playing field can be established. Trade unions continue to call for action to level the playing field and to stop unfair competition. However, with one of the major players, China, refusing to engage in talks with this international body, progress is limited.

Furthermore, the EU climate ambition requires industry to go through massive and deep decarbonisation in the coming years and this will expose many industrial sectors to unprecedented costs. The reform of the **EU emissions trading system (ETS)** will expose foundation industries to an enhanced carbon price signal, whereas avoiding this carbon price will necessitate extraordinary investments in facilities and infrastructure, for direct industrial electrification, for carbon capture and storage or use (CCUS), or for clean hydrogen. Doing this in a globalised economy with asymmetric carbon pricing will expose EU industries to a genuine risk of delocalisation. So far, this risk has been mitigated by the system of free allowances. However, this system will be progressively replaced by the **Carbon Border Adjustment Mechanism (CBAM)** that will impose a carbon price equivalent to the ETS for the imports from the following sectors: steel, aluminium, electricity, cement, fertilizers and hydrogen. Given these challenges, it is crucial that the social dimension of climate policies is not overlooked, particularly as a portion of CBAM revenues should be allocated to a just transition framework, supporting workers and industries in adapting to these changes.

#### As such, industriAll Europe calls for:

- The European Commission to ensure that TDIs, including the Foreign Subsidy Regulation, are swift and effective and that there are sufficient human resources to cover the increase in TDI cases.
- For the EU to ensure that it uses all available tools in the TDI toolbox.
- For a WTO-compatible relaxation of the injury requirements in TDI investigations into sectors with proven global overcapacities to ensure that TDIs are fully effective.
- For the European Commission to modify the application of the relevant legislation for the shipbuilding sector, noting that agreement in the OECD Shipbuilding WP6 is unlikely.
- WTO members to urgently reestablish the Appellate Body.
- The WTO to take urgent action in response to unjustified unilateral export bans which greatly impact European supply chains.
- The WTO to meaningfully consult with trade unions on issues and negotiations via the establishment of meaningful labour dialogues beyond the current civil society advisory group.
- The OECD Steel Committee and the OECD Shipbuilding Committee to continue producing data on global capacity, state aid and cross-border investment to be able to better monitor the situation and submit official complaints via the WTO.
- The EU to implement the CBAM in a way that will avoid products resulting from resource shuffling to be put on the EU market as well as other forms of circumventions. In the same way, CBAM should also apply to the imports of products downstream the supply chain that are metal intensive. A part of the CBAM revenues should be used for just transition framework.
- The EU must also propose solutions to ensure EU exports will not suffer from the accelerated decarbonisation.

- The impact of CBAM on workers in the Global South should be closely monitored and the EU should develop solutions to mitigate it.

## EU Open Strategic autonomy: securing industrial resilience

After decades of laissez-faire and low-cost supply strategies, **the EU has become worryingly dependent on third countries for a series of strategic materials.** The COVID 19 pandemic revealed the EU's dependence on crucial medical equipment and pharmaceutical products and Russia's invasion of Ukraine in 2022 has demonstrated to EU leaders that a rethink is needed with regard to access to affordable energy, chemicals and raw materials for EU industry. It is clear that EU open strategic autonomy is required to enable the green and digital transitions; it is not only a question of European defence and security.

Trade unions see **open EU strategic autonomy as an opportunity to strengthen domestic manufacturing and ensure continuous production in Europe avoiding job losses**, whether temporary (e.g. due to an energy crisis) or permanent. Trade is an important aspect of ensuring the open strategic autonomy, with bilateral trade agreements or memorandums of understanding. However, industriAll Europe insists that both labour rights and environmental standards are included, and that trade unions and civil society are consulted.

Following the "Green Deal Industrial Plan" communication, the EU has adopted the "**Net-Zero Industry Act**" and the "**Critical Raw Materials Act**". The Commission's recently announced **Economic security package**<sup>7</sup> builds on its previous work on screening of foreign direct investments and subsidies, which is welcomed. Ensuring the economic security on European industry is important for the EU's open strategic autonomy, which requires a fair international level playing field. The aim of the package is to promote EU competitiveness while protecting against risks and partnering with third countries that share the same economic security interests.

