

## **European Movement International**

### **Position on the Transatlantic Trade and Investment Partnership**

#### **The TTIP Negotiations**

The negotiations on the Transatlantic Trade and Investment Partnership (TTIP) between the European Union and United States were launched in July 2013. The negotiations were the outcome of long-term discussions on the desirability of a comprehensive trade agreement between the EU and US. The continuing economic crisis and ongoing impasse in the WTO Doha-round negotiations made the prospect of a boost to economic growth and job creation in the EU and US particularly favourable. Moreover, it was expected that a comprehensive trade and investment agreement between the EU and US would set a world-wide standard for future trade and investment agreements.

However, whilst both the EU and US have high expectations regards the economic benefits these negotiations will bring, public interest in the TTIP means that there has probably been no trade agreement in the history of the European Union that has evoked more discussion. The negotiations have faced an unprecedented level of public and media interest and become subject to huge public scrutiny. The public agitation on, and subsequent failure of, the 2012 Anti-Counterfeiting Trade Agreement has made many citizens, CSOs and NGOs suspicious of confidential trade negotiations led by the European Commission. Hence, stakeholders' expectations regarding transparency are higher than ever before.

Objections regarding the confidentiality of negotiations have also arisen from fears, on this side of the Atlantic, that the EU is not strong enough to negotiate with the US. In particular, NGOs and CSOs fear that an agreement with such a powerful partner could undermine EU standards on environmental protection, labour rights and minimum wages, intellectual data protection and food safety, as American norms and regulations are in many aspects crucially different from European legislation. Consumer and labour groups have also urged EU and US officials not to include an investor-state dispute settlement (ISDS) mechanism in the deal, out of concern that this would herald an undemocratic set-up of the tribunals, bypassing national court-proceedings, and the possible impact on the right of states and other levels of government to regulate. With regards to public procurement, there is a concern that in the US it would only relate to federal government procurement, whereas due to EU internal market rules, the provisions would also apply on local and regional authorities, thus leading to an unbalanced situation.

#### **European Movement's Position**

To address the concerns raised by CSOs regards the TTIP negotiations, the European Movement International organised two cycles of TTIP debates in 2014. The debates engaged a variety of stakeholders in order to approach the TTIP from different angles, and thus create an environment for a balanced, yet diverse discussion. The debates addressed not only the concerns outlined above, but also the impact of TTIP on the European candidate and potential candidate countries, EFTA countries, and those EU member states that have been hardest hit by the economic crisis.

It is clear that the European Union member states will benefit from the TTIP in terms of economic growth and job creation. Studies suggest that the size of Europe's economy would increase by €120 billion or 0.5% of GDP, and that an average European household would benefit by €500 annually.<sup>1</sup> The implementation of the TTIP will have a profound impact on the economy of the EU, the US and the world, since it will function as a world-wide standard for future trade and investment agreements. Given this position, **the European Movement International emphasises the need to recognise and address all of the concerns expressed by various stakeholders in these negotiations.**

The key to achieving this goal is transparency. At first glance, the European Commission seems to recognise the importance of involving stakeholders in the negotiations, and has released a strategy for public consultation including online consultations, regular publication of documents and debriefings at the European Parliament, which "goes beyond that required by EU law."<sup>2</sup> The European Movement recognises the efforts made so far by the European Commission in terms of increasing the transparency and openness of the negotiations.

Despite this, the European Commission maintains that trade negotiations need to be accompanied by a certain degree of confidentiality in order to succeed.<sup>3</sup> Disagreement with NGOs, CSOs and MEPs on this particular aspect is leading to a negative spiral and increasing clashes. The TTIP Advisory Group, which was created to confirm "the Commission's commitment to close dialogue and exchange with all stakeholders in the TTIP talks, in order to achieve the best result for European citizens"<sup>4</sup>, is still not involved in the negotiation process to an extent that would satisfy the expectations of civil society. Instead, business interests are overrepresented both on the side of the US negotiation team (clearly visible in the US official trade advisory committees<sup>5</sup>), and the EU negotiation team (evident in lists of stakeholder meetings and consultations<sup>6</sup>). Therefore, it seems that the European Commission is still misunderstanding the concept of stakeholders and the need for a truly transparent discussion.

