

Press release 28.01.2016

## **Transatlantic free trade – challenges and opportunities**

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

- A new course is needed in TTIP negotiations if the free trade agreement is to be a success.
- The level of consumer protection on both sides of the Atlantic must be maintained and strengthened.
- Criticism focuses on the planned investor protection and a long-term watering down of levels of protection both in the EU and the US.

**Levels of protection and regulative processes differ between the European Union and the USA. Consumer organisations on both sides of the Atlantic present critical views on the planned TTIP free trade agreement from their respective perspectives. However, they share a common objective to maintain and strengthen the level of consumer protection in the USA and in the EU. Therefore German and US consumer protection organisations are demanding that a new course be set in TTIP negotiations.**

German and US consumer protection organisations agree that the chief negotiators must concentrate more on consumer protection if TTIP is to be a success. Klaus Müller, executive director of the Federation of German Consumer Organisations (Verbraucherzentrale Bundesverband e.V. – vzbv) and the US representative Peter Maybarduk from the consumer protection organisation Public Citizen and Steve Suppan from the Institute for Agriculture and Trade Policy presented their points of view to members of the German Bundestag at a meeting held in Berlin on 28 January.

European and US consumer protection organisations both take a critical view on the planned provisions in TTIP on investor protection. It cannot be that companies are given more rights than consumers and can sue governments and hence attack consumer-friendly regulations. Furthermore, the

**Pressestelle**

Tel. (030) 258 00-525

Fax (030) 258 00-522

presse@vzbv.de

www.vzbv.de

Bundesverband der Verbraucherzentralen  
und Verbraucherverbände  
Verbraucherzentrale Bundesverband e. V.

agreement should not have any effect on consumers' access to information, for example regarding the labelling of foodstuffs. "vzbv shares its American colleagues' criticism that TTIP is being negotiated in many ways to the disadvantage of the legitimate interests of consumer and environmental protection" Klaus Müller explains.

### **Concerns about undermining the level of consumer protection**

In the USA the concern that federal regulations could be weakened, for example in food production and labelling, is predominant. The same applies to the strict rules concerning the approval of medical devices in the USA.

vzbv as well criticises the possible effect TTIP could have on the foodstuffs market, as well as possibly less strict future regulation of chemicals and cosmetic products. Therefore the association demands that the agreement be limited. Mutual recognition of regulations in the chemicals, foodstuffs and cosmetics sectors must be clearly excluded.

### **Limit TTIP to what is achievable**

"If you want to save TTIP, it has to be limited to the achievable. Furthermore, in terms of a 'TTIP light' the scope of regulatory cooperation must be strictly limited" Müller continues.

"Mandatory regulatory cooperation would open the floodgates for delaying, weakening or even blocking legislation in the name of consumer protection" says consumer protection expert Steve Suppan, Senior Policy Analyst at the Institute for Agriculture and Trade Policy in the USA. Under TTIP future regulations would first have to pass the test of whether they restrict trade. This is not acceptable.

Despite a difference in emphasis in their practical work, nevertheless both parties have many points in common in their assessment of the TTIP agreement and the negotiation process, which both consider to lack transparency. "Our American colleagues followed the negotiations on the North American Free Trade Agreement NAFTA in the 90s and the reform of the WTO. Here in Germany and in the European Union we can learn from their experience with the effects of trade agreements on regulation of consumer-related markets, such as foodstuffs", Müller explains.

Following the adoption of the Trans-Pacific Partnership Agreement (TPP) last year, the US government now intends to concentrate on the TTIP agreement. German politicians continue to emphasise the need to regulate

transatlantic free trade because the USA has already signed free trade agreements with many of its trading partners.

**For further information please contact:**

Matthias Ruchser  
Head of Communications  
(030) 258 00-525  
[presse@vzbv.de](mailto:presse@vzbv.de)

presseinfo presseinfo presseinfo presseinfo