### In focus: Critical Raw Materials

Access to critical raw materials (CRMs) is one aspect which is vital for the EU's open strategic autonomy and is highlighted in various bilateral trade agreements. **However, it is essential that critical social and environmental conditions are not ignored in the mercantile rush for resources.**

Domestic supply of CRMs is also important and the **EU Critical Raw Materials Act** is welcomed by trade unions as an opportunity to create good, green industrial jobs in sustainable mining and recycling activities. However, with the huge demand for a range of critical raw materials for European industrial sectors, it is clear that the EU will need to continue to import CRMs from third countries. With unfair trading practices by some third countries, including unilateral export bans, and recent EU sanctions on Russia, **the EU must diversify its supply chain, but in a fair way.**

To ensure the sustainable supply of CRMs needed for the green transition, the EU has developed **Raw Material Diplomacy initiatives** through so-called "win-win partnerships". The EU Political Guidelines 2024-2029 builds on this by stressing the need to ensure the supply of raw materials and promises to work on new **Clean Trade and Investment Partnerships**. While trade unions are not against these partnerships, we insist that the EU must ensure due diligence throughout these supply chains, noting the high risk of labour rights abuses and low environmental standards in the extractive sector. However, EU raw materials diplomacy seems to focus on soft law rather than hard law, which risks full adherence to social and environmental criteria. **Trade unions stress that access to critical raw materials is not at any cost, and respect for core labour rights is non-negotiable.**

<sup>7</sup> [https://commission.europa.eu/document/download/8b5910fe-10ea-4645-8b14-162ff72ea049\\_en?filename=Communication%20on%20European%20economic%20security.pdf](https://commission.europa.eu/document/download/8b5910fe-10ea-4645-8b14-162ff72ea049_en?filename=Communication%20on%20European%20economic%20security.pdf)

Trade unions insist that trade in CRMs must be sustainable and the EU's strategic partnerships and policy dialogues on CRMs<sup>8</sup> should not lead to green colonialism in the global south. Human rights and sustainability must anchor Europe's supply diversification strategy. Strategic partnerships should create economic and social benefits in the country, including the creation of employment in compliance with international standards and the fostering of their green value chain and just transition, and they must respect the Universal Declaration of Human Rights, ILO labour standards, UN Guiding Principles for Business and Human Rights, as well as the UN Sustainable Development Goals. It is also important to ensure that EU is prioritising alliances with countries interested in upholding ILO conventions and suspending partnerships in case of proven violation of fundamental rights. Furthermore, **trade unions and civil society must be consulted in any stage of the negotiated partnerships, including the design and monitoring, to ensure that labour rights and environmental standards are respected.**

Access to CRMs is seen by many as a key interest of the EU's [Global Gateway](#) which plans to mobilise up to €300 billion of investments for sustainable and high-quality projects in third countries in a range of areas, including digital, climate, energy and transport. The Gateway hopes to help EU businesses invest and remain competitive, while ensuring that environmental and labour standards are respected, something that trade unions will monitor closely. As such, trade unions insist on proper impact assessments for any investment projects, including for CRMs, and that **all projects must adhere to high environmental and social standards.**

The new [EU proposals](#) to take the Global Gateway to the next level by "proposing an integrated offer to our partners – with infrastructure investment, trade and macro-economic support part of the package" must be done with real engagement with local partners and the involvement of local trade unions and other relevant stakeholders. It is essential that the Global Gateway benefits local workers and communities and not just European businesses.

#### As such, industriAll Europe calls for:

- A new Industrial Deal for Europe to deliver the Green Deal, to spur domestic manufacturing capacities and ensure quality industrial jobs in Europe which will also be essential for establishing open strategic autonomy.
- Full use of the existing and new EU tools to enhance the EU Open Strategic Autonomy, including the Economic Security Package.
- The EU to ensure due diligence in any bilateral trade deals or strategic partnerships on critical raw materials and that any countries which will sign a strategic partnerships with EU fully respect the core ILO conventions.
- Assurance that the Green Deal Industrial Policy's supply diversification strategy is fully in line with due diligence legislation, as well as corporate governance based on ESG criteria.
- That trade unions and civil society are consulted in any bilateral trade agreements or memorandums of understanding for strategic partnerships to ensure that labour rights and environmental standards are respected.
- Proper monitoring of projects in the EU's Global Gateway to ensure democratic engagement with local actors and respect to international labour rules and good environmental practices.

#### In focus: Public Procurement

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<sup>8</sup> Full list in annex.

