

Targeted consultation
European Trade Union Confederation (ETUC) – Summary
30 November 2020

On the policy options, ETUC acknowledged the regulatory gap and the need for new legislation. But ETUC noted that it would need to be consistent with existing rules.

On the impacts, ETUC noted that the social and environmental impacts seem to be downplayed and need to be taken seriously.

Need for a holistic definition of foreign subsidies that goes beyond monetary terms. Social clauses in EU law, such as public procurement and anti-dumping include useful references. Outsourcing negative externalities is a form of subsidy, for instance unsustainable working conditions against human rights or social dumping. This is particularly relevant when it comes to the assessment of mergers and international public procurement in the light of foreign subsidies.

Need to examine the impact on employment, also in terms of quality, in particular in acquisitions. Similarly, the pandemic has shown that we need re-localization and not delocalization of services and of the production of goods on European territory.

On public procurement, need to have rules that ensure fair and sustainable spending of public money, including the respect of social and labor standards.

Need to properly assess the environmental impacts, e.g. when non-sustainable companies acquire sustainable ones or participate in international calls for tender.

Important to take a broader approach when assessing the “consumer interest”, going beyond basic considerations such as price and quality, benefitting mainly the direct consumer. Consumers are not only interested in low prices, but also sustainability concerns. Also, the individual interests of a limited number of consumers cannot be put above the general interest. By way of example, e.g. child labor cannot justify lower prices for consumers.

When assessing potential administrative burdens, the business interest cannot be put on an equal footing with the common interest of all, which also comprises the interests of e.g. workers, citizens, consumers, the environment and the public. In this regard, impacts on employment and on the working conditions are as important.

On the EU interest test, do not only include quantitative criteria. Important to have qualitative ones on employment and environment.

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