

Institution: Queen Mary University of London		
Unit of Assessment: 17 Business and Management		
Title of case study: Labour Rights and Provisions in European Union Trade Policy		
Period when the underpinning research was undertaken: 2015-2019		
Details of staff conducting the underpinning research from the submitting unit:		
Name(s): Liam Campling	Role(s) (e.g. job title): Professor of International Business and Development	Period(s) employed by submitting HEI: Sept 2009-present
Period when the claimed impact occurred: 2015-2020		
Is this case study continued from a case study submitted in 2014? N		
1. Summary of the impact		
<p>Professor Liam Campling has produced a body of research on the role of labour rights and provisions in international trade agreements. His Economic and Social Research Council-funded project, 'Working Beyond the Border: European Union Trade Agreements and International Labour Standards' (WBB) has shaped debate and policy regarding the European Union's (EU's) approach to Trade and Sustainable Development (TSD) in its Free Trade Agreements (FTAs). In particular, it has: (a) informed the European Commission's TSD reform agenda and critical debate in the European Parliament; (b) informed the position of international trade union organisations and Members of the European Parliament on the EU's approach to TSD; (c) contributed to the reform of EU trade policy through the creation of a civil society network; and (d) contributed evidence-based analysis that fed into the December 2018 EU triggering of a TSD chapter to establish consultations with South Korea on its non-ratification of four International Labour Organisation Core Labour Standards.</p>		
2. Underpinning research		
<p>Since 2011, the EU has used a framework of Trade and Sustainable Development (TSD) chapters in all its Free Trade Agreements (FTAs) as part of its commitment to including what it calls 'European values' and enhanced worker rights in its trade agreements. TSD chapters are vital to current and future EU trade policy and are regularly cited in key policy documents and by important EU officials (e.g. EU President and EU Trade Commissioner) as critical for ensuring that economic growth goes hand in hand with better environmental standards and working conditions in the EU and its trading partners. Between September 2015 and December 2017 Professor Campling was Co-Investigator on an Economic and Social Research Council-funded project entitled 'Working Beyond the Border: European Union Trade Agreements and International Labour Standards' (WBB). The project involved an inter-disciplinary team of researchers at Queen Mary University of London and the University of Warwick in an investigation of the negotiation, implementation and effectiveness of the EU's framework for labour provisions in its Free Trade Agreements (FTAs).</p> <p>This research project, the most comprehensive examination to date of the EU's approach, produced three primary insights.</p> <p>First, it identified significant limitations in the institutional structures established by the EU's TSD framework and in its operationalisation [3.1, 3.3, 3.4]. The limitations are:</p> <ul style="list-style-type: none"> • trade partner governments have not prioritised labour issues in the implementation of trade agreements with the EU; • EU trade officials have limited knowledge and understanding of labour relations in trade partner countries; • the institutional mechanisms set up for monitoring the provisions and labour standards in trade agreements are hampered by unclear aims, inadequate resourcing and limited influence on the government-led committees to which they ultimately report; and • monitoring mechanisms, centred on civil society groups, are weak. <p>Second, labour standards were perceived and institutionalised as secondary in relation to the commercial aspects of EU FTAs with trading partners [3.2, 3.3, 3.5]. For example, one of the WBB case studies led by Campling found that the EU downplayed labour abuses in South Korea so as</p>		

to not endanger the objective of negotiating an investment agreement with this country [3.1]. Further, the EU placed a comparatively higher emphasis on the harmonisation of standards in the automotive industry in the institutional design of the FTA with Korea where recourse was available to a 'hard' dispute mechanism as this would ultimately make European auto exports to Korea more competitive, while, in contrast, only a 'soft' consultation process was established under the TSD chapter [3.5].

Third, the research identified the limited reach of the EU's labour provisions into the leading export sectors impacted by the EU's trade agreements [3.2, 3.3, 3.4]. Entire segments of Korea's auto workforce (e.g. irregular and migrant workers) do not have a voice in the TSD process [3.5]. This is because of an important mismatch in the design of labour standards in EU FTAs who tend to privilege formally organised workers in strategic positions of production networks over those in more precarious positions, and thus in most potential need of the protections that the TSD chapter purports to offer. The research also shows how commercial pressures exerted by lead firms down the supply chain constrain the space for enhancing working conditions in supplier firms [3.2, 3.5].