## **Recommendations**

**The European Movement calls upon the European Commission to continue with the positive steps already taken in the area of transparency and citizens' involvement, by further engaging in civil dialogue and open consultations at every stage of the negotiation talks.** Greater citizens' involvement can be achieved through regular consultations with civil society organisations as well as full involvement of the TTIP Advisory Group in the negotiations, giving them unrestricted access to the documents and publishing their advice. **Furthermore, the regular publication of documents on the state of negotiations should**

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<sup>1</sup>[http://trade.ec.europa.eu/doclib/docs/2013/september/tradoc\\_151787.pdf#world](http://trade.ec.europa.eu/doclib/docs/2013/september/tradoc_151787.pdf#world)

<sup>2</sup><http://www.euractiv.com/sections/health-consumers/ttip-will-sacrifice-food-safety-faster-trade-warn-ngos-308025>

<sup>3</sup><http://ec.europa.eu/trade/policy/in-focus/ttip/questions-and-answers/>

<sup>4</sup>[http://europa.eu/rapid/press-release\\_IP-14-79\\_en.htm](http://europa.eu/rapid/press-release_IP-14-79_en.htm)

<sup>5</sup><http://www.ustr.gov/about-us/intergovernmental-affairs/advisory-committees>

<sup>6</sup><http://ec.europa.eu/yourvoice/ipm/forms/dispatch?userstate=DisplayPublishedResults&form=ustradefinal3>  
<http://www.asktheeu.org/en/request/473/response/2049/attach/4/List%20of%20meetings%20with%20stakeholders.pdf>

**include more detailed information on the content of the TTIP**, as current information is predominantly based on leaked, rather than, officially released documents. In order to increase the transparency of the negotiations, the European Commission should also publish regularly updated lists of stakeholder meetings and the negotiation documents which circulate, stating who has been granted access to these documents.

**The European Movement also encourages the European Parliament to further pursue its involvement in the TTIP negotiations and contribute to its watchdog's role, supervising the process of recognising concerns and incorporating relevant amendments.** To enable this role, the European Movement calls upon the European Commission to live up to its promise and give all MEPs access to the negotiation documents.

With regards to the upcoming negotiation rounds, **the European Movement calls upon the negotiation teams to take into consideration the concerns that repeatedly arise in debates amongst NGOs, CSOs, consumer groups and labour organisations, and to ensure that they are well represented at the negotiation table.** These include fears about compromises on environmental standards; banking, product and food standards; labour standards, wages and consumer protection; data flows and data protection; regulation of emerging technologies; public procurement and the reference to international standards, as well as concern that an ISDS mechanism might impede the right of states to regulate and force states to pay large compensations to foreign investors. **The European Movement calls upon the European Commission to secure that the agreement safeguards the highest environmental and consumer standards already in place (and no matter on which side of the Atlantic).**

The impact of TTIP on those outside of the European Union should also be taken into account. It can be expected that TTIP will have a profound impact on the economies of the European candidate and potential candidate countries, as well as of the EFTA countries: either negatively through trade diversion, or positively, as they are or become part of the European internal market. As these countries are absent from the negotiation table, **the European Movement calls upon the European Union negotiation team to pay particular attention to the effects of TTIP on these countries and to include their opinions in the EU position.** Furthermore, **the European Movement calls upon the European Commission to carefully assess the effect of certain TTIP provisions, in particular the ISDS mechanism, on the crisis-ridden European member states that are already embroiled in an increasing number of investor-state lawsuits.**

The European Movement is convinced that achieving a satisfactory compromise on both sides of the Atlantic is both possible and desirable. As the European Union has already successfully established an internal market amongst its 28 member states, bridging the US and EU by adapting common rules and standards, while maintaining the highest levels of regulatory protection, is a challenge, but not an impossible task. **The European Movement welcomes the TTIP for the positive impacts it will bring to both the European economy and job market, but not at any cost: only if the concerns of all stakeholders are thoroughly and openly addressed, does the TTIP have a chance to succeed.**