While using EU trade measures as a lever to create decent jobs worldwide, the same can, and should, be said about public procurement. With EU public procurement estimated at around EUR 2,448 billion, generating around 16% of the EU's GDP<sup>9</sup>, it is clear that it is a major driver of economic growth and investment. However, trade unions lament the current **EU legislation on Public Procurement** (Directive 2014/24/EU) which incentivises companies to undercut each other, leading to a race to the bottom in costs, with workers paying the price. In fact, Uni Europa estimates that around 50% of public tenders were awarded solely on lowest price<sup>10</sup>. With progress on mandatory Green Public Procurement, voices are gathering to call for socially responsible public procurement (SRPP).

Furthermore, the international procurement market creates an additional market space and the EU introduced the **International Procurement Instrument (IPI)** in 2022 aimed at ensuring a level playing field and open and fair access to public procurement markets around the world. Currently, there is an EU investigation already underway on the Chinese procurement market for medical devices. Equal market access, a level playing field and fair competition are important to ensure fair and free trade at international level.

For industriAll Europe, public procurement is important for a range of sectors, from hospital equipment, such as personal protective equipment (TCLF), buses or rail supply for public transport, to steel, cement and glass for public buildings. With current legislation meaning that public authorities can "ignore" social considerations and the Commission's answer being to promote their best practice guide "Buying Social"<sup>11</sup>, industriAll Europe supports the trade union led campaign **#procuringdecentwork**<sup>12</sup> and insists that public contracts respect labour rights, workers' say at work, and insists on collective agreements. With a target of 80% collective bargaining coverage, set by the **EU Directive on Adequate Minimum Wages**, public procurement offers a huge opportunity to help meet this aim.

The announcement in the **EU Political Guidelines 2024-2029** that there will be a review of the EU Public Procurement Directive is most welcome. However, while the Guidelines focus more on strategic sectors and ensuring supply, trade unions will insist on using this opportunity to include **social criteria**. Both environmental and social criteria must be at the cornerstone of public procurement, and it remains an important tool for industrial policy and should create good quality, local jobs.

#### As such, industriAll Europe calls for:

- Reform of the 2014 EU Public Procurement Directive so that it includes mandatory social criteria, such as bidding contractors to have collective agreements in place, ILO standards to be included as mandatory exclusion criteria, and for changes in tenders to be possible with regard to wage increases.
- The close monitoring of fair market access and subsequent action to be taken when required via the EU International Procurement Instrument (IPI) to ensure fair access and fair competition for EU industries.

#### Responsible Business Conduct: useful international trade tools

Ensuring that workers' rights are protected and that environmental standards are respected remain core demands of trade unions. IndustriAll Europe's recent declaration '[Transparency, Democracy and Accountability: industriAll Europe urges the EU to make Responsible Business Conduct compulsory NOW!](#)' clearly outlines trade union demands with regard to the **EU Corporate Sustainability Reporting Directive**,

<sup>9</sup> [https://www.europarl.europa.eu/thinktank/en/document/04A\\_FT\(2017\)N54578](https://www.europarl.europa.eu/thinktank/en/document/04A_FT(2017)N54578)

<sup>10</sup> Uni Europa: Green, pave the way for social (Report 2022-2023)

<sup>11</sup> <https://ec.europa.eu/docsroom/documents/45767>

<sup>12</sup> <https://actionnetwork.org/forms/public-procurement-en>

the **EU Corporate Sustainability Due Diligence Directive** and the **EU Regulation prohibiting products made with forced labour** on the EU market.

#### In focus: forced labour

The proposed EU forced labour regulation is seen by trade unions as an essential trade tool to force businesses both within and out of the EU from engaging in forced labour. The Regulation focuses on products, and as such, is seen as an important future trade tool. While EU regulation is an important step, with the ILO estimating that around 27.6 million people are subjected to forced labour<sup>13</sup>, trade unions insist that regulation alone is not enough, and that freedom of association and the right to collective bargaining remain essential for truly combatting forced labour. Furthermore, **regulation on paper is not enough and adequate assistance will be needed when checking products, handling complaints and investigations, and undertaking labour inspections on the ground.**

With improvements made to the original Commission Proposal by the European Parliament, thanks to well-organised advocacy work by trade unions and civil society, there is only a short time frame left for the European Council to adopt the final text and for the EU Regulation on forced labour to become law. IndustriAll Europe has spent the last two years working with other trade unions and civil society, setting out demands and [red lines](#), and we hope that the improved Regulation will be adopted in the near future.

