

## 1 TTIP – TOO MANY UNTRUSTWORTHY PROMISES AND REAL RISKS

2 Between the European Union and the United States an agreement is presently being negotiated, called a  
3 trade agreement that would, if concluded, produce a “treaty like no other before”. This is TTIP, the  
4 Transatlantic Trade and Investment Partnership. It is about much more than trade. It presents, according to  
5 what has been leaked, grave dangers. It would have wide ranging and in many aspects irreversible impacts  
6 on our daily lives, in particular on our health, food, labour, product safety, environment, social standards as  
7 well as privacy standards. It could even fundamentally change the way in which we use democratic  
8 institutions to set regulations in all these fields, undermining the relevance of citizens’ preferences and  
9 demands.

10 Yet, the public is actively being kept in the dark by negotiators about the dimension of the negotiations and  
11 about the possible and very real threats to citizens’ interests and freedoms. All requests for full  
12 transparency have been ignored so far. Only industry lobbyists have privileged access. This is why we  
13 European Greens are challenging the legitimacy and the content of these negotiations.

14 The EU and the US have been negotiating the Transatlantic Trade and Investment Partnership (TTIP) since  
15 July 2013. Talk about such an initiative had been around for many years, actively promoted in particular by  
16 political and corporate actors on the European side. The go-ahead for starting TTIP negotiations was then  
17 given by President Obama in his State of the Union address 2013. Under the exclusive EU competency for  
18 trade, the EU Commission has set out to conclude the agreement before the end of 2014. On the US side,  
19 their Trade Representative has echoed the craving for a fast-tracked deal, that, it seems, the US  
20 Administration and the EU Commission would like to see concluded at a speed that is unheard of in trade  
21 negotiations.

### 22 UNREALISTIC ECONOMIC PROMISES

23 A standard argument for “free trade” agreements is that they reduce tariffs, thereby expanding trade,  
24 allowing access to cheaper imports and that broad benefits to the economy clearly outweigh the downsides.  
25 But tariffs between the US and the EU are quite low already – 3 percent on average. Officials promoting  
26 TTIP are therefore focusing their positive economic predictions on the “elimination, reduction, or  
27 prevention of unnecessary ‘behind the border’ policies”, so called non-tariff trade barriers. Optimistic  
28 studies have assumed that TTIP might result in a 0.5-1 percent increase in gross domestic product (GDP).

29 Such estimates are, however, unrealistically high. By omitting overblown assumptions, additional growth  
30 ends up being probably smaller than the estimated increase in GDP from the introduction of Apple’s iPhone  
31 5. To put it differently: according to an analysis by Public Citizen’s Global Trade Watch (a consumer advocate  
32 group), benefits from TTIP would amount to three cents per person, per day. And that is not taking into  
33 account any additional costs from weakened safeguards regarding health, financial, environmental and other  
34 public interest regulations. Tom Jenkins from the European Trade Union Council (ETUC) has voiced his  
35 doubts regarding promised job increases through TTIP: „It is unclear, where these jobs should come from  
36 and which EU countries would in the end benefit.”

37 Some of the promised growth potential is presumed to derive from an increased ability of the transatlantic  
38 partners to impose commonly agreed standards on third partners throughout the world. A the-west-

39 dictates-to-the-rest strategy would, however, not only be a politically very risky deviation from a multilateral  
40 trade agenda which Greens are in favour of, but also be hard to predict in terms of economic consequences.

41 **Greens therefore demand a realistic economic analysis including an environmental and human rights impact**  
42 **assessment.**

#### 43 AN ASSAULT ON DEMOCRACY

44 The lack of transparency that has characterized the TTIP negotiations is not only an ominous signal but an  
45 infringement on every citizen's right to know what is being negotiated in their name. The negotiating  
46 mandate which the European Council gave to the Commission is still classified as a secret document. Even  
47 members of the European Parliament, which plays an important role in Europe's trade relations, because it  
48 can veto trade agreements, as it did for Anti-Counterfeiting Trade Agreement (ACTA), are only allowed  
49 limited access to negotiating texts. The EU Commission does claim, that it is being more transparent about  
50 TTIP than it was in earlier trade, but the members of an advisory body which includes civil society  
51 representatives do not have access to negotiating texts. Citizens, instead of transparency, get propaganda  
52 about an alleged benefit of 500 Euro per family, if the agreement would be agreed.

