

Citizens Trade Campaign's Comments Concerning the Proposed Transatlantic Trade and Investment Agreement

May 10, 2013

Thank you for the opportunity to comment on the Obama administration's proposal to negotiate a Transatlantic Trade and Investment Agreement (TTIP) with the European Union.

Citizens Trade Campaign (CTC) is a national coalition whose members include Americans for Democratic Action, Communications Workers of America, Friends of the Earth U.S., Institute for Agriculture and Trade Policy, International Association of Machinists and Aerospace Workers, International Brotherhood of Teamsters, International Union of Bricklayers and Allied Craftworkers, International Union of Painters and Allied Trades, National Family Farm Coalition, National Farmers Union, Public Citizen's Global Trade Watch, Sierra Club, TransAfrica Forum, UNITE HERE, United Methodist Church General Board of Church and Society, United Brotherhood of Carpenters, United Mineworkers of America, United Steelworkers, United Students Against Sweatshops and Witness for Peace, as well as state and city-based coalitions, organizations and individuals throughout the United States.

Our coalition judges every trade agreement on the same basic criteria: does it contribute overall to a more just and sustainable global economy? Like any new pact, the potential exists for the TTIP to meet this most basic of goals, but to do so will require a significant change in direction from other trade and investment agreements championed by this administration.

From the outset, we ask that the Office of the U.S. Trade Representative (USTR) publish all draft proposals, negotiating texts, reports and supporting documents about the TTIP in as close to real-time as possible on an ongoing basis, so that our members and the general public all have the opportunity to scrutinize them and participate meaningfully in influencing the formative stages of this agreement. The lack of transparency surrounding the Trans-Pacific Partnership (TPP) negotiations must not be allowed to continue in any TTIP talks. Put simply, the American public should not have to rely on leaked texts and information from foreign governments to learn what USTR is proposing in our names.

As to the substance of the TTIP, CTC urges that it prioritize:

- ***Protection of food sovereignty.*** The TTIP should respect governments' ability to implement programs that ensure farmers and other food workers receive fair compensation, and that consumers have access to safe and affordable foods. Likewise, nations must be able to protect themselves from dumping and other unfair trade practices that force farmers off their land.

- ***Improved consumer and environmental standards.*** The TTIP should set floors, rather than ceilings, when it comes to environmental, food and product safety and consumer right-to-know measures, and must in no way prohibit, limit or penalize communities for adopting policies based on the precautionary principle.
- ***Space for robust financial regulations and public services.*** The TTIP should in no way limit the regulation of banks, insurance companies, hedge funds and other financial service providers. Its services provisions should contain clear and specific language stating that nothing in the agreement should be interpreted as requiring deregulation or privatization of any private or public service.
- ***An end to investor-state dispute resolution.*** The TTIP should not elevate corporations to the level of governments when it comes to enforcement of the pact. The “investor-state” tribunal system that allows panels of three private sector lawyers to order unlimited taxpayer compensation to firms that claim that a country’s policies undermine their expected future profits must be eliminated. International investment rules must also be revised to more narrowly define terms including “investment,” “expropriation” and “minimum standard of treatment” in order to safeguard the ability of governments to regulate in the public interest. The premise expressed by supporters of the investor-state system is that foreign investors cannot rely on fair treatment in domestic judicial systems in some developing countries if their property is expropriated. However, both the EU countries and the United States have robust domestic property rights protections and well-functioning domestic court systems. Thus, in the TTIP, there is no basis for inclusion of investor-state enforcement or a regime of additional property rights protections. Doing so could have no outcome except to do what Congress has explicitly forbidden: provide foreign investors with greater substantive and procedural rights relative to domestic firms and investors.
- ***Respect for local procurement policies.*** The TTIP should not impede governments from spending taxpayer funds in ways that prioritize local development, environmental and social goals. The procurement provisions of the TTIP should maintain existing “Buy American” preferences, as well as prevailing wage requirements, green preferences, sweat-free preferences, human rights preferences and policies designed to address long-standing inequalities.
- ***Access to affordable medicine.*** Maintaining access to affordable, generic medications is critical to reducing health care costs in the United States and to saving lives throughout the world. The TTIP would be an inappropriate vehicle for extending the length of drug patents. It should explicitly uphold the standards set forth in the Doha Declaration on access to medicine.
- ***Improved labor standards.*** The TTIP must include strong, binding and enforceable labor standards, explicitly based on the International Labor

Organization (ILO) Conventions and their accompanying jurisprudence. It should likewise remove barriers that could prevent labor enforcement action from being taken, such as those requiring that labor violations must be proven to be “in a manner affecting trade or investment” or that they be “sustained” or “reoccurring” before enforcement actions can be taken. The protection of labor rights and other human rights should be prioritized over commercial interests in all elements of the TTIP.

For more information, please contact CTC executive director Arthur Stamoulis at info@citizenstrade.org.