



Joint Minute of the first Trade and Sustainable Development (TSD) Sub-Committee between the United Kingdom of Great Britain and Northern Ireland (UK), Ecuador and Peru under the UK-Andean Countries Trade Agreement

London, Bogotá, Lima and Quito (via videoconference), 7 and 8 April 2022

Host: United Kingdom

The UK and the Andean partners held the first TSD Sub-Committee under the UK-Andean Countries Trade Agreement on 7 and 8 April 2022. This was a collaborative and positive exchange, with officials from all Parties reaffirming that trade should not come at the expense of environment or labour protections. Colombia was an observer to this meeting.

1. Opening remarks

The meeting agenda was adopted (Annex A).

The Parties agreed to adopt the main Trade Committee's Rules of Procedure for the TSD Sub-Committee once these have been agreed.

2. Trade and Environment regarding provisions in Title IX

The Parties provided updates on implementation and core legislation relating to the environment and climate aspects of the TSD chapter of the UK-Andean Countries Trade Agreement.

The UK updated on the implementation of multilateral environmental agreements in scope of the chapter. This included updates on sustainable management of forests and trade in timber products as well as outlining the UK's 25-year environment plan. The UK shared information on their climate policy and net zero objectives following on from the Glasgow Breakthroughs agreed in November 2021. The UK outlined their ambition to combine economic growth alongside reducing greenhouse gas emissions.

Ecuador presented on the topics of mitigation of and adaption to environmental issues. This included the legal frameworks in place to mitigate degradation of ecological systems, including deforestation and biodiversity loss. Ecuador presented on their circular economy policies and discussed how this is promoted amongst key industries and through the national framework which is in place to improve implementation. Furthermore, Ecuador shared information on their Programme Ecuador Carbono Cero (PECC) (Zero Carbon Programme) to meet ambitions to reduce greenhouse gases and carbon emissions.

Peru presented updates on their 2021 policy which covers environmental protections, the circular economy, climate change and contamination. Peru outlined their key objectives for the coming year, which include reducing the number of 'at risk' species, reducing the risk and rate of deforestation, ensuring residual water in cities are properly treated, increasing the country's renewable energy supply, reducing carbon emissions and promoting research and knowledge sharing across likeminded partners.

Peru presented the National Environmental Policy to 2030 (approved by D.S. N° 023-2021-MINAM), which addresses nine (9) priority objectives, referring to: 1) improving the conservation of species and genetic diversity; 2) reducing the levels of deforestation and ecosystem degradation; 3) reducing air, water and soil pollution; 4) increasing the proper disposal of solid waste; 5) increasing adaptation to the effects of climate change in the country; 6) strengthen environmental governance, with a territorial approach in public and private entities; 7) improve the environmental performance of production and consumption chains of goods and services, applying the circular economy; 8) reduce the country's greenhouse gas emissions; and 9) improve the environmental behavior of citizens. In this presentation, Peru highlighted that the National Environmental Policy to 2030 is aligned with Peru's international environmental commitments, as well as with the 2030 Agenda - Sustainable Development Goals.]

All Parties were thanked for their presentations and Parties agreed to share them via email. If a Party has questions on any aspect regarding the presentations or implementation of the TSD Chapter, they can submit these via email under the framework of the article 280 (Institutional and Monitoring Mechanism) of the Agreement.

All Parties were thanked for their presentations and Parties agreed to share their slides from the presentations via correspondence. If a Party has questions on any aspect of the Environment and Climate presentations, they can submit these via correspondence.

3. Trade and Labour regarding provisions in Title IX

The Parties provided updates on the implementation and core legislation relating to the Labour aspects of the TSD chapter of the UK-Andean Countries Trade Agreement.

The UK outlined the devolution settlement in relation to employment policy and the responsibilities of the UK Government and devolved administrations. The UK updated partners on their recent ratification (on 7 March 2022) of the International Labour Organization (ILO) Convention 190 (Violence and Harassment) and confirmed the implementation of the Convention through the UK's existing legal framework to protect against violence and harassment in the workplace. The UK also updated on their approach to core trade and labour commitments outlined within the agreement and updated the other Parties on the UK's planned labour reforms in the coming years.

