

Article notes: July 23, 2014
Citizen Trade Policy Commission

Revised WTO Government Procurement Agreement to Enter Into Force April 6; (Bloomberg News; 3/12/14)

This article reports that WTO's Government Procurement Agreement (GPA), which was first adopted in 2011, has been revised through approval of a set of amendments by at least 2/3rds of the original parties.

The revised GPA primarily includes:

- New and improved market access commitments; and
- Provisions granting special and preferential treatment for developing countries.

As a part of the newly revised GPA, the US will now subject 12 additional federal agencies to GPA disciplines including the Social Security Administration and the Transportation Security Administration. A total of 13 states (not including Maine) have exempted themselves from the US commitment to the GPA.

Protecting Public Health in the TPP Agreement: Results from a national survey of likely voters; (Greenberg/Quinlan/Rosner Research and Public Opinion Strategies; 3/18/14)

A recent national survey showed that likely voters in the US want public health to be protected in negotiations for FTAs like the TPP. Other more specific results from the surveyed individuals included:

- public health issues are as important as job protection for FTAs;
- FTAs are supported by a significant majority of those polled;
- FTAs should not include provisions that result in economic benefits at the expense of negative impacts on public health; and
- Tobacco companies are viewed quite negatively and a strong majority favor FTA provisions which recognize a nation's right to regulate tobacco.

Grand majority of Parliament votes in favor of a regulation on investor-state lawsuits – Greens sharply criticize the result (TTIP2014 Blog; 4/16/14)

This brief article details recent steps the Green Party has taken to oppose to the inclusion of ISDS provisions in the TTIP.

TISA versus Public Services; PSI Special Report: The Trade in Services Agreement and the corporate agenda; (Public Services International; 4/28/14)

This lengthy report describes the ongoing negotiations between 50 countries to develop and finalize a Trade in Services Agreement (TISA). This effort is strongly opposed by the organization (Public Services International) who issued this report by contending that TISA will:

- Prevent governments from returning public services to public employees when privatization efforts fail;
- Significantly restrict domestic regulations pertaining to public safety;
- Limit environmental regulations;
- Limit consumer protections;
- Limit regulations pertaining to licensing of health care facilities, power plants, waste disposal and university and school accreditation;
- Treat migrant workers as commodities and limit any governmental effort to protect their rights;
- Further deregulate financial markets;
- Benefit powerful countries, multinational corporations and wealthy consumers; and
- Adversely affect displaced workers, create downward pressure to encourage lower wages, disadvantage users of public services and small businesses that cannot afford to compete with large corporations.

Letter to USTR from Non-profit Organizations (4/30/14)

This letter, dated April 30, 2014, was sent by eleven prominent non-profit organizations to USTR Michael Froman. This letter states the firm opposition of the signatories to any provision in the TPP significantly affecting US prescription drug programs, “... *the alteration of our nation’s policies on Medicare reimbursement and patent standards should not be subject to binding provisions in international agreements like the TPP drafted through a process with little public transparency.*”

Optimism fading on both sides trans-Atlantic trade talks; (Policy Review; May 2014)

This article reports on a recent survey of influential TTIP stakeholders. The results of the survey indicate that:

- The final TTIP is likely to be less comprehensive and far reaching than was originally envisioned;
- The TTIP is more likely to focus on current international trade issues such as data privacy and less on traditional FTA topics such as agriculture, labor standards and environmental standards; and
- The TTIP is not likely to be finalized until at least 2016 and perhaps later.

International Trade Agreements and Maine Lobster; (Landings; Maine Lobstermen's Community Alliance; May 2014)

This article provides a basic overview of FTAs like NFTA and the current efforts to negotiate the TPP and the TTIP. The traditional use of tariffs to protect certain national products from cheaper international imports is described but the article draws attention to the fact that recent FTAs are less concerned with tariffs and more focused on non-tariff issues such as the adoption of international standards. As one example of what might be negotiated in the TPP and TTIP, the article points out that many nations would like to see a relaxation of the high standards of the current US process for inspecting seafood, thereby resulting in greater amounts of nondomestic seafood being imported into the US.

The article also includes numerous quotes from CTPC Co-Chair Representative Sharon Anglin Treat about the possible disadvantages of chapters that are currently being negotiated in the TPP and the TTIP including the harmonization of food and public safety standards, the use of ISDS and she also discusses President Obama's current proposal for fast track authority.

