P7 TA(2013)0228

Myanmar/Burma's access to generalised tariff preferences

European Parliament resolution of 23 May 2013 on reinstatement of Myanmar/Burma's access to generalised tariff preferences (2012/2929(RSP))

The European Parliament,

- having regard to its previous resolutions on Burma/Myanmar, in particular those of 20 April 2012¹ and 22 November 2012², and to its resolution of 13 September 2012 on the persecution of Rohingya Muslims in Burma/Myanmar³,
- having regard to the EU Foreign Affairs Council conclusions of 23 April 2012 on Burma/Myanmar,
- having regard to the joint statement of 15 June 2012 by High Representative Catherine Ashton and Trade Commissioner Karel De Gucht, calling for the reinstatement of trade preferences for Burma/Myanmar, and to the statement of 6 February 2013 by the High Representative's spokesperson, announcing the possible organisation of a Myanmar-EU task force in order to strengthen economic cooperation,
- having regard to the Commission's proposal for a regulation of the European Parliament and of the Council repealing Council Regulation (EC) No 552/97 temporarily withdrawing access to generalised tariff preferences from Myanmar/Burma (COM(2012)0524),
- having regard to Council Regulation (EC) No 732/2008 of 22 July 2008⁴, applying the current Generalised Scheme of Tariff Preferences (GSP).
- having regard to the 'Resolution concerning the measures on the subject of Myanmar adopted under article 33 of the ILO Constitution', adopted by the International Labour Conference on 13 June 2012.
- having regard to the Joint Myanmar/ILO Strategy for the elimination of forced labour by 31 December 2015, as approved by the authorities of Myanmar/Burma on 5 July 2012,
- having regard to the US Government document of 11 July 2012 entitled 'Reporting Requirements on Responsible Investment in Burma'5,
- having regard to the report of the United Nations Special Rapporteur on the situation of human rights in Burma/Myanmar of 6 March 2013,
- having regard to the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work, adopted in 1998, and to the ILO conventions establishing

Texts adopted, P7_TA(2012)0142.

Texts adopted, P7_TA(2012)0464.

³ Texts adopted, P7 TA(2012)0355.

OJ L 211, 6.8.2008, p. 1.

http://www.humanrights.gov/wp-content/uploads/2012/07/Burma-Responsible-Investment-Reporting-Regs.pdf

universal core labour standards with regard to: the abolition of forced labour (Nos 29 (1930) and 105 (1957)); freedom of association and the right to bargain collectively (Nos 87 (1948) and 98 (1949)); the abolition of child labour (Nos 138 (1973) and 182 (1999)); and non-discrimination in employment (Nos 100 (1951) and 111 (1958)),

- having regard to the action plan to prevent the recruitment and use of children by the Myanmar armed forces, signed by the Government of Burma/Myanmar and the UN on 27 June 2012,
- having regard to the UN Convention on the Rights of the Child (CRC) and in particular Article 38 thereof,
- having regard to the UN Guiding Principles on Business and Human Rights¹ and to the Foreign Affairs Council conclusions of 8 December 2009²,
- having regard to the OECD Guidelines for Multinational Enterprises, updated in May 2011,
- having regard to the Global Reporting Initiative and its Sustainability Reporting Guidelines³,
- having regard to the UN Principles for Responsible Investment (UNPRI),
- having regard to the Commission communication entitled "Responsible Businesses" package' (COM(2011)0685),
- having regard to the ongoing negotiations on the Commission proposal for a directive of the European Parliament and of the Council amending Directive 2004/109/EC (the 'Transparency Directive') (COM(2011)0683) and to the Commission proposal for a directive of the European Parliament and of the Council on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings (COM(2011)0684), which amends Directive 2003/51/EC (the 'Accounting Directive'),
- having regard to its resolution of 25 November 2010 on corporate social responsibility in international trade agreements⁴,
- having regard to its resolutions of 6 February 2013 on 'Corporate Social Responsibility: promoting society's interests and a route to sustainable and inclusive recovery' and on 'corporate social responsibility: accountable, transparent and responsible business

Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework' of 16 June 2011, endorsed by the UN Human Rights Council: http://www.business-humanrights.org/media/documents/ruggie/ruggie-guiding-principles-21-mar-2011.pdf

http://www.business-humanrights.org/SpecialRepPortal/Home/Protect Respect-Remedy-Framework and

 $http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/111819.pdf$

Version 3.1, March 2011: https://www.globalreporting.org/resourcelibrary/G3.1-Sustainability-Reporting-Guidelines.pdf

⁴ OJ C 99 E, 3.4.2012, p. 101.

