

THE "BELGIAN EU PRESIDENCY"
PROGRAMME OF THE BELGIAN
PLATFORM OF **CONCORD**

HET PROGRAMMA "BELGISCH
EU-VOORZITTERSCHAP" VAN HET
BELGISCHE PLATFORM VAN **CONCORD**

PROGRAMME DE LA PLATE-FORME
BELGE DE **CONCORD**
POUR LA PRÉSIDENTE BELGE
DE L'UNION EUROPÉENNE

INTRO

TURNING THE TIDE FOR THE MILLENNIUM DEVELOPMENT GOALS MEMORANDUM OF THE NORTH SOUTH MOVEMENT

From July till December 2010, Belgium will hold the Presidency of the European Union. That is not an easy task in times of change. Not only are we going through a multiple crisis, but with the approval of the Lisbon Treaty the European foundations as such are under revision as well. 2010 will therefore be a year of transition for the European institutions.

Still, the EU Presidency offers the Belgian Government opportunities to weigh on the European policies. During this period, Belgium will have a say in the European agenda and will play an important role in the coordination of dossiers to be discussed at the European Ministerial Council meetings. These dossiers concern topics such as the preparation of the reform of the European development cooperation tools, the continuing struggle against the economic crisis, the reform of the European and international financial system, the preparation of the European '2020 Strategy' for employment and competitiveness and the next major climate conference in Cancun in December 2010.

During the Belgian EU Presidency the international community will thoroughly assess the Millennium Development Goals, ten years after the Millennium Declaration. For that reason the Millennium Development Goals are the main focus of the EU Presidency Programme of the Belgian CONCORD Platform.

The NGOs have never made it a secret that the Millennium Development Goals are not ambitious enough. Halving poverty and hunger can at best be an intermediate step. Still the Millennium Goals have by now become the cornerstone of many bilateral and multilateral development projects and programmes. They have been included in policy documents and visions. And they have also been integrated into the EU policy, with instruments to check whether the Union is living up to its commitments and to measure whether progress is made in the field of development.

Most results will not be achieved in 2015. Yet the Millennium Development Goals are no utopian maximum programme, but an absolute minimum programme of technically feasible medium-term objectives that threaten not to be achieved for lack of political will. In the context of the EU Presidency, Belgium can make an important contribution to foster that political will.

The United Nations will organize a review conference on the occasion of the tenth anniversary of the Millennium Development Goals. Probably they will confirm there that the progress achieved with regard to the Millennium Goals, which is far too limited anyway, has been swept away in previous years by a number of consecutive crises. Those crises have certainly had a certain impact on the achievement of the Millennium Development Goals. But they did not happen by coincidence. The crises are caused by the same factors that prevent or hinder the achievement of the Millennium Development Goals. They prove that the international community is not able to provide the basic conditions for sustainable development.

If Belgium does not want to be embarrassed when presenting the Belgian and European achievements to the international community in September 2010, more resources will be needed for real development cooperation. But more efforts will also be necessary to ensure more coherence in the European policy to support the Development Goals. A reform of the trade policy, of the policy with regard to climate change and the financial policy, in combination with a reinforcement of the multilateral system, should be the pillars of the Belgian EU Presidency.

For each of these points, the Belgian CONCORD Platform will submit concrete demands and assignments to the Belgian EU Presidency in the coming months. It will concentrate on four topics: financing for development, decent work, food sovereignty and climate. We will strongly focus on Africa, since this continent has the largest number of least developed countries. And finally, the Belgian Platform will keep insisting on more policy transparency and consultation of civil society on the European policy and the Belgian positions on that policy.

POLITICAL RECOMMENDATIONS FOR THE BELGIAN EU PRESIDENCY:

FINANCING FOR DEVELOPMENT

1. MORE AND BETTER AID

- > Ensure compliance with the European commitment to spend 0.56% of GNI on aid from 2010 onward and 0.7% of GNI by 2015.
- > Guarantee timely implementation of the principles of the Paris Declaration on aid effectiveness and the commitments of the Accra Agenda for Action.

2. REREGULATION OF FINANCIAL MARKETS

- > Establish a tax on all financial transactions within the euro zone.
- > Fight against tax havens at the European and international level.
- > Facilitate the restitution of embezzled property and money to the population of developing countries.

FOOD SOVEREIGNTY

3. MORE ATTENTION FOR FAMILY FARMING IN THE EUROPEAN DEVELOPMENT POLICY

- > Spend at least 15% of the overall European development cooperation budget on support for sustainable family farming.