The Anti-Localization Agenda in TTIP; (www.commondreams.org; 5/5/14)

This article, authored by Karen Hansen-Kuhn, co-author of the 2014 CTPC Assessment, discusses the implications of what may result from the TTIP. While on the one-hand, commonly sought goals of shared standards and open markets may be achieved, the actual manifestations of this approach may not be mutually advantageous to either the US or the EU. In particular, the efforts to diminish "localization" seek to challenge the existence of trade barriers that are not authorized in the TTIP. The practical impact of the move to reduce the impacts of localization portend a trading environment which heavily favors the interests of large international corporations and diminishes the current efforts in the US and the EU (and elsewhere in the world) to promote the localization of trade and sustainable local economies.

STATES AND SMALL BUSINESSES SHUT OUT OF INTERNATIONAL TRADE NEGOTIATIONS; (www.vtdigger.org ; 5/16/14)

This article discusses the potential impact of the TTIP and how it might negatively affect the trade economy of a small state like Vermont. The article emanated from a recent forum titled "International Trade and the Environment" sponsored by the National Caucus of Environmental Legislators recently in Vermont. Chief among the concerns expressed in the article was the lack of transparency that exists in the secret ongoing TTIP negotiations. In addition, grave concerns were aired about the failure to actively include small businesses and states in the negotiating process.

CRITICS SAY FOOD SAFETY STANDARDS COULD BE THREATENED BY U.S./EU TRADE AGREEMENT; (www.foodsafetynews.com ; 5/16/14)

This article briefly reviews the relative veil of secrecy surrounding the current TTIP negotiations and cites the concerns of many consumer advocates that the TTIP is likely to undermine current food safety, environmental, public health and labor standards in the name of eliminating trade

barriers. The perceived quest for a harmonization of standards is particularly threatening to current regulatory standards pertaining to food standards, especially when such an approach is applied to the EU's use of the "precautionary principle" to scientifically determine on a proactive basis whether a particular food product is safe for use by the public. Sources quoted in the article maintain that the TTIP is a regulatory document intended to prevent regulatory differences between the US and the EU.

What's the secret? Closed door U.S. – EU trade talks put environmental and public safeguards at risk; (Friends of the Earth; 5/19/14)

This blog piece from FOE restates its opposition to the high degree of secrecy being used in the current TTIP negotiations and voices significant concerns regarding the current efforts to lowering regulatory standards which will have a negative impact on current regulatory efforts to protect the environment and public health.

Europe trade deal threatens food safety; Friends of the Earth protests corporate capture of trade policy at USTR stakeholder event (www.foe.org : 5/21/14)

This recent press release from FOE highlights its allegations that the TTIP poses a grave threat to existing food safety regulatory standards on both sides of the Atlantic.

WTO Final Ruling: European Ban on Products from Inhumane Seal Harvest Violates WTO; (www.eyesontrade.com; 5/22/14)

This public statement from Lori Wallach, Director of Public Citizen's Global Trade Watch, states her organization's strong opposition to a recent WTO decision to overturn a EU ban on the importation of seal products in which the seals were killed using inhumane means. The WTO ruling overturned this public interest regulation by maintaining that the justification for such a ban did not meet a litany of conditions required to justify such a ban and thus overturn the tenants of the WTO.

Statement on TPP Negotiations; (US Wheat Associates; 5/28/14)

This press release, jointly authored by the US Wheat Associates, the USA Rice Federation, the National Pork Producers Council and the International Dairy Foods Association, expressed their pessimism about the ultimate fate of the TPP. Their negative view point is based on Japan's continued opposition to the removal of Japanese tariffs on seven basic agricultural products: dairy, sugar, rice, beef, pork, wheat and barley.

CORPORATE CAPTURE; EUROPE TRADE TALKS THREATEN ENVIRONMENT; (Friends of the Earth, US; 5/29/14)

This blog piece by FOE briefly reviews the current emphasis on the removal of regulatory trade barriers in the TTIP and identifies a number of threats to environmental and public health if regulations are standardized:

- Lower regulatory standards could interfere with efforts to curb pollution and reduce global warming through the current restrictions on the burning and use of fossil fuels;
- The use of ISDS in the TTIP could also threaten environmental standards if corporations sue to ensure expected profits from future oil and gas drilling;
- The EU approach to the regulation of toxic chemicals could be diminished through the use of regulatory harmonization;
- The current EU restrictions on GMO products could be dismantled through the imposition of lower regulatory standards;
- The TTIP could impose intellectual property restrictions to include patents on plants, animals and other life forms that grow naturally on the planet;
- The inclusion of procurement restrictions in the TTIP could put an end to “buy local” programs that are authorized on the state level; and
- The lowering of food safety standards could imperil existing safeguards on either side of the Atlantic.