Ecuador's labour presentation included discussing the objectives for the Ministry of Labour, which cover the core labour provisions of this agreement. Updates from Ecuador included the ratification of ILO Fundamental Conventions, the implementation of employment policy and promoting the inclusion of women in the labour market. Ecuador also updated on the eradication of child labour and the increase of the basic salary by 6.25% from 2021.

Peru presented on their recent progress in increasing minimum wages and minimum remuneration in the country. Peru updated the other Parties on the modification of sub-contracting, which was issued in February 2022 and has since been fully enforced. Peru also updated on the domestic workers' law, finalised in April 2021, which focuses on work contracts, security and health at work, minimum working ages as well as other rights and benefits.

All Parties were thanked for their presentations and Parties agreed to share their slides from the presentations via correspondence. If a Party has questions on any aspect of the Labour presentations, they can submit these via correspondence.

4. Cooperation under Title IX, Article 286

Parties discussed the expectation of cooperation within the Trade and Sustainable Development chapter. Parties agreed to continue discussing this ahead of the next TSD Sub-Committee.

5. Discussion regarding Institutional Matters: Rules of Procedure; first Dialogue with Civil Society (to be developed this year); exchange of information on Domestic Mechanisms; discussion on TSD Group of Experts (the list of candidates)

The UK outlined their approach to establishing the UK TSD Domestic Advisory Group (DAG), indicating the expectation that this group will be established by Autumn 2022. Ecuador explained that they will be using an existing advisory group to service the commitment. Peru clarified that they will be using existing mechanisms to service this agreement. Parties will aim to share further details of their domestic mechanisms via correspondence.

The UK outlined their understanding with respect to the Dialogue with Civil Society and asked partners to provide reflections on how this has worked in practice for other agreements. Ecuador and Peru outlined the mechanisms that they have set up and will start meeting with their civil society stakeholders on TSD implementation. The UK agreed to share a proposal on the establishment of the Dialogue with Civil Society via correspondence and the Parties shall continue discussions of this ahead of their next meeting.

The Parties recognised the need to establish a Group of Experts, as outlined in Article 284, and agreed to discuss a timeline for establishing this group over the upcoming months.

6. Closing remarks

The UK, Ecuador and Peru agreed that the first meeting was productive and collaborative, and they look forward to continuing discussions and making progress on TSD implementation over the coming months and years. Colombia thanked the Parties for the opportunity to observe the sub-committee and look forward to participating fully in their first UK-Andean TSD Sub-Committee in the near future. Ecuador confirmed that they will host the next sub-committee.

Annex A: Agenda of the first UK-Andean TSD Sub-Committee

Day 1 – TSD Policy Discussion

1. Greetings and opening remarks
2. Approval of agenda
3. Trade and Environment regarding provisions in Title IX (TSD)
4. Trade and Labour regarding provisions in Title IX (TSD)
5. Cooperation under Title IX (TSD)
6. Closing remarks

Day 2 – Institutional Matters

1. Greetings and opening remarks
2. Discussion regarding Institutional Matters: Rules of Procedure; first Dialogue with Civil Society (to be developed this year); exchange of information on Domestic Mechanisms; discussion on TSD Group of Experts (the list of candidates)
3. Actions and next steps

4. Closing remarks

Annex B: Subsequent meetings of the Parties on TSD in 2022 (UK visit to Quito, Lima and Bogotá)

The Parties met in person between the 29 September and the 6 October 2022 to progress actions relating to the areas outlined in this Joint Minute, including engaging in more detailed policy exchanges, progressing the appointment of the Group of Experts and planning the first Civil Society Dialogue, which will occur alongside the second UK-Andean TSD Sub-Committee in the first half of 2023.

The UK and Colombia were also able to hold a TSD Sub-Committee now that Colombia has ratified and brought the Agreement into force,¹ which Peru and Ecuador were invited to observe. Colombia presented on how they are implementing the TSD chapter. This covered the approaches of their new administration on labour, environment and climate matters, including Colombia's focus on social dialogue, supporting trade unions, prevention and eradication of child labour, transitioning to renewable energy and the state of the current regulatory framework that regulates wind powered projects.

¹The UK-Andean Countries Trade Agreement entered into force in Colombia on the 28 June 2022.