⁵ Texts adopted, P7_TA(2013)0050.

behaviour and sustainable growth'1,

- having regard to the First EP-Myanmar Interparliamentary Meeting held from 26 February to 2 March 2012, and the report thereof²,
- having regard to Rule 110(2) of its Rules of Procedure,
- A. whereas the human rights situation in Myanmar/Burma remains fragile despite the steps being taken by the government of President Thein Sein;
- B. whereas Myanmar/Burma is geographically situated in a region that is of great strategic and geopolitical interest to the EU, the United States, China, India and Australia, in particular;
- C. whereas these ongoing changes are creating important opportunities for developing a much improved relationship between the EU and Myanmar/Burma, assisting the reform process and contributing to economic, political and social development;
- D. whereas the Commission has proposed to reinstate access to generalised tariff preferences for Myanmar/Burma on account of the International Labour Organisation (ILO) judging that violations of the ILO Convention on Forced Labour are no longer considered serious and systematic;
- E. whereas, according to ILO estimates, there are still some 5 000 child soldiers in Myanmar/Burma;
- F. whereas there is a need for caution, given that, according to the report of the UN Special Rapporteur on the situation of human rights in Myanmar, serious human rights concerns remain, including arbitrary detention, forced displacement, land confiscations, the use of child soldiers, aggressive acts against ethnic minorities and a weak judiciary;
- G. whereas in the past many sectors of economic activity in Myanmar/Burma, such as mining, timber, oil, gas and dam construction, have been directly linked to serious human rights abuses and environmental destruction, while at the same time being the military government's main source of revenue;
- H. whereas companies operating in fragile states and weak governance zones, such as Myanmar/Burma, face an increased risk of causing or contributing to human rights violations; whereas special measures are consequently necessary in order to avoid this risk, as recognised in the US Government reporting requirements for responsible investment in Myanmar/Burma;
- I. whereas European companies and their subsidiaries and subcontractors can play a key role in the promotion and dissemination of social and labour standards worldwide;
- J. whereas any enterprise operating in Myanmar/Burma should be required to meet its obligation to uphold international human rights standards and therefore to:

2

 $http://www.europarl.europa.eu/meetdocs/2009_2014/documents/dase/cr/897/897838/897838en.pdf$

¹ Texts adopted, P7_TA(2013)0049.

- (a) comply with its national and international legal obligations in the areas of human rights, social and labour standards and environmental rules,
- (b) show a genuine commitment to the rights, protection and well-being of its workforce and of citizens generally,
- (c) uphold freedom of association and collective bargaining rights,
- (d) refrain from land grabbing and forced displacement of local populations,
- (e) deal with any infringements swiftly and effectively;
- 1. Recognises the significant steps taken by President Thein Sein and other reformers in Myanmar/Burma in introducing democratic reforms over the past year which have led the Commission to propose the reinstatement of Myanmar/Burma's access to the Generalised Scheme of Tariff Preferences (GSP); encourages them to continue this process as a matter of urgency so that full democratisation, consolidation of the rule of law and respect for all human rights and fundamental freedoms are made both permanent and irreversible;
- 2. Calls for continuing peace talks with ethnic groups, in particular the Kachin, and urges the authorities of Myanmar/Burma to set out an action plan to end the repression against the Rohingyas and other repressed minorities, including granting citizenship rights, addressing deep-rooted prejudices and discriminatory attitudes based on ethnicity and religion, and developing a policy of integration and long-term reconciliation for displaced communities;
- 3. Calls on the Government of Myanmar/Burma to adhere to the principles of good governance and to release all remaining political prisoners without delay or conditions; calls further on the Government of Myanmar/Burma to ensure respect for freedom of opinion, expression, assembly and association, and to continue its close cooperation with organisations such as the ILO in order to eradicate forced labour and make sure that the implementation of laws on labour organisations and peaceful demonstrations and gatherings is consistent with international human rights standards;
- 4. Urges the Government of Myanmar/Burma to ratify the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment and the Optional Protocol thereto, allow the International Committee of the Red Cross and national monitoring groups full access to prisons and take immediate and effective measures to prevent torture and ill-treatment;
- 5. Urges the Government of Myanmar/Burma to accelerate efforts to review and reform legislation and legal provisions that contravene international human rights standards, with clear target dates for the conclusion of each review; notes that these reforms must include unfettered participation of civil society groups and assistance of international human rights bodies, such as the Office of the United Nations High Commissioner for Human Rights (OHCHR); calls on the government to ensure effective implementation of new and revised laws, including by training and building the capacity of implementing institutions, members of the legal profession, law enforcement officers and the judiciary;
- 6. Regrets that, despite several promises by President Thein Sein, the United Nations Office of the High Commissioner for Human Rights has not yet been able to establish a permanent presence in the country;