When the European Commission subsequently sought to reform its TSD chapters to tackle the issues identified in the research, Professor Campling co-authored an article involving nine leading scholars from across Europe. The article critically evaluated key aspects of the reform process, identified the importance of ongoing monitoring of how the reforms were enacted, and made proposals for how trade agreements could be harnessed more effectively to improve workers' welfare [3.4].

3. References to the research

[3.1] Harrison, J., Barbu, M., Campling, L., Richardson, B., & Smith, A. (2019). Governing labour standards through free trade agreements: limits of the European Union's trade and sustainable development chapters. *JCMS: Journal of Common Market Studies*, 57(2), 260-277. doi.org/10.1111/jcms.12715

[3.2] Smith, A., Barbu, M., Campling, L., Harrison, J., & Richardson, B. (2018). Labor regimes, global production networks, and European Union trade policy: labor standards and export production in the Moldovan clothing industry. *Economic geography*, 94(5), 550-574. doi.org/10.1080/00130095.2018.1434410

[3.3] Barbu, M., Campling, L., Smith, A., Harrison, J., & Richardson, B. (2018). The trade-labour nexus: global value chains and labour provisions in European Union free trade agreements. *Global Labour Journal*, 9(3). doi.org/10.15173/glj.v9i3.3354

[3.4] Harrison, J., Barbu, M., Campling, L., Ebert, F. C., Martens, D., Marx, A., ... & Smith, A. (2019). Labour Standards Provisions in EU Free Trade Agreements: Reflections on the European Commission's Reform Agenda. *World Trade Review*, 18(4), 635-657. doi.org/10.1017/S1474745618000204

[3.5] Campling, L., Harrison, J., Richardson, B., Smith, A., & Barbu, M. (2021). South Korea's Automotive Labour Regime, Hyundai Motors' Global Production Network and Trade-Based Integration with the European Union. *British Journal of Industrial Relations*, 59(1), 139-166. doi.org/10.1111/bjir.12506

4. Details of the impact

Through a variety of activities related to the Working Beyond the Border (WBB) project, Campling has contributed to the reform of trade policy in Europe. This has led to enhanced trade policy provisions, improved agreements between the EU and trading partners, and the further development of sustainability goals in international trade.

Research shaped the European Commission's TSD reform agenda and informed critical debate in the European Parliament

In 2017, Campling organised a stakeholder meeting in Brussels attended by European Commission officials, which led to a co-authored response paper to the Commission's consultation on TSD reform. The response paper included several policy proposals based on Campling's research findings [5.5]. Following this, Commission officials invited the WBB project team to further

discuss policy reform. The Trade Policy Officer at the International Trade Union Confederation (ITUC) noted that this response ‘gave many civil society organisations a framework to use for their own submissions’ to the consultation [5.4]. The submission to the European Commission’s consultation process was also cited by the Swedish Board of Trade in its submission in December 2017 [5.8].

Several of the recommendations in Campling and co-author’s response were ultimately mirrored in the Commission’s ‘way forward’ document of February 2018 [5.7], and reflected to some degree in future EU trade agreements, including the need to:

- (i) adequately resource the institutional structures of the TSD process;
- (ii) widen the remit for civil society engagement and monitoring of EU trade agreements;
- (iii) move away from a standard template TSD chapter to one that recognises the specific labour issues and priority areas in each context; and
- (iv) achieve early ratification of international labour conventions to maximise leverage on trade partners to ensure policy change.

For example, the EU-Mercosur 2019 trade agreement includes a new article 11, specifically focused on ‘trade and the responsible management of supply chains’ [5.14], an issue highlighted as a key limit in previous TSD approaches by Campling’s research.

Additionally, Campling and the WBB team gave two invited presentations at the European Parliament, which fed into the policy reform process. The first in June 2017 was to a European Parliament International Trade Committee working group. The event’s organiser said the research presented gave a ‘fresh impetus and new ideas on how our members [of the European Parliament] can push the [European] commission to develop a more effective monitoring process, improve scrutiny and consider new mechanisms for implementation of FTAs’ [5.1].