Fight Brews In Wake of EU Elections, But Limited TTIP Impact Expected; (Inside U.S. Trade; 5/30/14)

This article reports on the impending struggle that the European Council and the European Parliament will engage in over who will control the next European Commission. While the current authority for the existing EU executive branch ends on October 31st, it is not expected that any changes in leadership will significantly affect the EU stance in the TTIP negotiations.

EU Pursues Strong Energy Chapter In TTIP, Along The Lines Of Leaked Paper; (Inside U.S. Trade; 6/2/14)

This article reports on the contents of a recent EU position paper on energy that has been leaked. In brief, the EU is apparently pushing for a forceful energy chapter which will significantly reduce domestic energy export restrictions that currently exist in the US. The EU proposals would also limit the ability to pass regulations which regulate the transmission and transportation of energy products.

U.S., Japan Still Far Apart in Ag Talks; Safeguard Among Difficulties; (Inside U.S. Trade; 6/2/14)

This article reports on the significant disagreements between US and Japanese trade negotiators on certain agricultural trade issues in the TPP. In particular, the two sides disagree on the parameters of a proposed safeguard mechanism regarding beef and pork; the proposed mechanism would allow tariffs for these products to return to previous levels if tariff reductions in the TPP lead to a significant increase in imports. At question, is the length of time necessary for the safeguard mechanism to take effect.

House-Passed Funding Bill Aims to Block USTR From Negotiating on Procurement; (Inside U.S. Trade; 6/2/14)

Among other items, this article reports that the US House of Representatives recently approved legislation which would prohibit the USTR from negotiating trade agreements that would affect the current procurement procedures and regulations used by the federal government.

Transatlantic trade: Hard sell; Today the EU-US trade talks are facing a growing number of political obstacles; (Financial Times; 6/8/14)

This article reviews the diminished expectations for the TTIP. Originally conceived as a trading pact which would revive the US and EU economies after the 2008 global financial crisis, the TTIP has now become mired in a number of political obstacles which include:

- The controversy over geographical indicators such as localized brands and types of cheese;
- The recent revelations over NSA spying of various EU countries;
- Strong European resistance to the possible inclusion of ISDS provisions into the TTIP;
- Disagreement over the extent and use of agricultural tariffs;
- Strong US congressional opposition to President Obama's Fast Track proposal; and
- Disagreement over the various national and state-level procurement policies and programs.

BUSINESS V STATE INVESTMENT DISPUTES IN EU SPOTLIGHT; (BBC; 6/11/14)

This article reviews the topic of ISDS and its possible inclusion in the TTIP. The concept behind ISDS is described as "foreign investors should be able to into independent arbitration if they believe they have been treated by a host government in a way that broaches an international investment agreement. If they win, they may get compensation." While the article states that the attractions of ISDS for investors is obvious, it raises the question as to why governments would agree to such an arrangement and suggests two answers:

1. ISDS will attract foreign investors; and
2. When ISDS is offered in a bilateral trade agreement like the TTIP, the same protections are afforded to a native investor doing business in a foreign nation.

The arguments posed in opposition to ISDS include:

- ISDS is a "powerful corporate weapon used to delay, weaken and kill regulation"; and
- ISDS is alleged to provide foreign corporations with special privileges; and
- ISDS does not provide the economic benefits that proponents claim.

Recent research concluded that there have been 568 known ISDS cases since the beginning of the 21st century and that:

- 43% were resolved in favor of the nation defending itself;

- 31% were resolved in favor of the investor; and
- The remaining 26% were settled outside of ISDS arbitration.

US states demand more say in TTIP negotiations; Retaining rights to regulate chemicals a concern; (Chem Watch; 6/12/14)

Representatives of the New England states, including Maine and Vermont, are considering grouping together to demand more effective representation during the current TTIP negotiations. Foremost among the concerns of those state officials who are involved in this effort, is the possibility of the imposition of regulatory standards which would preempt or significantly reduce a state's ability to regulate effectively. Also of paramount concern, is the threat that ISDS tribunals represent to the sovereignty of state authority and the integrity of the US court system. Of particular regulatory concern, is the ability of states to effectively regulate the use of chemicals to protect public health and the environment.

French concerns over geographical indications will hamper TTIP talks; (EurActiv France; 6/18/14)

As a further aspect of European concerns over the need to protect agricultural products that are inextricably linked to geographical indications (such as wine and cheese), French officials are leading the way in demanding that the TTIP include protections regarding the use of Internet domain names such as “.vin” and “.wine”.

Obama says hopes for Pacific trade pact in November; (Reuters; 6/20/14)

This article reports that President Obama is still hoping for the TPP to be completed by November of this year. This hoped-for timetable is causing some apprehension by congressional supporters who fear that union opposition to the TPP will become an election issue for the upcoming midterm congressional elections in early November. The article also mentions the recent US-Japan impasse over Japanese tariffs on certain agricultural imports.

