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| ***EU-Chile Joint Consultative Committee*** | |

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**3rd Meeting of the EU-Chile Joint Consultative Committee**

**Santiago de Chile, 6-7 December 2018**

**FINAL DECLARATION**

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| *The EU-Chile Joint Consultative Committee (JCC) held its third meeting in Santiago de Chile on 6 and 7 December 2018. The JCC members debated the following topics: investment and cooperation, decent work and the informal economy, the Agenda for Sustainable Development and proposals to strengthen the role of the JCC.*  *The Declaration is addressed to the political authorities of the EU and Chile, as well as to the joint bodies established by the EU-Chile Association Agreement.*  *The next meeting of the JCC will take place in Brussels during the first half of 2019.* |

The JCC adopted the following declaration:

# **On investment and cooperation**

# The JCC members:

## **On cooperation:**

### In view of the modernisation of the Association Agreement (AA), consider that, in this new phase of relations between the Parties, the form of cooperation should be rethought, without reducing it, as it offers the greatest opportunities for the alliance between Chile and Europe. Cooperation and mutual support are vital with a view to making progress on a joint agenda that would enable both Parties to tackle the most important global challenges set out in the United Nations Agenda 2030, helping to preserve peace, maintain multilateralism and achieve the global Sustainable Development Goals (SDGs). Therefore call on the Parties to demonstrate the strongest political resolve in adapting to the new context of cooperation and to exploit to the full the opportunities arising from this modernised partnership.

### Reiterate the particular importance of cooperation in areas such as research and development, technology transfer, specialisation grants and particularly cooperation with civil society. Believe that innovation must help to solve the major social, economic and political challenges facing the Parties; therefore consider that innovation is key in the transformation of production and economic development, and that it must be geared towards fostering entrepreneurship and promoting social cohesion. Therefore support the intensification of cooperation in all relevant areas, such as science, technology, research and basic and higher education, among others.

### Consider that gender equality is a cross-cutting issue to which special attention should be paid in the priority areas of social cohesion, innovation and competitiveness. Therefore stress that cooperation on gender equality should be a cornerstone for the progress of the 2030 Agenda and achieving the SDGs, and encourage the Parties to develop projects and initiatives for cooperation in this field, both bilaterally and bi-regionally, with the aim of encouraging the entry of more women into the labour market on equal terms.

## **On investment:**

### Point out that Foreign Direct Investment is a major factor in positive economic and social development, as it not only provides capital but also technology, management skills and access to new markets, and improves workforce skills, raises productivity, generates business for local companies and creates better-paid jobs.

### In this connection, stress the important role of public and private investment in achieving the Sustainable Development Goals, with a prerequisite being respect for human rights, including fundamental economic and social rights and, in particular, the fundamental ILO conventions and the Decent Work Agenda.

### Point out that the modernised Association Agreement should reflect the commitment of the Parties not to encourage trade or Foreign Direct Investment by watering down domestic environmental, labour or health and safety legislative or regulatory standards, core labour standards, policies or legislation, as well as a commitment to improve laws and policies and the underlying levels of environmental and labour protection. In this connection, emphasise the important role that civil society can play in evaluating the usefulness and sustainability of investment projects, in overseeing the transparency of their financing and in monitoring their implementation.

### Stress that it is vital that investment promotes shared research and development, assigning greater importance to access to new technologies, digitalisation and automation of processes to ensure the sustainability of businesses, especially for micro, small and medium sized enterprises (MSMEs). Also underline the importance of investment in new technologies in order to protect the environment, promote the efficient use of water and the industrialisation of clean and renewable energy sources, inter alia by exploiting the rich diversity of natural resources, respecting international agreements and quality standards.

### Finally, point out that, in order to comply with the goals of the 2030 Agenda, it is important to foster a climate conducive to investment and entrepreneurship, with legal certainty, respect for the rule of law, for free and fair competition and for consumer rights, and policies to support and incentivise the sustainable development of private-sector activity, social enterprises and cooperatives.

# **On decent work and the informal economy:**

## Highlight the vital importance of promoting decent work, innovation and entrepreneurship with decent living and working conditions that comply with international standards and conventions laid down by the ILO, the Universal Declaration of Human Rights, the American Declaration of the Rights and Duties of Man and the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families.

## In this connection, call on the authorities of the European Union and Chile to promote full and productive employment and decent work for all, especially young people, migrants, women, people with disabilities and older persons. Also remind the Parties of the importance of cooperation between the Parties in identifying good practices for the achievement of these objectives.

## Point out that the common challenge for Chile and the EU involves the improvement of their regulations, and how they adapt to the times, where there are more businesses operating through virtual platforms; more people working independently and part-time for different employers, in line with their availability and preferences; where numerous jobs are likely to be automated and to disappear; and where there is a huge range of data that can be managed in real time to facilitate decision-making.

## Moving to the formal sector would provide access to decent work, training, greater security for workers, would improve the tax system and consequently promote sustainable businesses, in addition to providing positive leverage in the fight against poverty and injustice. In this connection, call for the development of active public policies to reduce undeclared work as well as simplified administrative measures and stricter controls, promoting the growth of MSMEs, facilitating their access to financial services, and reducing the social acceptability of the shadow economy.