#### As such, industriAll Europe calls for:

- Rapid agreement and implementation of the Forced Labour Regulation to be set in motion by the end of 2024.
- For the European Commission to engage with trade unions and other important stakeholders in establishing the relevant tools linked to the Forced Labour Regulation, including the database, portal and guidelines.
- For the European Commission and EU Member States to ensure enough resources, including personnel, for imports to be properly checked and the borders in order for the Forced Labour Regulation to have impact.

#### EU bilateral trade and cooperation: leading by example?

##### Bilateral trade agreements

Even though the trade union movement remains in favour of a multilateral trade regime based on universal rules ensuring that trade benefits to the planet and the people and not exclusively to the multinational shareholders, bilateral agreements play an important role in today's global economic governance. One of the most powerful tools that the EU has in its trade toolbox is the opportunity to adopt trade agreements with third countries. This power must be used to promote universal values. Therefore, the access to the EU's open market, with around 500 million citizens, is a great pull, and trade unions insist that this access does not come for free. **Items placed on the EU market must respect both international environmental standards as well as international labour conventions.**

While trade unions welcome the new and improved sustainable trade and development chapters (TSD), which will be included in all new EU trade agreements, industriAll Europe and civil society **lament the**

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<sup>13</sup> <https://www.ilo.org/global/topics/forced-labour/lang--en/index.htm>

**refusal of the European Commission to include these new chapters in existing trade deals or even trade deals that are still to be adopted<sup>14</sup>.** Trade unions maintain that environmental standards are no more important than trade union rights, and that both should be included in a social and environmental impact analysis of new trade agreements.

Further issues remain in the negotiating process of EU trade deals, including the lack of transparency during negotiations, the absence of engagement with stakeholders including trade unions, and the adoption of trade agreements before ILO labour conventions have been ratified by third countries (e.g. Vietnam). With the “carrot” already being given at the adoption of a trade agreement, it is much more difficult to use the “stick” once the agreement is in place; a common complaint of Domestic Advisory Groups (DAGs).

While we welcome the revision of the TSD chapters<sup>15</sup>, which will require effective implementation of the International Labour Organization (ILO) conventions and the respect of the core ILO principles, with sanctions possible linked to non-compliance, and a greater role for trade unions including via the complaints mechanism, it is important that these principles are included in all EU trade agreements and that the DAGs have the support on the ground, with the ability to be independent and protected from whistleblowing repercussions to see a real impact on the ground.

#### **As such, industriAll Europe calls for:**

- The revised TSD chapters to be included in all EU trade agreements, including those currently being discussed and inserted in existing trade agreements when they are under review.
- Strong and enforceable sustainable development chapters to be integrated in all existing and future trade agreements or partnerships, whether bilateral, plurilateral or multilateral.
- For further resources for EU DAGs to strengthen their logistical support, capacity building and functioning with assurances that third country DAGs are independent and protected from whistleblowing repercussions.
- That complaints are dealt with swiftly and that trade sanctions in cases of non-compliance with the ILO fundamental principles and rights at work are put in place as soon as possible.

#### **Social and Environmental impact Analysis on new trade agreement**

##### **Generalised Scheme of Preferences**

IndustriAll Europe sets out its demands for the planned review of the EU’s Generalised Scheme of Preferences (GSP) in its 2021 paper<sup>16</sup>. The objective of the EU’s GSP is to support developing countries in their battle against poverty by creating jobs which respect labour and human rights. The GSP aims to do this by removing import duties from products from these developing countries into the EU. The EU currently offers three schemes: standard GSP (low- and lower-middle income countries), GSP+ (vulnerable low- and lower-middle income countries which implement 27 international conventions related to human rights, labour rights, protection of the environment and good governance) and Everything But Arms (least developed countries).

<sup>14</sup> <https://news.industriall-europe.eu/Article/765>

<sup>15</sup> <https://news.industriall-europe.eu/Article/760>

<sup>16</sup> [https://news.industriall-europe.eu/documents/upload/2021/3/637503653509181403\\_GSP%20Position%20Paper%20050121%20final.pdf](https://news.industriall-europe.eu/documents/upload/2021/3/637503653509181403_GSP%20Position%20Paper%20050121%20final.pdf)



While many of the demands from industriAll Europe and civil society were included in the European Parliament's position<sup>17</sup>, such as transparency and stakeholder involvement, negotiations between the three EU institutions remain blocked at the time of writing, related to the insistence of the European Council to link the readmission of illegal migrants to trade tariff preferences. This is a red line for trade unions which insist that trade and migration are two separate issues.