In November 2017 Campling and the WBB team presented the research to a conference on the Future of EU Trade Policy, which Members of the European Parliament (MEPs) and representatives from 12 EU national parliaments attended [5.2, 5.3]. A former MEP who participated said the research ‘was particularly helpful in identifying the root causes of the inefficiencies of [the] EU’s trade policy and proposed action for policy change’ [5.2]. This led to a ‘plenary debate in the European Parliament in January 2018 on the basis of a parliamentary question drafted by our Group’, which raised, ‘in particular the shortcomings in civil society monitoring mechanisms’ that the research identified [5.2]. The presentations therefore informed debates in the European Parliament, and recommendations from the research contributed to the adoption by the European Commission of its reform to the TSD model [5.2].

Research shaped debate and policies of international trade union organisations on the EU’s TSD approach and put pressure on the European Commission for reform

In September 2017, Campling and colleagues co-organised an event with the European Trade Union Institute to present the WBB’s key findings to European Trade Union Confederation (ETUC) and ITUC staff and delegates attending an ETUC meeting. In December 2017, the research team organised a dissemination workshop for trade union participants from EU trade partner countries (Korea, Moldova, Columbia), and ran a public discussion on the European Commission’s reform proposals involving 40 participants from key EU institutions and civil society groups in Brussels with these trade union representatives. The International Director of the Korean Confederation of Trade Unions (KCTU), drew on the WBB findings to make a case for TSD reform [5.6]

The team also engaged in ongoing discussions with the ITUC, assisting in shaping its position on the effectiveness and potential reform of the Commission’s TSD approach. A key member of ITUC staff stated that:

‘I found this project to be of particular importance to my and other colleagues’ work because it provided [...] new insight on the nexus between trade and sustainable development [...] The project was impressive in identifying possible roots of the inefficiencies of EU’s trade policy and it proposed action for policy change [...] [T]he project has been outstanding [...] both in terms of the quality of its outcomes and the catalytic role

it played in organising civil society in Brussels to engage on the trade-sustainable development agenda with a fresh look' [5.4].

Research led to a new civil society network aimed at reform of EU trade policy

Campling and WBB colleagues, in partnership with the ITUC and ActAlliance in Brussels, established Domestic Advisory Groups (DAGs) for Change, a civil society/academic group with members of trade agreement labour monitoring mechanisms. The team's research and policy advice influenced the DAGs for Change discussions and informed its response to the European Commission's July 2017 reform consultation. An ITUC member of the group stated that:

[t]he ideas from the WBB project [...] have been important to the work of that group and have been used in the development of common positions [...] on what reforms should be made to TSD chapters [...] Partly as a result of pressure from the trade union and civil society groups who are involved in DAGS for Change, the European Commission is now itself recognising the limitations of TSD chapters within EU trade agreements [5.4].

Other members of the international NGO community have also drawn on the WBB findings, including Action Aid [5.9] and Friedrich Ebert Stiftung [5.10].

The research fed into the EU's first ever triggering of dispute settlement procedures under a trade agreement to challenge alleged TSD violations

The WBB research provided evidence [5.5] that fed into the EU triggering the TSD chapter to initiate consultations with South Korea in December 2018 [5.11, 5.13] on their failure 'to make continued and sustained efforts towards ratifying the fundamental ILO Conventions' ([EUKOR FTA Article 13.4 \(3\)](#)). This led to the EU's subsequent request for the establishment of a Panel of Experts on Korea's lack of compliance with obligations under the TSD chapter in July 2019, and establishment of a Panel on 30 December 2019 [5.12].

The contributory influence of the WBB research can be inferred from the inaction of prior attempts to trigger this mechanism (i.e. before WBB work was disseminated). A 2014 letter from the EU DAG to the European Commission to initiate formal consultations with South Korea on labour abuses was rejected, and informal intergovernmental dialogue was opted for instead [3.1, 3.5]. In 2016 the WBB team submitted written [3.1 in pre-publication draft] and oral evidence (Campling and another) to an independent [five-year review of the implementation of the EU-Korea FTA](#) (published June 2017). The report noted that the WBB research documented failings in the implementation of the TSD chapter in relation to labour standards in Korea but rejected (p. 345) the WBB claim without counter-evidence. Instead, it sought to counter the WBB findings by noting compliance with institutional procedures (i.e. meetings had been held and reports written). Yet it was precisely this focus on form over content – procedure over action – that the WBB research had highlighted, as pointed out by MEP Dr. Joachim Schuster [5.13]. Indeed, the WBB findings were supported by the European Commission *itself*, which only one month later in its 'Non-paper...' (2017) admitted to problems with the design and implementation of its TSD chapters (in part in response to the WBB work disseminated in Impact (1) above) and launched a wide-ranging consultation process for TSD reform (which the WBB influenced).