53 This secrecy undercuts democratic values. When neither citizens nor their representatives are allowed to  
54 be in the know about sensitive negotiations concerning regulatory issues that affect our daily lives in so  
55 many ways, this is not right. It is a collusion of bureaucratic power with special interest groups who get  
56 privileged access through some 600 lobbyists.

57 **Greens insist on full transparency, nothing less.**

58 Greens also strictly oppose the inclusion of investor-to-state dispute settlement (ISDS) mechanisms in TTIP.  
59 ISDS allows foreign investors to bypass domestic courts and to file their complaints directly with  
60 international arbitration tribunals. Why have such legal privileges for international investors when they  
61 could rely on well-developed judicial systems? This is about corporate power. If an arbitration tribunal  
62 concludes that democratically determined policies might narrow an investor's projected profits, it could  
63 oblige a government to pay billions in damages. This would disastrously limit the democratic freedom to  
64 legislate on environmental, health, financial and other matters.

65 Such panels already exist. The EU-Canada Trade Agreement and the EU-Singapore Free Trade Agreement  
66 both include ISDS. Nine EU member states have ISDS in bilateral trade agreements with the US. But by  
67 including ISDS in TTIP the whole scheme would gain far more traction. Presently, Vattenfall is currently  
68 suing Germany before one panel, claiming that the German "Energiewende" is damaging their expected  
69 profits and demanding 3.7 billion Euro compensation, to be paid from taxpayers' money. Big Tobacco has  
70 sued Australia and other countries over health legislation. A US oil company has sued Canada for over 250  
71 million Dollars because of a fracking moratorium. Countries have been sued for introducing a minimum  
72 wage. Friends of the Earth Europa and the Sierra Club have both written good papers on ISDS with long  
73 lists of examples, with the legislative chilling effect. Now imagine: 3,300 EU companies could use ISDS  
74 through their 24,000 US subsidiaries to threaten or attack US legislation, while 50,800 European  
75 subsidiaries of 14,400 US companies could do the same against EU, EU member state or even regional  
76 legislation!

77 **Greens send a very clear message: No ISDS!**

78 The undermining of democratic legislative power to regulate a vast variety of sectors would even be driven  
79 further by one of EU Trade Commissioner De Gucht's favourite TTIP ideas: establishing a Regulatory  
80 Cooperation Council (RCC) between the US and the EU. The basic concept is simple. Before drawing up  
81 new legislation, be that on environmental or consumer affairs, labour rights or agricultural concerns, etc., a  
82 bi-lateral body of administrators and business representatives from the US and the EU would first have to  
83 be given the opportunity to "analyse" possible impacts of such legislation on established business interests.  
84 Lobby interests would thus be allowed to coordinate in diluting or blocking legislative efforts before they  
85 even get underway. Legislators would have to justify their intentions to the high court of the transatlantic  
86 business world. In effect, a bureaucratic-industrial complex would supersede democratic decision making.  
87 Such a very basic assault on democracy is completely unacceptable to Greens.

88 **Greens reject proposals that would increase the power of lobby groups.**

89 WEAKENING EU STANDARDS IS UNACCEPTABLE

90 Stuart Eizenstat from the Transatlantic Business Council (TABC) has publicly stated goals for the TTIP  
91 negotiations that should get every European and US consumer advocate mobilized to stop that lobby  
92 coalition: "The standards in Europe have a different level and I find EU standards have an unjustifiedly high  
93 level that lacks a scientific basis. ... What is good food for an American family, should also be good food for  
94 Europeans." Several business groups have explicitly stated their intent to use TTIP to get around the  
95 precautionary principle that guides European environmental legislation. Almost every industrial lobby has  
96 its own pet requests for new transatlantic standards negotiated to be more convenient to business.  
97 Chemical companies want to lower EU standards to undermine the EU Regulation for the Registration,  
98 Evaluation, Authorisation and Restriction of Chemicals (REACH) in favour of weaker Toxic Substances  
99 Control Act (TSCA) standards, advocating "elimination of all non-tariff barriers to trade" for the chemical  
100 sector. Industry groups want TTIP to preempt state pesticide laws or sub-national fracking regulations.  
101 Other lobbies want to reintroduce ACTA through the back door. The personal care products industry wants  
102 to eliminate "existing regulatory barriers for cosmetics and personal care products". The US agro-industry  
103 is particularly aggressive in trying to achieve a long sought-for goal: finally getting around EU consumer  
104 protection standards regarding both Genetically Modified Organisms and US beef and pork and chicken.  
105 On the other hand, there are also examples of EU business interests who want to get rid of higher US  
106 standards through TTIP. That would be the case, for instance, regarding financial services, where European  
107 financial institutions would want to undercut the standards set by the US Dodd-Franks-legislation.

