## JOINT STATEMENT ON TRADE AND SUSTAINABLE DEVELOPMENT BY THE EUROPEAN UNION AND CHILE

The Parties,

RECALLING their shared values and the strong cultural, political, economic and cooperation ties which unite them;

RECALLING their commitment to modernise and replace the EU-Chile Association Agreement, concluded in 2002, to reflect new political and economic realities;

REAFFIRMING their commitment to strengthen cooperation on bilateral, regional and global issues of common concern;

CONVINCED that the modernised EU-Chile Agreement and the interim Free Trade Agreement (the Agreements) [titles to be confirmed] will be beneficial to both Parties in fuelling economic recovery from the COVID-19 crisis, generating growth in a geopolitical context marked by heightened instability, and further strengthening their ties;

DETERMINED to ensure that the Agreements fosters sustainability, so that economic growth goes together with the protection of decent work, the climate and the environment, in full adherence to the Parties' shared values and priorities, including support for green transition and promoting responsible and sustainable value chains; and

RECOGNISING that an inclusive involvement of civil society in the implementation of the Agreements is essential for a timely identification of challenges, opportunities and priorities, and to monitor respective agreed actions;

Express their joint intent to swiftly conclude the Agreements and subsequently cooperate on the implementation of their sustainability aspects guided by the following considerations:

- 1. As regards their joint objective of **promoting high levels of labour protection and decent work for all**, the Parties underline their commitment to respect, promote and effectively implement the internationally recognised core labour standards, as defined in the fundamental Conventions of the International Labour Organization (ILO). In this context, the Parties welcome the ILO decision to add the principle of a "safe and healthy working environment" amongst the fundamental principles and rights at work, and to elevate the corresponding ILO Conventions accordingly, which they will strive to ratify as required.
- 2. As regards their joint objective of addressing the urgent threat of climate change, the

Parties underline their commitment to effectively implement the United Nations Framework Convention on Climate Change and the Paris Agreement adopted thereunder, including their commitments with regard to their respective Nationally Determined Contribution.

3. As regards their joint objective of **protecting and conserving the environment and sustainably managing their natural resources**, the Parties underline their commitment to effectively implement the multilateral environmental agreements and protocols to which they are respectively a party, including the Convention on Biological Diversity (CBD).

The Parties note that their joint objective of **enhancing the inclusive participation of civil society** and of regularly exchanging views with their respective Domestic Consultative Group, including on relevant technical assistance projects, comprises the trade and sustainability aspects of the Agreements. The Parties underline their commitment to promote and facilitate the interaction between their respective Domestic Consultative Groups through the means they consider appropriate, including periodical meetings. The Parties express their intention to support the Domestic Consultative Groups in line with their domestic legislation and policies.

As regards the implementation of the Trade and Sustainable Development Chapter of the Agreements, the Parties will seek to focus on the commonly identified sustainability priorities. The Parties will seek views and participation of the civil society on matters related to the implementation of the Chapter, including on the follow-up of commitments taken by the Parties.

The Parties will, upon the entry into force of the interim Free Trade Agreement, **initiate a formal review process** of its trade and sustainable development aspects in accordance with Article XX [review Article in the TSD Chapter] in order to consider the incorporation, as appropriate, of additional provisions that may be deemed relevant by either Party at that time, including in the context of their respective domestic policy developments and their recent international treaty practice, as the Parties may consider appropriate. Such additional provisions may relate, in particular, to further enhancing the enforcement mechanism of the Trade and Sustainable Development chapter, including the possibility to apply a compliance phase, and relevant countermeasures as last resort.

Without prejudice to the outcome of the review, the Parties will also consider the possibility of including the Paris Agreement on Climate Change as an essential element of the Agreements.

The Parties will aim to conclude the review process within 12 months, and to incorporate any agreed outcome of the review process by amending the Agreements in accordance with Articles YY of the EU-Chile Agreement and Article ZZ of the interim Free Trade Agreement [Horizontal Amendment Articles in the Agreements].