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# Wages, social affairs and the environment under attack

# What lurks behind the Transatlantic Trade and Investment Partnership (TTIP)?

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Vereinte Dienstleistungsgewerkschaft – Bundesvorstand – Paula-Thiede-Ufer 10 – 10179 Berlin – Ressort 1 – Frank Bsirske Bereich Wirtschaftspolitik: Dierk Hirschel, Ralf Krämer, Sabine Reiner, Norbert Reuter, Josephine Schulz, Anita Weber Kontakt: wirtschaftspolitik@verdi.de

Bereich Politik und Planung: Martin Beckmann, Wolfgang Uellenberg-van Dawen, Uwe Wötzel



Reports of an envisaged free trade agreement between the EU and the USA first began to surface as far back as the early 1990s. However, it was not until February 2013 that US President Obama announced the commencement of exploratory talks. Since then, interest has grown in the specific content of such an agreement and the potential advantages and disadvantages it could bring. The EU Commission's website calls it "the greatest trade agreement in the world".

European and American negotiators especially emphasise the positive impact such an agreement would have on growth, prices and jobs. Critics, on the other hand, fear far-reaching limitations on national sovereignty and, most notably, significant restrictions on jurisdiction as a result of its comprehensive "investor protection". Under it, investors would be able to sue before dedicated arbitration tribunals if they believed that national regulations had damnified their anticipated profits. Despite this, the Grand Coalition in Germany has agreed to seek a "swift conclusion" of the TTIP.

# The ideology of free trade

The belief that free global trade fosters growth and wealth for everyone is as old as capitalism itself. In fact, economists can show how wonderfully this works in their model worlds. The reality of the matter looks very different, however. As a rule, the economically more powerful are the major benefactors of largely deregulated trade. This is also the reason why, above all, major companies and their associations advocate the dismantling of so-called trade barriers. That these barriers also often serve to protect workers and employees, the welfare state and the environment fails to be mentioned. Specific individual interests are sold as being of general interest.

## Unregulated free trade, above all, benefits the strong and powerful.

In the past, phases of free trade have alternated with more or less heavy state interventions aimed at controlling foreign trade (protectionism). After the global economic crisis of 1929 had put an end to the liberal phase of world trade, the majority of nations responded by introducing a policy of national protectionism. In the aftermath of World War II, a system of fixed exchange rates was established as part of the Bretton Woods negotiations, with the US dollar becoming the anchor currency. The aim here was to restore Europe as a centre of commerce and a major trading partner for the USA. A gradual liberalisation of world trade, along with regional economic communities such as the European Economic Community, above all nurtured growth in Europe and the USA. During this process, the former colonies and/or economies of countries in Asia, Latin America and Africa remained dependent on the Western-dominated global economy for a long time. Trade relations were dictated by unilateral regulations that were detrimental to these economies.



Following the end of the Cold War and the opening of the countries of the "Eastern Bloc" and China to the capitalist market economy, the free and unrestricted trading of capital, goods and services worldwide was supposed to be implemented by the World Trade Organization (WTO). However, the countries involved in the negotiations blocked each other for a long time and the WTO threatened to plunge into insignificance.

A first breakthrough was achieved at the end of 2013, however, when, during the Doha Round, a series of talks which have been ongoing since 2001, an agreement was reached and adopted by almost 160 countries in Bali to liberalise trade in goods and services. The so-called Bali Package contains trade facilitations, the lowering of agricultural subsidies as well as aid for developing countries. The International Chamber of Commerce (ICC) lauds the agreement as being "historical", whilst Attac Deutschland, for example, perceives it as "a disaster for a just world trade order". This judgement is linked to the fact that the WTO has, for a long time, sought to eliminate agricultural subsidies identified as "trade distortive". Numerous developing countries plough subsidies into staple foods as a means of securing food for their populace. A proposed abolishment within a period of four years was rejected by the G 33. Failure once again loomed over the agreement. Ultimately, a consensus was reached to continue to allow subsidies, but only for as long as it took to lastingly adapt the Agreement on Agriculture. The issue is therefore still on the WTO's agenda.

# The WTO is unilaterally geared towards free trade. There is a risk of people's rights getting a raw deal.

In contrast, major industrial nations have no issue with continuing to use extensive subsidies to safeguard their own exports, even though these are especially problematical in terms of development and trade policy. The EU and USA also blocked an attempt in Bali to at least lower the maximum thresholds. For this reason, in particular the economically powerful nations and economic areas (USA, EU, Japan) benefit from this agreement, whilst the interests of the emerging countries of Latin America, Africa and Asia are barely afforded any attention and their policies are repeatedly called into question as being "trade distortive".