108 The EU Commission has pledged time and again that it will not negotiate lowering EU standards. But  
109 "mutual recognition" of standards of different quality and other strategies can have the same effect, even  
110 without formally changing EU regulation. On the basis of "mutual recognition" transnational companies  
111 could use their subsidiaries on the other continent to take advantage of regulatory difference. As such the  
112 right to regulate would in effect be voided.

113 There are of course standards that could be harmonised. Commonly set standards for e-mobility  
114 technology, for instance, would benefit the promotion of that sector. At least some of these technical  
115 standards could also be agreed in other international settings. But, defending the right and the responsibility

116 to set standards according to democratically legitimate public choice implies that any “equivalence” would  
117 only apply to standards that receive the same level of protection.

118 Regarding standards it should be noted what is being omitted from TTIP: Promoting technologies that help  
119 the transformation towards sustainable low carbon economies is not an explicit goal, nor is the cutting or  
120 even phasing out of harmful fossil subsidies. Agreeing different trade rules for goods produced at different  
121 levels of carbon intensity or different levels of labour protection for instance is not even being addressed.

122 Greens vividly warn that EU farmers and consumers would be losing out from bad compromises. The  
123 precautionary principle is non-negotiable. We demand that the EU Commission defend the EU's tougher  
124 rules for instance on antibiotics in livestock rearing, the approval and cultivation of GMOs, the labelling of  
125 cloned meat or food origin labeling. Conflicting legislation on patents on life or the free exchange of seeds  
126 and animals cannot be whisked away and farmers’ rights regarding intellectual property must be  
127 safeguarded.

128 Six out of eight core labour norms of the International Labor Organization (ILO) have not been ratified by  
129 the US, including the Convention on the Freedom of Association and the right of collective bargaining. The  
130 TTIP agenda shows no ambition in this regard. Greens want to cooperate with trade unions not only to  
131 defend, but to improve labour standards.

132 Greens will also oppose any weakening of European standards established for services of public interest.  
133 For instance the privatisation of water services through the backdoor, or limiting the options for awarding  
134 public tenders according to ecological or social criteria, are unacceptable to us. Nor must TTIP endanger  
135 SME-friendly rules on either side of the Atlantic.

136 **Greens reject any lowering of environmental, consumer, agricultural, food, health, labour, or data privacy**  
137 **standards under TTIP.**

#### 138 ESTABLISHING AND IMPLEMENTING TRANSATLANTIC DATA PROTECTION STANDARDS

139 The EU and the US should negotiate common data privacy standards, but do so outside the proposed TTIP  
140 negotiations, as the TACD has proposed. We want a data protection framework agreement finalised before  
141 a trade deal could be accepted. There is a need to discuss international data protection standards broadly  
142 and publicly, as the Snowden revelations have demonstrated conclusively. Data protection constitutes a  
143 fundamental right. Furthermore, as recognised in the WTO service agreement (GATS), data protection  
144 must not be seen as a non-tariff barrier to trade.

#### 145 TRADE MULTILATERALISM THROWN OVER BOARD?

146 TTIP has to be seen in a wider context, because it would also have impacts on non-EU European countries  
147 that are linked by earlier bi-lateral treaties with the EU. Moreover the global perspective, including the  
148 Trans-Pacific Partnership (TPP), must be taken into account. TPP encompasses nations representing more  
149 than 40 percent of the world’s GDP. TPP and TTIP together would represent more than 60 percent of the  
150 global GDP. Both pacts exclude China and other major economies, which could have a negative impact on  
151 their relationship with European.