4. TRADE AND AGRICULTURAL POLICIES IN ACCORDANCE WITH DEVELOPMENT GOALS

- > Orient the European agricultural policies toward a model of sustainable family farming
- > Europe must support policy measures that protect markets against cheap food imports and introduce evaluation procedures that do not depend on the impact of Northern policies on sustainable family farming in developing countries.

CLIMATE

5. 40% REDUCTION OF EMISSIONS BY 2020 THROUGH INTERNAL MEASURES

- > Reduce greenhouse gas emissions by 40% by the year 2020, using maximum 25% of flexible mechanisms.

6. MORE RESOURCES FOR THE SOUTH

- > From 2013, release 35 billion Euros of public funding per year to enable countries in the South to tackle climate change. This funding must be predictable, must not be counted as ODA and must be based on common but differentiated responsibilities.
- > Provide the 'quick start funding' promised for 2010-2012 from a new international fund in the framework of the United Nations.

DECENT WORK

7. COMPULSORY SOCIAL TRACEABILITY OF PRODUCTS THAT ARE SOLD IN EUROPE

- > Set up binding European mechanisms to ensure transparency and traceability of the entire production chain of goods and services provided on the European territory.

8. INTERNATIONAL RELATIONS FOR THE BENEFIT OF DECENT WORK

- > Make Decent Work a central topic in the relations of the European Union, in particular in the trade and investment agreements and the European trade strategy 'Global Europe. Competing Europe in the world'.

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THEME /1

FINANCING FOR DEVELOPMENT

Since September 2008 the financial crisis has evolved into global economic recession. This crisis has caused a decrease in export earnings and reduced incoming financial flows, also in developing countries. This has led to a deteriorating social and economic situation. The chance that the Millennium Development Goals will be reached by 2015 is seriously threatened.

According to estimates of the IMF and the World Bank the crisis would plunge over 90 million more people into extreme poverty before the end of the year 2010. According to the World Bank Group 30,000 to 50,000 more babies in Africa will die before the age of one year as a consequence of the crisis. The coming months a new debt crisis due to the global crisis even threatens to accelerate this pauperization.

The need to provide additional resources for financing development is more urgent than ever. In December 2008 governments from the North and the South reconfirmed the Monterrey Consensus and recognized that "mobilizing financial means and the efficient use of those means for development is the core of the worldwide partnership for sustainable development and more particularly for the achievement [...] of the Millennium Development Goals".

Governments have not yet fulfilled the commitments they made at the Financing for Development Conference in 2008 in Doha. But at the G20 summit in London in April 2009 over 1,100 billion dollar was released to save the world economy. The distribution of that financial package will however largely benefit the richer growth countries. Until now only 50 billion dollar has been explicitly allocated to the poor countries. This amount is clearly insufficient, since it will be paid over a period of two to three years. The IMF itself estimates the cost of the financial crisis at 216 billion dollar for the poorest countries, only for the year 2009. Moreover the money is mainly granted by way of loans linked to new conditions and not in the form of donations.

Therefore additional resources that do not create any debts have to be released quickly. The poor countries should not be ruined due to a recession they have not caused. That is why the Belgian Federal Government must convince the other EU Member States, in the context of the Belgian EU Presidency in 2010, to take the following measures:

POLICY RECOMMENDATIONS FOR THE BELGIAN EU PRESIDENCY:

1. MORE AND BETTER AID

The Doha Declaration on financing for development states: "We ask the developed countries that have not yet done so, to agree concretely to achieve the objective of spending 0.7% of their GNI on development cooperation, as well as the more specific objective of spending 0.15 to 0.20% for the least developed countries [...]".

In order to achieve this objective, the European governments will have to double their efforts. In 2009 they spent together 0.42% of their GNI on development cooperation. That is still far from the 0.7% they have planned to reach by 2015. According to the latest assessments, it will be necessary to spend another 52.7 billion Euros on top of the current 49 billion Euros EU of aid in order to comply with the 2015 commitment. By observing the legally established commitment to spend 0.7% of GNP as from 2010 onwards, Belgium would make a strong signal to its European partners.

A major challenge remains the 'pollution' of aid. Of the approximately 49 billion of European aid in 2009, actually 1.363 billion Euros is intended for debt remission, 1.482 billion Euros for the reception of foreign students and 949 billion Euros for the reception and repatriation of refugees. In other words, the real European aid amounts to only 0.38% of the collective GNI. The Belgian EU Presidency must refuse an artificial increase of the figures.