## Conclude that the times are changing traditional forms of interaction in society, and businesses and jobs will have to move with the times, and point out that this does not necessarily mean more informal activity, under the traditionally precarious conditions, but change is driving new forms of relations which both Chile and Europe should monitor closely to ensure that it brings improvements to the quality of people’s lives.

# **On the Agenda for Sustainable Development**

The JCC members:

## Stress that both Parties are facing multiple problems, of which they highlight three: (1) the depletion of natural resources, climate change and the loss of biodiversity; (2) demographic change and social inequalities, including youth unemployment; and (3) citizens’ declining trust in public institutions. These three major problems need to be understood in the context of globalisation.

## Point out that doing nothing is not an option and that the political will is needed to steer change in the right direction, establishing closer links between economic development, environmental protection and social policies, taking account of respect for human rights. Maintain that the implementation and realisation of the Sustainable Development Goals (SDGs), together with the Paris Agreement, and well managed transitions to the low-carbon economy and the digital economy, will resolve the main problems.

* 1. Strong political action is needed, on the understanding that this is the basis of democracy, and thus of a social and democratic state based on the rule of law. Thus, an appropriate regulatory framework is essential in order to shape the transition and an agenda is needed that affects the whole of society: aspiring to fair globalisation; increasing competitiveness and new technologies; leaving no-one behind; eradicating poverty and creating an environment that restores people’s trust in political systems and legitimately elected governments.

## Highlight organised civil society's role, capacities and partnerships in the implementation of the Sustainable Development Goals of the United Nations 2030 Agenda, the Addis Ababa Action Agenda on financing for development and the Paris Agreement. Civil society is an important driver for the necessary transition to a more sustainable society. Corporate Social Responsibility, citizens’ initiatives and community work are just some examples of how sustainable development can be achieved through a bottom-up approach.

## In this regard, we reaffirm our interest in and commitment to strengthening EU-Chile strategic partnerships with a view to achieving the Sustainable Development Goals. In particular, the JCC should be seen as a common tool for implementing the 17 Sustainable Development Goals, which refer to partnerships in order to achieve the goals set.

* 1. Note the importance of a global, national and regional framework for a fair transition. The transition to sustainability will be successful only if it is based on the broad support and active participation of governments, businesses, local and regional authorities, workers, consumers and citizens.

# **On the proposals for strengthening the role of the Joint Consultative Committee**

The JCC members:

## Once again call on the authorities of the AA to provide all the institutional, political, operational and financial support needed by the Chilean CSOs in order to build up their capacity, strength and skills, to enhance their presence in both social and civil dialogue at national level, and maintain operations as a counterpart for European civil society at a bilateral level.

## Re-affirm their commitment to continue making the EU-Chile JCC a constructive mechanism that focuses on strengthening bilateral ties and coordinating efforts in line with the interests of the civil society organisations.

## Furthermore, propose to strengthen their role as a Joint Consultative Committee, with the aim of ensuring that the Association Agreement is based on the strong involvement of civil society, strengthening horizontal and vertical cooperation to allow greater participation and scrutiny of the implementation of the AA by means of the following actions:

* supporting the retention of the EU-Chile Joint Consultative Committee in the future modernised Agreement, with the current terms of reference, allowing the JCC to express its views on any issue covered by the AA, including the trade chapter;
* Highlighting its consultative role as a civil society body, both in response to requests from the Association Council, and on its own initiative;
* respecting the status of the JCC as a joint body of the civil society of both Parties; also full respect for its independence; to this end the JCC must draw up its own Rules of Procedure;
* ensuring the operational financing of the JCC, and the drawing up of opinions and proposals, either on referral or own-initiative, and its work programme;
* participating in evaluations of the impact of the Agreement, to that end making use of technical and social information in order to issue a well-argued opinion;
  + the institutional consolidation of the large sectoral organisations and their members and promoting civil society cooperation through workshops and seminars;
  + promoting the participation of civil society and its involvement in the implementation of the SDGs, supporting and promoting the networking and joint work of the various sectors of civil society that are active in both the EU and Chile;
  + establishing priorities, mechanisms and procedures for the joint work of the two parties of the JCC; as well as the frequency of its meetings and the detailed arrangements for these;
  + recommending the use of the mechanisms provided for in Article 11 of the Association Agreement;
  + requesting relevant information on the implementation of the Association Agreement and keeping the JCC promptly and fully informed at all stages of the negotiation of the modernised Agreement;
  + strengthening the role of the Chilean JCC secretariat so as to facilitate its operation, along the same lines as its EU counterpart;
  + making more efficient use of research documents: EESC opinions, reports and EU and Chilean studies, academic work, think tanks and foundations, statistics, projects, etc.;
  + launching opinions and reports on specific topics related to key areas, with clear annual priorities;
  + establishing innovative mechanisms to broaden and strengthen the communication between the EESC and its Chilean counterpart (such as meetings via videoconference facilities);
  + positioning civil society by issuing JCC recommendations not only to the Parties but also to the other joint bodies under the Agreement (Association Council, Joint Parliamentary Committee, etc.).