- 7. Underlines the importance of addressing in an independent manner all allegations of human rights violations in conflict-affected areas and granting the United Nations and other aid and humanitarian workers access to all those in need of humanitarian assistance, in both government-controlled and non-government controlled areas;
- 8. Calls on the Government of Myanmar/Burma to fully implement its Joint Action Plan with the ILO on the eradication of forced labour by 31 December 2015 and to continue its close cooperation with organisations such as the ILO in order to eradicate this practice and make sure that the implementation of laws on labour organisations and peaceful demonstrations and gatherings is consistent with international human rights standards;
- 9. Notes the implementation of the foreign investment law of November 2012, which is overseeing unprecedented liberalisation of the economy; stresses the importance of ratifying the ILO Memorandum of Understanding, signed by the Burmese Ministry of Labour, with a view to ending forced labour by 2015, and of implementing the plan to adopt anti-corruption and taxation legislation;
- 10. Recognises that, owing to the long period of military rule, which has permeated and structured all layers of Burmese society, and despite the important initiatives aimed at democratisation, changes are slow and require international aid and support;
- 11. Expresses its deep concern about reports that the forced recruitment of children into the ranks of the Tatmadaw Kyi (Myanmar army) and the Border Guard Forces has not ceased and therefore calls on the Government of Myanmar/Burma swiftly to implement all aspects of the action plan on child soldiers, which it signed with the UN, and for the protection of children to become a high priority of the reform agenda;
- 12. Calls on the Government of Myanmar/Burma to ensure that farmers and communities are protected from land confiscation and forced evictions, in line with international standards; notes concerns about the Constitution, the Farmland Law and the Vacant, Fallow and Virgin Land Management Law, which allows the government to confiscate land for any project that it claims to be of 'national interest' and permits it to use all 'vacant' lands, some of which are occupied and provide a livelihood for communities; further notes that well-connected business people are pursuing legal action to register such land in their own names:
- 13. Underlines the importance of the Commission's short-term trade-related assistance programme to start in 2013; invites the Government of Myanmar/Burma to strengthen its trade institutions and policies in view of their positive effects on the country's economy, and to take all necessary steps to maximise the benefit derived from EU trade-related assistance and the reinstatement of Everything But Arms preferences;
- 14. Calls for an increase in the level of EU bilateral development aid to Myanmar/Burma under the 2014-2020 multiannual financial framework and for the Government of Myanmar/Burma to promote and support action in the main areas covered by the European Instrument for Democracy and Human Rights (EIDHR): consolidation of democracy, the rule of law and respect for human rights and fundamental freedoms; notes, in this connection, the work of the EU-funded Myanmar Peace Centre; expects the Government of Myanmar/Burma to accept and facilitate the opening of a UN regional Office of the High Commissioner for Human Rights with a full mandate, as the country needs not only technical assistance but also a mechanism for close monitoring of human rights;

- 15. Takes note of the decision of the Association of Southeast Asian Nations to accept Burma/Myanmar's bid to chair the organisation in 2014 as a sign of renewed confidence in the country;
- 16. Stresses the need for the Government of Myanmar/Burma to strengthen its trade institutions and policies, to compose a plan for strengthening anti-corruption and taxation laws, and to establish a framework for companies in line with international standards of corporate social and environmental responsibility;
- 17. Welcomes the Myanmar/Burma Government's commitment to join the Extractive Industries Transparency Initiative (EITI), which will require it to disclose the revenues it receives from extractive industries and economic activities; invites, furthermore, the Myanmar/Burma Government to move as quickly as possible towards full EITI compliance by meeting the relevant requirements, while fully involving civil society in that process;
- 18. Acknowledges that responsible and sustainable trade and investment including with and from the Union can support Myanmar/Burma 's efforts to fight poverty and to ensure that measures benefit broader sections of the population; notes, however, that this has to be done by promoting implementation of the highest standards of integrity and corporate social responsibility, as laid out in the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and the EU's own 'strategy 2011-14 for Corporate Social Responsibility' (COM(2011)0681);
- 19. Considers that disclosure to investors and consumers is a key driver of corporate social responsibility (CSR) and must be based on readily applicable and measurable social and environmental principles; emphasises that it is also important in order to protect the long-term value of European investments; calls for such disclosure to be firmly based on support for the UN Principles for Responsible Investment and the principle of integrated reporting (IR);
- 20. Notes the positive steps taken in the current reforms of the Transparency Directive and the Accounting Directive, respectively, in addressing the issue of CSR while balancing the legitimate quest for transparency and responsibility with the burden of reporting by companies; strongly supports the legislative proposal for country-by-country reporting based on the EITI standards and for reporting on sales and profits, as well as taxes and revenues, in order to discourage corruption and prevent tax avoidance; stresses that such country-by-country-reporting should cover those sectors which, in Myanmar/Burma, have been directly linked to serious and systematic human rights abuses and environmental destruction, such as mining, timber, oil and gas;
- 21. Calls on large European companies doing business with Myanmar/Burma to report on their due diligence policies and procedures relating to human rights, workers' rights and the environment, along with the application of those policies and procedures;
- 22. Asks the Commission to monitor the commitments made by EU enterprises in light of internationally recognised CSR principles and guidelines, in line with its communication on the EU's CSR strategy, as well as any voluntary requirements which may be adopted unilaterally by EU enterprises, and to define human rights guidance for the oil and gas sectors;
- 23. Calls on the Commission to continue to monitor developments in Myanmar/Burma with

respect to forced labour and any other serious and systematic violations of human rights, and to respond to such developments in accordance with the procedures and mechanisms in place, including, if necessary, through renewed proposals for the withdrawal of trade preferences;

- 24. Expects the EEAS to consult Parliament and keep it informed about the process of establishing a human rights dialogue with Myanmar/Burma;
- 25. Instructs its President to forward this resolution to the Council, the Commission, the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy, the parliaments and governments of the Member States and the Parliament and Government of Myanmar/Burma.