The 2005 promise to orient 50% of the EU aid increase toward Africa has not been kept, on the contrary. A considerable re-orientation of aid to Africa and the least developed countries is needed. We expect the Belgian Government to take initiatives at the European level to carry out this agenda.

The Belgian EU Presidency should also put the improvement of the quality of European aid on the political agenda. This first and foremost requires implementation of the effectiveness principles established in the Paris Declaration. Moreover, the additional commitments to improve aid effectiveness taken during the Accra High-Level Forum must be urgently observed in order to achieve the objectives for 2010. In particular, efforts are needed to make the aid less politically tied (untying of development cooperation and cancellation of macroeconomic conditionalities), to make the aid predictable and to strengthen democratic ownership. Those crucial elements should also be broadened in the context of the new aid modalities such as budget support. Moreover Belgium should use its pioneering role regarding aid to fragile states, especially in Africa, to draw the attention of Europe to this. We therefore expect that Belgium will actively contribute to the dynamic European operational framework for improving the aid effectiveness in preparation of the High-Level Forum in Seoul in 2011.

2. REREGULATION OF FINANCIAL MARKETS

Although aid constitutes an indispensable pillar for financing development, it only makes sense within a properly framed international financial system. As a matter of fact, financial deregulation has numerous negative consequences for the developing countries.

Speculative bubbles occur. The international financial balance is disturbed. Those disturbances are then brutally rectified again and annul the results of development efforts. The 'subprime crisis' and its consequences for the developing countries are a perfect example of this.

The lack of strict financial regulations allows tax havens to organize tax evasion at the international level to the detriment of the poorest states. According to the calculations of Raymond Baker, director of the 'Global Financial Integrity Program' in the United States, every year about 500 to 800 billion dollar is drained away from developing countries to tax havens. The fiscal fraud of multinational corporations as such would make up 65% of this illegal flight of capital.

Tax havens harbour numerous speculative funds that cause serious disadvantages for developing countries.

The many detrimental consequences of financial deregulation should urge the Belgian Government to take measures for strict supervision on the financial sector – in the context of the EU Presidency in 2010. More particularly Belgium should support two measures:

- Levy a tax within the euro zone on all financial transactions (stocks, bonds, foreign currency, derivatives, etc.). Part of that tax would be a tax on currency transactions, in compliance with the law adopted by the Belgian Parliament in July 2004. By introducing the tax on financial transactions it would be possible to achieve a double objective: generate new earnings for development and dissuade from short term speculation (without discouraging long term investments).

- Fight against tax havens at the European and international level by issuing the following measures: lift the banking secrecy; set up automatic exchange of fiscal information among countries; oblige multinational companies to keep accounts for each land – so that it is clear from their accounts in which countries they are active and which financial results they achieve in each country; restitution to the population of developing countries of possessions embezzled by their rulers and invested in Northern banks (on the basis of the UN Convention against corruption).

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THEME /2

FOOD SOVEREIGNTY

The food crisis of 2007-2008 went hand in hand with other crises, not only concerning economy and finances, but also energy, climate and natural resources. In spite of the rhetoric of policy makers and a strong decrease of agricultural prices on the international markets, the number of people going hungry has increased: over one billion people are still chronically undernourished.

The sobering conclusion is that the underlying causes have not been tackled. Some of the main causes are: the liberalization of trade in agricultural products, the many years of neglect of agriculture in developing countries, the lack of interest from agriculture for development policies, the hype of the agrofuels and speculation on agricultural markets.

The result: if prices for farmers are very low, hundreds of millions of small agricultural producers can no longer meet their own needs for food. If prices for families are very high, then the hundreds of millions of poor consumers go hungry in their turn: first and foremost poor peasants, agricultural workers, unemployed people and people with a low income.

Moreover the access to natural resources increasingly gives cause to conflicts. Although women play an essential role in food production, they still cannot fully enjoy the necessary rights of access to and control over those resources.

The climate crisis poses a tremendous challenge for agriculture. The overall impact of climate change on agricultural crops will threaten the food security, particularly for the most vulnerable groups of population. The confiscation of fertile soils in developing countries by oil countries, financial funds and others adds to the inequality with regard to the right to food and illustrates the lacking confidence in the processes of the global agricultural market.

Still there is some political will to see agriculture again as the most important pillar of development policies and of the fight against poverty. But this should be translated into long term commitments.

