

3. *The Contribution of the Business Community to Fair Globalization*

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Title: *Enforcing the EU FTAs: the Participation of Civil Society*

Abstract: The European Union has been negotiating and concluding a wide net of Free Trade Agreements, currently connecting itself, through 42 FTAs, with 74 partners worldwide. Since the enter into force of the Lisbon Treaty, the EU included in its wide model of economic agreements an *ad hoc* Chapter specifically devoted to trade and sustainable development, conferring an unprecedented and important role to civil society for the monitoring and implementation not only of trade obligations, but also of provisions preserving the environment and protecting the core labour standards. The EU TSD Chapters are characterized by a dispute settlement mechanism based on a first stage of consultations, followed by the discussion of the dispute before a group of experts, whose final report contains recommendations which the parties have to implement observing a duty of best efforts. At present, the text of the EU TSD Chapters does not foresee a *locus standi* of civil society for filing a complaint. Nevertheless, with the appointment of the EU Chief Trade Enforcement Officer, and the creation of the Single Entry Point, it is now possible, also for private parties, to formally request the European Commission to start inquiring and discussing laws and practices of third countries suspected of violating the FTAs those countries concluded with the European Union. We therefore intend to reconstruct and explore the role of private parties, and more generally of civil society, until now developed in the implementation of the EU bilateral treaty network, making a comparison with the enforcement mechanism of the United States – Mexico – Canada Agreement, and also analyzing the recent case law on sustainability issues matured within the EU FTAs and other regional agreements. By making such research, we expect to be able to assess the effectiveness of the new generation of EU FTAs for achieving sustainability while promoting free trade, together with the level of access, inclusiveness, transparency, and thus democratic participation reached by the EU in the shaping and implementation of International Economic Law.

ANTHONY KEFALAS

Title: *DEMOCRACY AND CULTURE FOUNDATION The Athenian Charter - A new code of ethics for global business*

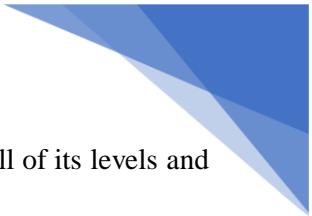
Abstract: Sustainable, well managed and profitable businesses must actively support the principles of liberal democracy on which they depend: The Rule of Law, Legal Equality, Political Freedom, and Human Rights. In 2021, businesses must include in their Purpose Statements specific commitments to tackle inequality, address climate change, and move to a circular economy-- in recognition of the finite ecological limits of the natural world, which they must strive to protect in order for them to survive.

The backbone of this Charter is business' commitment to the UN's 17 Sustainable Development Goals and the ten principles of the Global Compact. Their achievement necessitates intra-business as well as business and government collaboration. Multiple stakeholders should be brought in at every stage of the decision-making process.

Recent geopolitical, social, and economic development have brought to the forefront the 50-year lingering issue on inequality. Its persistence threatens not only business' purpose to invest, innovate, and create jobs but, more fundamentally, the functioning of democracy and its institutions: the acceptance of free democratic elections, the rule of law and unalienable human rights.

There is thus a moral as well as an economic reason for business to lead by example and join this fight against inequality and for democracy, not merely by conforming to the status quo but even more by pro-actively and meaningfully caring for The Open Society.

To address the issue of inequality, in a necessary conjunction with the related global challenges of accelerating climate change, rising migration, and the recurrence of pandemics, the business community must adopt a new



set of values and implement them with a new unique sense of purpose that will transcend all of its levels and influence all of its actions.

There are three main critically radical issues, three areas where the Athens Charter for Business differs from, indeed departs from all other charters that have been put forward in the past:

Short-term profit maximization to be replaced by long-term value maximization as the business' primary aim, overriding all else.

The end result of all actions must have an impact on addressing the issue of inequality, which thus gains primacy in the implementation of SDGs.

The total commitment of the entire company, thus addressing the intergenerational gap

The current state of affairs – where greenwashing goes along with genuine commitment, and where the adoption of single option action like the reduction of carbon emissions puts all other pressing issues on the back-burner—is hardly in line with the pressing needs of our common political, social, and economic challenges.

The adoption of The Athens Charter for Business implies a cultural shift – which will inevitably meet with obstacles and delays—as is always the case when current values are upended, and an alternative vision tries to take hold. It rests upon business leadership to install the sense of urgency in its decision-making process as well as in the implementation of its actions.

Professor Emerita Mary E Footer, What role for business globally in the EU's Action Plan on Human Rights and Democracy?

Until now the EU approach towards business globally in its Action Plan on Human Rights and Democracy has been one of cooperation with a variety of actors through three main forms of action. One is bilateral engagement by means of specific provisions in trade and investment cooperation agreements. Another is soft power dialogue with third countries and regions, organised through its 140 EU delegations and Member States' embassies. A third means, whereby the EU has sought to position itself as the global leader on Responsible Business Conduct (RBC), is in its support for implementation of the UN Guiding Principles on Business and Human Rights through a 'smart mix' of voluntary policy prescriptions and regulatory measures. Could the proposed EU regulation on Corporate Sustainability Due Diligence, which aims to introduce mandatory human rights and environmental due diligence across business sectors, deliver the type of binding rules that are needed to make business respect people and the planet?