



#### What is TTIP?

Since June 2013, EU Commission officials and their US counterparts have been negotiating a free trade agreement between the EU and the US known as the Transatlantic Trade and Investment Partnership (TTIP). With a mandate from the 28 EU member state governments, the aim is to establish the biggest free trade and investment area ever envisaged between the world's two largest trading blocs by reducing trade tariffs, standardising rules, and removing so-called 'regulatory barriers'.

GUE/NGL MEPs, along with other progressive parliamentarians and social movements across Europe, are sounding the alarm on the reality of TTIP, one of the most dangerous trade deals in the history of Europe, affecting the lives of all citizens.

According to its advocates, TTIP will result in economic growth on both sides of the Atlantic, but the reality behind the spin is somewhat different. Citizens

can expect no actual economic gains but high social costs. The Commission's own sustainability impact assessment estimates that one million jobs will need to be relocated. Other economists argue that such a large-scale relocation of jobs within the EU is impossible and will lead to high levels of unemployment and more strain on public budgets through associated welfare costs. TTIP will make it harder for states to regulate markets in the interest of citizens, workers' rights will come under pressure and environmental, social and safety protections will be lowered as a result of regulatory cooperation.

TTIP is also an affront to democracy - and not just in terms of the lack of transparency surrounding the negotiations. The deal would see a massive shift of power from elected representatives to technocrats and corporations if it came in to force as businesses would be able to contest regulations that impinge on their profit expectations outside of our constitutional judiciary systems and beyond democratic processes.



# Protect regulatory achievements. No to mutual recognition of standards!

- TTIP is de-regulation through the back door as it will prioritise transnational corporations' profit-making over workers' rights, social standards, environmental protections, as well as regulations on GMOs, toxic chemicals, privacy and safety.
- While 'mutual recognition of standards' between the EU and the US might sound friendly, in reality regulations will be watered down to the lowest common denominator. And nowhere is this race to the bottom more worrying than the food industry; EU member states would need to recognise America's significantly less stringent food production standards. Europe's farm-to-fork labelling approach, intended to give customers control over what they eat, is non-existent in the US. While in Europe businesses must prove their products are safe before they are allowed



on the market, in the US it is the authorities that must prove a product is unsafe in order to reject it.

- Public services could also be under threat as TTIP seeks to open up service markets to make it easier for companies to invest. TTIP is therefore a direct threat to publicly-provided healthcare, education, culture, water, energy, transport, and welfare services.
- European norms on personal data protection could be reduced to the low level of protection in the United States. The US considers data as a tradable good. It is the very business model of some of their largest companies. TTIP would let private corporations breach citizens' privacy by accessing and selling their personal data.
- Regulatory cooperation between the EU and the US would mean that the European Commission would have to get the green light from US officials before it put forward a legislative proposal, and vice versa. This gives





business groups more chances to lobby and block any legislation that would negatively impact on trade and investment - before elected representatives even get the chance to have a say. Any future legislative proposal would have to go through a filter, with a mandatory impact assessment on how it would impact on trade and investment.

## Investment protection clauses put profit before people!

An investment protection clause in TTIP means that multinational companies could sue a country if they feel that their future profits will be affected by new or existing legislation.

- Originally invented for agreements between Germany and developing countries, investor-state dispute settlement (ISDS) mechanisms, have now become a billion dollar business for law firms specialised in suing governments. It weakens sovereign states and public authorities' ability to put in place regulations and laws that protect the public interest by allowing companies to attack laws designed to protect citizens. Companies can claim that a government's actions are lowering their products' expected profits or attacking their intellectual property.
- The idea that corporations can take action against sovereign governments in special tribunals if regulation runs counter to their interests is a threat to democracy and public finances.
- But while almost all of the 150,000 people who responded to the Commission's own consultation process on ISDS said that they did not agree with ISDS, the Commission is intent on it being included regardless, in a slightly modified form.





## A lack of transparency and public scrutiny

- TTIP negotiating texts were initially kept under lock and key, away from any form of public scrutiny whatsoever. Public anger forced the Commission to publish the EU negotiating texts. Yet the US position remains a secret. As soon as both sides agree on a common text basis for the final stages of negotiation (consolidated texts), the documents will be classified once again, shielded from the public, including journalists and most parliamentarians. From that stage on we will only know about the content of the documents if they are leaked.
- The very people who will be affected most by TTIP are not getting any say in the negotiations. MEPs in the European Parliament, the only directly-elected body at the EU decision-making level, as well as national parliamentarians who will also be involved in the ratification process,

journalists and citizens must be given access to all negotiating texts, and most importantly, ways must be created to change the course of the negotiations and the content.

- We call for an open and democratic EU trade policy-making process and we condemn that trade deals, whether with the US, Japan, China or any of the other big ongoing negotiations are negotiated secretly behind closed doors by unelected officials with close ties to big business.
- Citizens have a right to know about a deal that could affect every aspect of their lives.



## The GUE/NGL supports an alternative trade policy that:

- rejects the neoliberal economic and trade model which is less about exchanging goods and more about eliminating social and environmental protections in the name of pursuing corporate profit;
- includes fundamental and human rights criteria in EU trade agreements;
- protects essential services from trade liberalisation;
- respects the planet and communities, and does not bring us closer to irreversible climate change; and
- puts social justice, democracy, sustainability and gender equality at the heart of any trade deal.



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The GUE/NGL group in the European Parliament is made up of 52 MEPs from 14 countries working for peace, solidarity, social justice, equality, democracy and human rights in Europe and beyond.

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