The agricultural, trade and development policies have not been able to guarantee the right to food, to reduce rural poverty, to stabilize markets, to promote the necessary agricultural investments, to manage natural resources in a sustainable way and to ensure equality of men and women.

POLICY RECOMMENDATIONS FOR THE BELGIAN EU PRESIDENCY:

1. MORE ATTENTION FOR FAMILY FARMING IN THE EUROPEAN DEVELOPMENT POLICY

For the majority of developing countries and for the African countries in particular, agriculture remains the most important economic sector. Economic growth produced by agriculture is four times more effective than growth in other economic sectors. After having discouraged government investments in agriculture for decades, the World Bank asked donors in its World Development Report 2008 to pay more attention again to agriculture in developing countries.

In order to achieve this, the share of agriculture within the European development cooperation, just like within the Belgian development cooperation, must be increased to at least 15% of the overall budget for development cooperation.

Apart from the need for higher amounts, it is also important to spend those budgets on sustainable family farming, which produces food at local and regional level and is based upon diversified, agro-ecological small scale production systems. Such investments have to be developed, implemented and evaluated in collaboration with farmers' organizations, in a context that recognizes the role and responsibilities of those organizations as interlocutor of governmental bodies and other parties.

The participation of farmers' organizations is an important condition for successfully implementing the CAADP (Comprehensive Africa Agriculture Development Programme). Agricultural policies should not only be determined by government bodies. They must be defined and elaborated in dialogue with the sector. It is absolutely not sufficient just to recognize the farmers' organizations. They should also be strengthened in their capacities by means of considerable and fixed funding. This will allow them to fully play their role and legitimately take up their responsibility.

Furthermore the position of women and women's organizations should be supported and strengthened, because women play a decisive role in family farming.

2. TRADE AND AGRICULTURAL POLICIES IN ACCORDANCE WITH DEVELOPMENT GOALS

The European agricultural policy must meet the expectations of the European farmers and citizens and at the same time take into account the interests of farmers and citizens in the South.

In order to achieve this, we demand that the European agricultural policy would be oriented toward a model of sustainable family farming with viable agricultural prices for producers, in which production and export are determined by supply management and that promotes local and sustainable production of oil and protein rich crops to reduce our dependence on imported vegetal proteins, encourages sound environmental practices, strengthens the strategic food stocks and prohibits financial speculation on futures markets for agricultural products.

Trade and energy policies must not endanger the food sovereignty of the population and the countries of the South by enforcing the liberalization of agricultural markets or by imposing the production of export crops. This clearly involves the Economic Partnership Agreements (EPA), since those agreements limit even more the political room that is needed for protecting the important agricultural sector.

In order not to threaten the food sovereignty of countries, Europe must support policy measures that protect markets against cheap food imports (contingencies, variable import duties) and introduce evaluation procedures that do not depend on the impact of Northern policies on sustainable family farming in developing countries.

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THEME /3

CLIMATE

Decreased rainfall in some regions, extinction of plant and animal species, harsher periods of drought, heat waves, strong showers and storms, ... Global warming is the most important threat for the environment. According to the Intergovernmental Panel on Climate Change, the average temperature in the atmosphere and in the oceans at world level increased by nearly 0.8°C in the course of the twentieth century. Human activity undeniably appears to be responsible for the growing amount of greenhouse gases in the atmosphere: about 60% is due to the use of fossil fuels and nearly 20% to deforestation. The share of emissions caused by food production has increased from 17 to 32% of the overall greenhouse gas emissions, which questions our trade and agricultural policies.

Climate change is making life even more difficult for billions of people who are already powerless vis-à-vis natural disasters or who are particularly vulnerable to the impact of changes in temperature and rainfall. All activities that may lead to development are affected: fisheries, agriculture, industry, trade, ... Access to drinking water and the consequences for education and health, increasing numbers of malaria contaminations and deteriorating safety, but also the so-called 'environmental migrants'... The UNDP Human Development Report 2007-2008 put it clearly: the Millennium Development Goals will only be achieved if serious financial efforts are made immediately in the field of climate change adaptation and mitigation.

In 2008 the European Union agreed upon its energy and climate change package. The EU wanted to take a leading position during the preparatory negotiations for the Copenhagen summit. Still some Member States appear to be reluctant in their commitment and rather slow down this dynamism. Europe sent out a positive signal to the whole world, supported by its Parliament, which on the eve of the Copenhagen summit agreed upon an ambitious resolution on the objectives for the period 2013-2017 (after the Kyoto protocol).