The Pacific trade deal, Fast Track and the 2014 elections; (foe.org; 6/20/14)

This blog piece from FOE recounts an interview between Bill Warren and the host of a Minnesota radio program. The points made by Mr. Warren in this interview include:

- The TPP is nearing final completion and continues to pose a threat to existing environmental and public health regulations as well as granting intellectual property rights to large international corporations that would have the effect of establishing a monopoly on pharmaceutical products resulting in the ability to patent natural life forms;
- If approved, President Obama's Fast Track proposal will result in the TPP being approved by Congress with no real debate and no opportunity for amendments; and
- The upcoming midterm elections in November may present an opportunity for TPP congressional supporters to be elected and thus furthering the chance of TPP ratification by Congress.

Why TAFTA/TTIP Isn't Worth It Economically, And How We Can Do Much Better;
(techdirt.com; 6/25/14)

This opinion piece posted on techdirt.com offers a point of view that is highly critical of the TTIP and suggests that the real impact of the agreement will be the huge financial gains that will be realized by international corporations and that there has been little meaningful study about how these financial gains will affect the US and EU economies. The author cites prominent economists who maintain that any real growth in the economy will be minimal and will not benefit the public as a whole. Financial gains are likely to be realized by the corporations themselves with an actual result of job losses and higher prices for crucial items like pharmaceuticals.

US embassy in Berlin sparks TTIP Twitter tangle; (euractiv.com; 6/26/14)

This article reports that the US embassy in Berlin recently sent out a tweet that offered a reward of up to \$20,000 for pro-TTIP projects. The article also reports on the largely negative storm of reactions to this effort to engender support for the TTIP.

U.S. Catfish Program Could Stymie Pacific Trade Agreement; (New York Times; 6/27/14)

This article reports that 10 Asian and Pacific nations participating in the TPP negotiations, including Vietnam and Malaysia, have signed a letter of formal protest sent to the USTR about a catfish inspection program which has been administered by the US Department of Agriculture since the program's initial authorization by Congress in 2008. The letter alleges that the program is in fact a trade barrier that violates provisions of the WTO agreements. The article further reports that disagreements over this issue could pose a significant threat to finalization of the TPP negotiations.

United States and WTO Partners Announce Launch of Negotiations for Environmental Goods Agreement; (USTR News; 7/8/14)

This press release from the USTR announced the beginning of negotiations between the US and 13 other WTO members on a new Environmental Goods Agreement (EGA). The intended goal of the EGA is to eliminate tariffs on environmental goods such as wind turbines, water treatment filters and solar water heaters.

Bolivia Shows How To Dismantle Corporate Sovereignty Provisions in Treaties Without Losing Foreign Investment; (techdirt.com; 7/15/14)

This article from techdirt.com reports on the efforts that Bolivia has taken to counter ISDS provisions in the numerous bilateral FTAs that it has entered into. In brief, starting in 2000, the government of Bolivia successfully challenged corporate ownership of certain water rights and basically bypassed any ISDS provisions of trade agreements that the country had previously entered into. This action established a precedent which led to Bolivia's withdrawal from the most

prominent ISDS forum and the inclusion in the new Bolivian constitution of a provision which forbids the nation from settling investment related disputes using the ISDS tribunal process.

The article also reports that, contrary to previously widely held assumptions that Bolivia would lose significant amounts of international trade, that Bolivia has experienced a 35% increase in foreign investment in 2012 and that many other nations have retained economic ties with Bolivia in part to due to their own very negative experiences of being sued by foreign investors using the ISDS tribunals.

MEPs wary of commission's approach to TTIP negotiations; (The Parliament Magazine; 7/16/14)

This article reports on a recent debate in the British parliament regarding recent TTIP negotiations. The following points of view were included in the article:

- Members of Parliament (MEPs) were disdainful that they only learn about TTIP negotiations through leaked text;
- MEPs were also critical of a treaty that results in lowered standards of regulation particularly with regards to banking and financing rules;
- Citing recent reports of espionage and data theft, MEPs were distrustful of US motives and actions; and
- The possible inclusion of ISDS provisions in the TTIP drew heavy criticism with statements that civil society was strongly against inclusion of these tribunals in the TTIP.

States get proactive on trade agreements: The Maine model; (iatp.org; 7/16/14)

This blog piece, authored by Karen Hansen-Kuhn (co-author of the 2014 CTPC Assessment), provides a very complimentary overview of the proactive approach used by Maine to understanding trade agreements through the creation of the CTPC. This piece also briefly reviews the main conclusions of the 2014 CTPC Assessment.