A March 2017 WBB policy workshop in Brussels 'provided helpful supporting information' to MEPs when they 'resolved to submit in May 2017 a formal implementation report to the European Commission (A8-0123/2017)', which 'called on the Commission ... to investigate Korea's failure to implement the labour standards provisions in the TSD chapter'. MEP Dr. Joachim Schuster states that WBB 'research findings have provided useful information and analysis in my office's work to push the European Commission to trigger the TSD dispute settlement process with the launch of a Panel of Experts in the EU-Korea FTA' [5.13]. Further, the WBB analysis is being used by trade unions in South Korea 'to help prioritise our work on the EU TSD chapter', including in relation to the eventual findings of the Panel of Experts [5.6].

5. Sources to corroborate the impact

- [5.1] [Testimonial] Political Advisor, Socialists and Democrats Group, International Trade Committee, European Parliament. [Corroborator 1]
- [5.2] [Testimonial] Member of the European Parliament, International Trade Committee, European Parliament.
- [5.3] [Testimonial] Head of Unit International Trade Committee, Socialists and Democrats Group, European Parliament.
- [5.4] [Testimonial] Trade Policy Officer, International Trade Union Confederation. [Corroborator 2]
- [5.5] Barbu, M., Campling, L., Ebert, F., Harrison, J., Martens, D., Marx, A., Orbie, J., Richardson, B. and Smith, A. (2017) 'A Response to the Non-paper of the European Commission on Trade and Sustainable Development (TSD) chapters in EU Free Trade Agreements (FTAs)', submitted to the European Commission consultation on its 'non-paper'. The WBB project's response was subsequently published by the European Commission alongside all submissions to the consultation, available at: http://trade.ec.europa.eu/doclib/docs/2018/july/tradoc_157122.pdf. The Commission's response and proposals are available at: http://trade.ec.europa.eu/doclib/docs/2018/february/tradoc_156618.pdf.
- [5.6] [Testimonial] International Director, Korean Confederation of Trade Unions. [Corroborator 3]
- [5.7] European Commission, *Feedback and way forward on improving the implementation and enforcement of Trade and Sustainable Development chapters in EU Free Trade Agreements*, 26 February 2018: http://trade.ec.europa.eu/doclib/docs/2018/february/tradoc_156618.pdf.
- [5.8] Feedback to the debate on Trade and Sustainable Development in EU Trade Agreements, see National Board of Trade Sweden submission to the consultation, 20 December 2017, Reg. No 2017/02011-3, pages 6 and 14 (referencing Barbu *et al* 2017 [5.5]): http://trade.ec.europa.eu/doclib/docs/2018/july/tradoc_157122.pdf.
- [5.9] ActionAid (2018) *From rhetoric to rights: towards gender-just trade*, September, page 11: https://www.actionaid.org.uk/sites/default/files/publications/from_rhetoric_to_rights_towards_gender-just_trade_actionaid_policy_briefing.pdf.
- [5.10] Friedrich Ebert Stiftung (2018) *Enforcing respect for labour standards with targeted sanctions*, page ix: <https://library.fes.de/pdf-files/bueros/singapur/14689.pdf>.
- [5.11] European Union, 'Republic of Korea – compliance with obligations under Chapter 13 of the EU – Korea Free Trade Agreement: Request for Consultations by the European Union', Brussels, 17 December 2018: http://trade.ec.europa.eu/doclib/docs/2018/december/tradoc_157586.pdf?fbclid=IwAR0ZzeY_GAHAGiJ7wPiU4lvfdEvL5Ym6WfYh-wLjFuODc9G3kIJDDW0Y0
- [5.12] Republic of Korea – compliance with obligations under Chapter 13 of the EU – Korea Free Trade Agreement, Request for the establishment of a Panel of Experts by the European Union, Brussels, 4 July 2019
- [5.13] [Testimonial] Member of the European Parliament, and Miriam-Lena Horn, Trade Policy Advisor to Dr. Schuster
- [5.14.] EU-Mercosur Free Trade Agreement, chapter on Trade and Sustainable Development, article 11: https://trade.ec.europa.eu/doclib/docs/2019/july/tradoc_158166.%20Trade%20and%20Sustainable%20Development.pdf