A fast financial commitment for fighting climate change in the countries of the South remains a stumbling block in international negotiations and in the talks between Member States. And after the disappointment of Copenhagen, Europe appears to have very little ambitions: it sticks to the already promised conditional 20% and shows little progress with regard to financing in the South.

Africa is the continent that is the most vulnerable for climate change and is lacking resources to arm against it. According to Jean-Pascal Van Ypersele, vice president of the IPCC, 75 to 250 billion people will suffer from the consequences of reduced rainfall by 2020. In some countries crop yields will drop by as much as 50%. The cost for adaptation on the African continent might be even higher than 10% of its GNI. Africa will never be able to provide that amount without support from third countries.

By reducing global warming and its impact on the most vulnerable regions and by helping the countries from the South to adapt to the inevitable and to develop less energy consuming and more environmentally friendly economies, the European Union – as world leader with regard to climate issues – plays a particularly important role to stop climate change that is hampering development. Its efforts in terms of adaptation and mitigation as well as of transfer of technology and financing are essential. Furthermore it is also important that the EU remains very critical towards false solutions such as the use of biofuels or clean development mechanisms.

The climate crisis is only a symptom of a more fundamental environmental crisis. Our production and consumption model, that takes particularly little account of social and environmental aspects, is currently reaching its limits.

The European Union must maintain its leading position with regard to climate and reconfirm its ambitions for a more sustainable world. It must also encourage the other continents and countries to move into the same direction.

POLICY RECOMMENDATIONS FOR THE BELGIAN EU PRESIDENCY:

1. 40% REDUCTION OF EMISSIONS BY 2020 THROUGH INTERNAL MEASURES

Reduce their emissions by 40% by 2020 within the Union itself and in the post-Kyoto period use as little as possible flexible solutions, such as the clean development mechanisms

The energy and climate change package of December 2008 stipulates that corporations involved in the European emission market can achieve up to 50% of emission reduction by using such mechanisms. Sectors that are not included in the emission market, can within Belgium achieve up to 63% of their reductions. An assessment of the existing CDM projects shows that the majority of those projects does not cause real reduction nor contributes to development. Emission reduction should therefore be achieved through maximum 25% flexibility mechanisms, on the condition that those mechanisms are reviewed and that nuclear energy and carbon capture and storage (CCS) are not part of them.

2. MORE RESOURCES FOR THE SOUTH

Release 35 billion Euros of public funding annually from 2013 (110 billion globally) to achieve 50 billion Euros by 2020 (± 150 billion Euros globally)

Given its responsibility for climate change, the North should guarantee for the financing of the adaptation and development of a low carbon economy in the South. This financing must be predictable and come atop of development aid and must be based upon the principle of differentiated responsibility, related to emissions per inhabitant and per country and the financing capacity. The financing of the South must be carried out under the responsibility of the UNFCCC through support for national adaptation and mitigation plans, including management of carbon sinks (conservation of rain forest, etc). Purchase of emission rights by companies or government bodies cannot be included. And last but not least, the fast financing for 2010-2011-2012, with money made available by Europe, Japan, Norway and the US, must be managed in the context of a new fund under the protection of the UNFCCC.

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THEME /4

DECENT WORK

The concept of Decent Work was developed in 1999 by the International Labour organization (ILO), the UN agency for labour issues. The concept comprises four essential elements: free choice, a decent income, respect for labour rights and social protection. Promoting Decent Work is an important way to fight poverty and to reduce social inequality. Therefore Decent Work was included into the first Millennium Development Goal (MDG 1) in 2007.

THE GENERALIZED SOCIAL CRISIS AND THE NEED FOR DECENT WORK

Unfortunately the goal to ban poverty and hunger (MDG1) will probably appear to be the major failure of the MDG project: although the number of people living below the threshold of extreme poverty (1.25 \$/day) has indeed decreased from 1.8 to 1.4 billion people between 1990 and 2005, this decrease nearly completely concerns a restricted group of rising countries (mainly China and India), whereas the less developed countries go under in poverty. Thus the number of people living on less than 1.25 \$/day in sub-Saharan Africa increased by more than 100 million in the same period! Moreover, the economic crisis, as a consequence of the financial crisis, would cause another 100 million people to fall back into extreme poverty.