Furthermore, although it is hoped that talks can be restarted in the new EU Mandate 2024-2029 in order to apply the new and improved GSP, it must be noted that the current system also includes major flaws which are unlikely to be improved even in the revised GSP. The most obvious and concerning example is that of Myanmar, who's ruling military junta continues to benefit from the Everything But Arms trade tariff preferences even after reports of workers and trade unionists being unjustly arrested, tortured and killed. IndustriAll Europe continues to work in close cooperation with IndustriALL Global Union and trade unions in Myanmar to call for EU action to end any preferential trade measures and to prevent any EU money reaching the military junta<sup>18</sup>.

#### As such, industriAll Europe calls for:

- The reestablishment of work in the new EU Mandate (2024-2029) to revise the EU GSP, with no reference to readmission of migrants as a criterion.
- For the EU to end its trade preferences for Myanmar, stressing that the military junta is in violation of human rights abuses and various ILO conventions.

#### Transatlantic trade: reconciling diverging interests and views

With EU exports to the US reaching EUR 502.3 billion in 2023, it is understandable that the EU has a vested interest in maintaining a good transatlantic relationship. One relationship that the EU has been investing in is with the US and the Biden-Harris administration, a far cry from the days of Trump's [Section 232's huge steel tariffs](#) and threats of a trade war. The establishment of the **EU-US Trade and Technology Council**<sup>19</sup> (TTC) has provided a forum in which to discuss and coordinate approaches to global trade, economic and technological issues, including sanction-related export restrictions, semiconductors and clean energy incentives. This is especially important in light of the **US Inflation Reduction Act**, with industriAll Europe insisting that the EU should provide equal measures to ensure that industry and manufacturing companies continue to stay in Europe, but with social conditionalities tied to any public funding.

Trade unions have been involved in the TTC's Talent for Growth Task Force, with special attention to attract more female workers to industry and manufacturing, as well as the Transatlantic Initiative on Sustainable Trade, and the trade and labour dialogue, which resulted in a bilateral joint social partner statement on forced labour<sup>20</sup>.

While some work has progressed, European trade unions remain frustrated at the lack of progress on some key elements, including Critical Raw Materials, with industriAll Europe [criticising the EU's lack of commitment](#), the fair and sustainable trade of which is essential for strategic industries in both the EU and the US. With US elections now concluded and Donald Trump having secured the presidency, all efforts should be made now to formalise an agreement on trade issues and other relevant TTC areas of interest.

<sup>17</sup> [https://www.europarl.europa.eu/doceo/document/A-9-2022-0147\\_EN.html](https://www.europarl.europa.eu/doceo/document/A-9-2022-0147_EN.html)

<sup>18</sup> <https://news.industrial-europe.eu/Article/1007>

<sup>19</sup> [https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/stronger-europe-world/eu-us-trade-and-technology-council\\_en](https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/stronger-europe-world/eu-us-trade-and-technology-council_en)

<sup>20</sup> <https://www.etuc.org/en/document/us-eu-tripartite-trade-and-labor-dialogue-tald-social-partner-joint-statement>