Social rights, as established in the standards of the International Labour Organization (ILO), have yet to be anchored in the WTO Agreement and, like environmental standards, also rank below trading interests. These rights include a ban on child labour and forced labour but also the right to free trade union activity.

The persistent blocking of WTO negotiations has, in the past, led to countries like the USA, but also the EU, concluding free trade agreements with individual nations and economic regions – e.g. the North American Free Trade Agreement (Nafta) between the USA, Canada and Mexico. Economically advanced nations above all are pushing for a liberalisation of trade in goods and services but also the opening of the respective public procurement systems to sup-



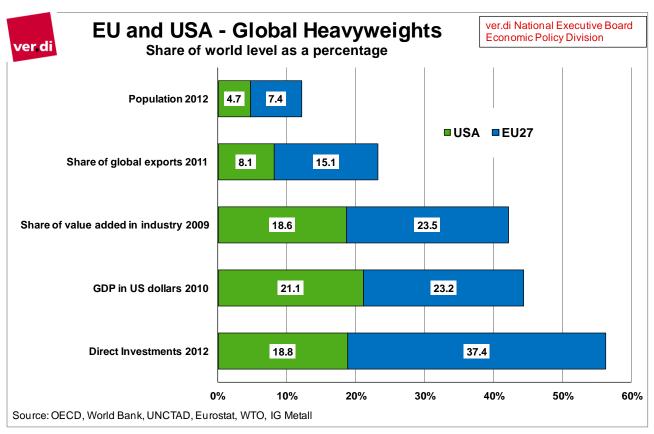
pliers from other countries. In the process, binding agreements on social and ecological standards are scarcely agreed on or, if at all, only to an insufficient degree.

# The Transatlantic Trade and Investment Partnership (TTIP)

With the TTIP, the USA and EU are embarking on yet another attempt to enforce global trade liberalisation. Their aim is to see trade facilitations established and further developed, which have thus far already been negotiated within the WTO as well as other bilateral agreements, such as Nafta.

A fair world trade agreement that takes into account the interests of every nation and continent works differently!

The main aim, however, is for the weight of the newly emerging trade bloc to provide the economy with an enormous competitive edge on global markets and thus also strengthen the economies' political strength. 44 percent of global production, almost 60 percent of foreign direct investments, 42 percent of global industrial value added occur in the USA and the EU, even though only a good 12 percent of the world's population live and work there. They seek to shift the axes of the global economy in favour of this bloc. Emerging countries, such as Brazil, Russia, China and India will need to adapt to the rules and regulations set by this bloc or otherwise expect to suffer significant disadvantages.





#### The negotiations

The TTIP negotiations were prepared in cooperation with economic interest groups under a veil of extremely deep secrecy. To this end, the EU and the USA engaged the Transatlantic Economic Council in 2007, a body founded by the then President of the United States, George W. Bush, Chancellor Angela Merkel and the President of the EU Commission, José Manuel Barroso, to organise a task force. The members of the resulting High Level Working Group included the Bertelsmann Foundation, Business Europe, the European American Business Council and the Transatlantic Business Dialogue (TABD). Neither NGOs nor trade unions had any influence on the preparations for the talks.

With the European Parliament and the US Congress both approving the mandate to negotiate the TTIP in May 2013 with a few provisos, initial negotiations commenced in Washington on 8 July 2013. The third round of talks is meanwhile underway. The European Commissioner for Trade and the US Secretary of Commerce are the negotiating parties. A total of 32 working groups have been established to deal with the individual issues.

No trade unions or environmental or consumer associations were given any say in the TTIP negotiations.

Services, investments, energy, raw materials and regulatory measures were negotiated behind closed doors. Following the initial round of talks, representatives from the business community, and from society, such as trade unions and NGOs, environmental and consumer protection associations, were called upon to air their opinions as stakeholders, as was an EU Parliament committee. They were not actively involved in the process, however. Behind the scenes, however, business representatives in particular were afforded an opportunity to exert their influence. According to an article published in the Süddeutsche Zeitung on 11.12.2013, over 600 representatives of economic interest groups have been given permission to contribute their standpoints and suggestions. It was also reported that they had been given access to key documents which not even the governments of individual EU member states had seen.

#### Subject of the negotiations

The TTIP seeks not only to minimise tariff barriers to trade, i.e. customs duties and quotas, but especially non-tariff barriers to trade. The latter are primarily regulations that can make it difficult for businesses and investors to access the respective other's market. Such regulations include quality standards, packing regulations, details of country of origin as well as technical or legal requirements for imported products. The promotion of one's own exports, through tax breaks for example, also forms part of the negotiations.