At the same time we should also question the living conditions of people who officially have overcome extreme material poverty. It is clear that the development model of China, the whole world's working place, and of other emerging countries, is based upon massive production of consumption goods, mainly for the West, by cheap labour forces, whose most fundamental rights are not even respected. Moreover the majority of the working population all over the world is active in the informal sector, where there are no contracts and therefore no formal labour rights either, such as the freedom of association. In many cases workers do not know their rights or are in no position to enforce them. Particularly in Africa the informal sector is dominant, employing over three quarters up to nine tenths of the working population!

Therefore the International Campaign for Decent Work, in which the Belgian NGOs and trade unions are actively involved, demands that Decent Work would get a more central place in the Millennium Development Goals and the European Union's policies.

STRONGER FOCUS ON DECENT WORK IN THE EU EXTERNAL RELATIONS

Other UN organizations and also the European Union have adopted the agenda for Decent Work of the ILO. In 2006 and 2008 the European Commission published a report on the promotion of Decent Work, containing concrete policy proposals. The European ministers and heads of government adopted resolutions on this topic in December 2006 and 2007.

Also the European trade policy has provided some room for Decent Work by including provisions on the implementation of the international labour standards. Still these stipulations are usually far too non-committal. And moreover nearly no efforts are required from European companies that are active in international trade and investments.

During the Belgian EU Presidency the Belgian Platform of CONCORD in collaboration with the Belgian Campaign for Decent Work will mainly focus on transparency of production chains and the European trade and investment policy

POLICY RECOMMENDATIONS FOR THE BELGIAN EU PRESIDENCY:

1. COMPULSORY SOCIAL TRACEABILITY OF PRODUCTS THAT ARE SOLD IN EUROPE

The establishment of binding European mechanisms to ensure transparency of the production chain of goods and services delivered on the EU territory, including the compulsory social traceability of all products that are put on the EU market. Support for this can be found in the resolutions adopted by the European Parliament

Large multinational corporations play an important role in the downward spiral occurring in every production chain: they exert pressure on suppliers and subcontractors to constantly make cheaper products and thus make respect for Decent Work impossible in the whole production chain of the products that we buy. The farther away from the consumer, the worse the working conditions get.

The circumstances in 'sweatshops' and other Asian assembling factories are inhuman, but what to say about the conditions in which Congolese workers are burrowing with their bare hands for ores that are indispensable for our electronic chips? And what about the child slaves working in the Western African cocoa plantations?

Due to the principles of liberalization and deregulation that have been reigning supreme for years, private actors can only be asked to adopt voluntary codes of conduct. The European Union must create mechanisms that make companies accountable for the conditions in which they produce the goods and services that we buy. This responsibility starts by providing information to consumers and their own direct employees. The European Parliament already has adopted resolutions in that sense. They may provide the basis of what the Belgian EU Presidency might do in order to issue European regulations.

2. INTERNATIONAL RELATIONS FOR THE BENEFIT OF DECENT WORK

Include Decent Work, in all its aspects as defined by the ILO, in all relations and agreements of the EU with third countries and regions, in particular in the European trade and investment agreements and in the European strategy 'Global Europe, competing in the world'

The Belgian EU Presidency takes place at a key moment in the drafting and implementation of the 'Europe 2020 Strategy', the future European strategy for employment and competitiveness. At the same time the European Commission has announced an update of its strategy paper for the European trade and investment policy, the so-called Global Europe Strategy. This provides an opportunity to orient this policy domain more towards sustainable development and poverty reduction, including Decent Work. The current trade agreements pay too little attention to the social impact of trade liberalization and the creation of decent jobs. In particular the handicaps caused by a predominantly informal economy due to which trade liberalization generates unpredictable negative effects, are strongly underestimated. Trade policies give priority to opening of markets and limiting government action, whereas employment is considered as a byproduct. Trade agreements should not limit the opportunities of developing countries to establish local industrial development strategies. At the same time each trade agreement should include binding provisions about the implementation of international social and (environmental) standards and conventions.

Moreover the Lisbon Treaty added the competence for Foreign Direct Investments to the exclusive Common Trade Policy. The European Commission is therefore also working on a regulation that will determine how and to what degree the European Member States will be allowed to continue their bilateral investment policies and also on a proposal of mandate for EU investment agreements. This should not only lead to a broad discussion on this new European policy, but also to a thorough review of the bilateral investment agreements of Member States. Belgium may use its role as EU President in order to achieve that within the new investment policy respect for social and environmental standards and conventions becomes a *conditio sine qua non* for concluding investment agreements. Various parties have already taken some commitments in this sense, as a consequence of the rejection of a bilateral investment agreement between the Belgian-Luxemburg Union and Colombia.