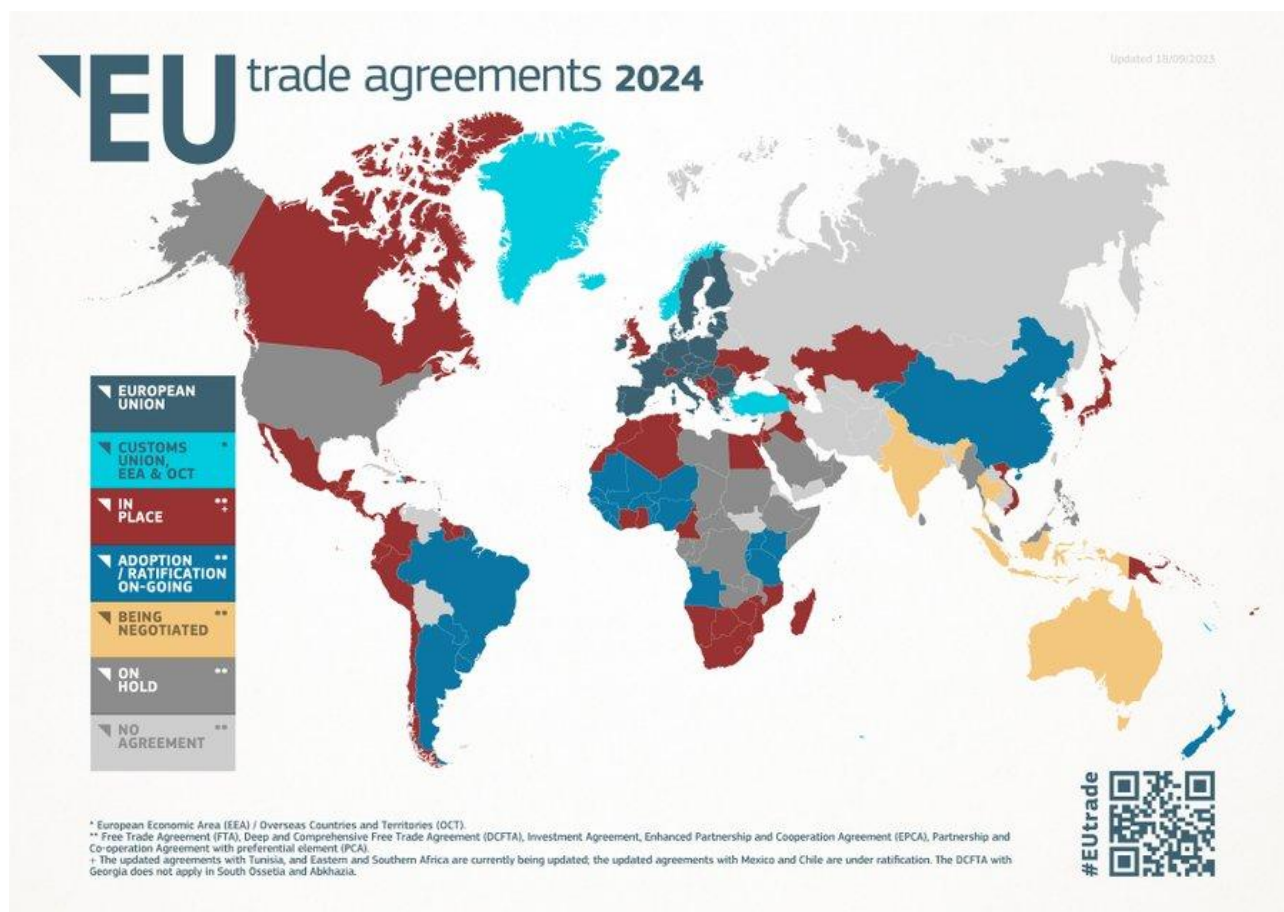
### As such, industriAll Europe calls for:

- Increased engagement between the EU and the US on key aspects, including a critical raw materials agreement and the clean energy incentives dialogue.
- For more commitment from the EU and the US to find a positive outcome in relation to the Global Agreement on Sustainable Steel and Aluminium.
- That trade unions continue to be informed and consulted on relevant issues and have access to roundtable discussions.

## Conclusion

Trade policies, if properly designed and implemented, can be concrete tools to build a fair and value-based global economy. European industry and its workers need a level playing field to be able to compete fairly on a tough global market and meet the ambitions set out by the European Green Deal, while also implementing the digital transition. Europe also needs to reduce its strategic dependence for energy, raw materials and semi-finished products. The ability for EU trade deals to act as a lever to promote decent work must not be forgotten, and trade unions insist on the implementation of international labour rights and high environmental standards to ensure that international trade is sustainable and good for both people and the planet, not only for big business. IndustriAll Europe will work with its affiliates to push the EU to move into that direction during the new EU mandate (2024-2029) and beyond .

## Annex



Full list of trade agreements and state-of play: [HERE](#)

IndustriAll Europe's web news articles on trade: [HERE](#).

### Raw Materials Diplomacy

Strategic partnerships and policy dialogues (status in August 2024):

**EU partnerships:** Argentina, Canada, Chile, the Democratic Republic of the Congo, Greenland, Kazakhstan, Namibia, Rwanda, Ukraine and Zambia.

**Additional relations:** Brazil, China, Colombia, Japan, Mexico, Peru, the United States, Uruguay, the Euro Med countries and the African Union.

**Serbia:** [letter of intent](#) to strengthen/expand cooperation on CRMs and electric vehicles value chains.

Full list of partnerships can be found [HERE](#).

### Additional reading:

IAE's [analysis and demands](#) on the Critical Raw Materials Act.