

TRANSATLANTIC FREE TRADE – CHALLENGES AND OPPORTUNITIES

The TTIP free trade agreement from the viewpoint of US and German consumer protection organisations

From the podium at the press briefing held on 28 January 2016

Klaus Müller, Executive Director of the Federation of German Consumer Organisations (Verbraucherzentrale Bundesverband e.V. – vzbv)

vzbv ensures that the voice of consumers is heard – by politicians, companies and the media. vzbv demands amendments to the TTIP: the agreement must be limited to what is achievable – a “TTIP light” is needed.

Steve Suppan, Senior Policy Analyst at the Institute for Agriculture and Trade Policy (Minneapolis, Minnesota)

The Institute for Agriculture and Trade Policy (IATP) is one of the leading institute addressing the effects of (international) trade policy on the markets for foodstuffs. IATP is active in the USA and beyond and is an influential critic of the TTIP agreement in relation to the food market.

Peter Maybarduk, Director of the Access to Medicines Program at Public Citizen (Washington, D.C.)

Public Citizen is a US consumer rights advocacy group which sees itself as the voice of US citizens, acting as a counter pole to corporate interests in Washington D.C. Public Citizen is critical of the influence of large companies on trade agreements and campaigns for trade policy in the interests of public interests.

Statements on the issues addressed at the event

A scaled back TTIP

Fair free trade can offer advantages, such as lower prices and product diversity. A look at the Single Market shows: free trade works – as long as there are clear and democratic rules.

Klaus Müller: “If we want to save TTIP, amendments are needed: first of all the agreement must be limited to areas that are not disputed, i.e. dismantling technical tariff and non-tariff barriers to trade, for example in the machinery manufacturing and automotive industries. However, TTIP needs to be scaled down: foodstuffs, chemicals

and cosmetics should be excluded. Second: regarding investor protection, existing legal systems are sufficient. Third: future regulations in the USA and the EU may not be hindered in the name of TTIP; therefore regulatory cooperation must be strictly limited.”

Regulatory cooperation

Mandatory cooperation between US and EU regulatory authorities based solely on the principle of being “least trade restrictive” poses a threat to consumer protection.

Steve Suppan: “Particularly in view of the planned Investor-State Dispute Settlement mandatory regulatory cooperation lays the ground for an ISDS pathway from the ‘Rechtsstaat’ to the ‘Unrechtsstaat’.”

Foodstuffs

When assessing the safety of foodstuffs the question arises as to the basis on which decisions will be taken on potential hazards posed by certain substances or products.

Steve Suppan: “The EU must not agree in the TTIP to the low U.S. scientific data standard for risk assessment. The U.S. supported standard in the Transpacific Partnership Agreement (TPP) is ‘reasonably available and relevant scientific data’, which the U.S. likely will advocate in the TTIP. U.S. risk assessment is often scientifically deficient because of the extensive ‘Confidential Business Information’ classification of scientific data in commercialization applications. For example, the U.S. Environmental Protection Agency recently re-approved Monsanto's glyphosate herbicide on the basis of 27 Monsanto studies, many of them not “reasonably available” for scientific peer review because of CBI claims. The TTIP must not allow such evasion of scientific review.”

Pharmaceuticals

A flawed TTIP will impact the prices of pharmaceuticals. In the long term this can mean that consumers will have to pay high prices for medicines.

Peter Maybarduk: Challenging European medicine price regulations is the top goal of the multinational pharmaceutical industry in TTIP. Recent U.S. trade agreements have included annexes on ‘procedural fairness in healthcare technologies’, which provide companies certain rights to influence and appeal government pricing or reimbursement listing decisions. How might these rules be incorporated in TTIP, and how can consumer organizations defend access to affordable medicines?

Data transfers

TTIP could limit the scope of data protection reform on both sides of the Atlantic.

Peter Maybarduk: “The TPP E-Commerce chapter includes a provision that may stop the United States from, one day, conditioning international data transfers on privacy safeguards, unless those safeguards pass a narrow exceptions test. What might this mean for safe harbor 2.0 and the future of trans-Atlantic data privacy?