152 With the Canada EU Trade Agreement (CETA) trade negotiations just concluded, TTIP would further the  
153 global run for deep-reaching bilateral trade agreements, in which the EU has been a driving force since  
154 2005, undermining trade multilateralism. Similarly, US avoids multilateralism where it is challenged and now  
155 wants to form an exclusive club with the EU. We believe that in the medium term this might even weaken  
156 the EU's position in the world. By creating the biggest free trade area and bringing economic integration  
157 to a completely new level through regulatory convergence, TTIP could transform global rules-setting  
158 altogether. It would continue to sideline the World Trade Organization (WTO), pursuing a west-against-  
159 the-rest strategy, forcing weaker and poorer countries to trade by rules they have had no way of influencing.  
160 Furthermore it could lead to the formation of rival economic blocks, threaten global cooperation and  
161 weaken initiatives to reform the global trade system to better face common global challenges, especially  
162 climate change and environmental protection.

### 163 ANOTHER TRANSATLANTIC ALLIANCE

164 The coalition that is pushing for TTIP is a powerful one. But it is by no means invincible. ACTA was defeated.  
165 Against the Trans-Pacific Partnership there already is very strong opposition. We Greens will help building  
166 broad coalitions against this TTIP agenda with civil society organisations from all sectors, with trade unions  
167 and in particular with consumer groups and democracy defenders. The core demands are transparency, the  
168 defence of democracy and the safeguarding of standards - which are not trade barriers but the result of  
169 explicit legislative choices to protect the people's interests and the public good.

170 We will raise these issues during the European elections campaign with one clear goal: **Defeat this TTIP**  
171 **agenda.**

172 Our coalitions should also build bridges across the Atlantic. Last June, we Greens already reached out to  
173 US NGO and trade union experts on trade, inviting them to Berlin, Brussels and Paris to learn from one  
174 another. The Transatlantic Consumer Dialogue (TACD) is a useful forum for such cooperation as are other  
175 civic networks. We can join with consumer advocates in the US that have so far succeeded in keeping  
176 financial services mostly off the TTIP agenda, because they did not want their financial markets regulation  
177 to be undercut. Recently, almost 200 US and EU groups protested against ISDS.

178 We can also forge relations with the US Assembly of State Legislators that has come out against ISDS. We  
179 can team up with members of Congress who have protested publicly against the US Trade Representative's  
180 pressure to weaken the EU Fuel Quality Directive, warning him in a letter that his efforts to promote tar  
181 sands "would be contrary to the principles of the Obama Administration's Climate Action Plan and would  
182 reflect a short-sighted view of the United States' economic interests".

183 TTIP does not enjoy nearly as much support in the US as it still does in the EU. There is strong opposition  
184 in Congress – from both sides of the aisle – against granting the Obama Administration Trade Promotion  
185 Authority, without which no deal can be achieved. TTIP is therefore not a done deal. Experienced trade  
186 negotiators question the achievability of TTIP's far reaching agenda. The hasty time table officially set by  
187 politicians ignoring the experience of trade negotiators is already beginning to look what it's always been  
188 – unrealistic. How could something that has so many implications be soundly negotiated in such a rush?

189 The TTIP agenda as promoted by the EU Commission does not represent the kind of transatlantic alliance  
190 that Greens advocate. We want to promote a transatlantic cooperation that supports a global Green New

191 Deal, aligning efforts towards a sustainable low carbon economy, social justice, addressing climate change  
192 and the over-consumption of resources. Upward harmonisation of transatlantic standards would certainly  
193 be very beneficial in that regard. Supporting the Alternative Trade Mandate could be a promising common  
194 strategy. Cooperating on reducing fossil fuel subsidies would be great. But the TTIP agenda does not deliver  
195 in this direction, and it presents too many dangers and risks to be acceptable.

196 **Greens therefore take an opposition position vis-à-vis TTIP. It has been expressed in our Common**  
197 **Manifesto: “We draw clear red lines against any weakening of EU legislation. We refuse to allow private**  
198 **companies to sue democratically elected governments in order to protect corporate interests against**  
199 **social or environmental reforms. We will mobilise against any trade agreement that does not honour these**  
200 **principles.”**