At an average rate of 5.2 percent in the EU and 3.5 percent in the USA, customs duties between Europe and the USA are already very low. Peak customs duties only continue to apply



in certain sectors. For example, the EU levies customs duties of up to 205 percent to protect its agricultural sector, while the USA imposes high customs duties on certain industrial goods (42 percent on textiles; 32 percent on clothing, as well as 56 percent on leather and shoes).

Consumers are promised lower prices as a result of control and approval procedures being eliminated and uniform standards and regulations established.

Given the overall low customs barriers, the lowering of non-tariff trade barriers is assessed as having a disproportionately high impact. At times, however, these non-tariff regulations between the USA and Europe differ significantly. For companies operating on both markets, this often entails additional costs resulting from e.g. double control and approval procedures. The elimination of these costs alone would lead to a drop in prices, assure the advocates.

In the "initial position paper" drafted by the Commission¹, which is acting as the negotiator on behalf of the EU, the objective that has been set is to be able to compare regulations and to work towards their mutual recognition, but also to harmonise the regulations and standards in the long run and to develop common guidelines. To do so, it is envisaged that the regulatory institutions on both sides should work more closely together in future and that extensive consultation processes should take place in the run up to new legislation so as to ensure that the regulations increasingly become uniform.

A further key point in the negotiations is the liberalisation of the service sector. In conformity with the General Agreement on Trade in Services (GATS), the greatest amount of already agreed liberalisation should be codified here and remaining barriers removed. Here, too, the liberalisation of public procurement is the focal point. Accordingly, when awarding public contracts, American companies would need to be given the same opportunities in an EU state as domestic companies (and vice versa). In terms of access to public contracts, equal opportunities for foreign suppliers and providers should be realised at all levels of governmental institutions, i.e. also at the regional and municipal levels.

In this context, the aim is to bolster the rights of investors in particular. A dispute settlement mechanism is envisaged that enables investors to file suits against governmental regulations should these come across as discriminatory and/or negatively impact envisaged returns on investment.

#### Points of contention

On both sides of the Atlantic, complex, completely different regulatory systems have developed over the years. Above all, one never-ending headache that is certain to be a bone of contention for free trade is that of agriculture. In terms of their standards and regulations

<sup>&</sup>lt;sup>1</sup> "Initial papers" of the EU Commission: <a href="http://trade.ec.europa.eu/doclib/press/index.cfm?id=943">http://trade.ec.europa.eu/doclib/press/index.cfm?id=943</a>



here, the EU and the USA could scarcely be more different. In the USA, for example, it is perfectly normal to consume meat from hormone-treated animals. In contrast, the import of such meat is banned in the EU.

Unlike in the USA, food containing genetically modified crops must be labelled as such here.

With respect to financial products and services, the regulatory discrepancies are just as huge. In this area, however, it is the USA that can boast the more stringent regulations.<sup>2</sup>

The USA, together with major corporate groups, is calling for even more exclusive rights to "intellectual property". Civil society groups and other critics therefore fear a return to the already rejected Anti-Counterfeiting Trade Agreement (ACTA)³ under the disguise of the TTIP. The ACTA was blocked in 2012 following a massive public outcry. If adopted, it would have granted the media industry far-reaching monopoly rights and control over the internet.

It would be possible to extend the list of discrepancies and points of contention at will to include anything from data protection guidelines to guidelines for chemicals. Only audiovisual media have been excluded from the negotiations until further notice following pressure from France in order to preserve Europe's cultural and linguistic diversity.

## The major promises

#### **Growth gains?**

The EU and the USA tout the agreement by offering the prospects of a plethora of positive effects. These major promises have a history. In the run-up to the efforts to establish a free trade policy, optimistic forecasts have always been lavished on the general public. Their accuracy is very poor, however. Prior to the creation of the EU Single Market, the so-called Cecchini Report promised far-reaching growth and employment gains. The latter failed to materialise, however.

History could now repeat itself. According to a study by the Center for Economic Policy Research commissioned by the European Commission, the TTIP could result in additional growth of 0.5 percent in the EU and of 0.4 percent in the USA by 2027 on account of the lower costs resulting from, among other things, the elimination of testing and approval procedures or

<sup>&</sup>lt;sup>2</sup> In response to the financial crisis, a kind of separate banking system was established as part of the Dodd Frank Act in the USA which limits how much trade banks may do for their own account and also extensively prohibits the holding of shares in hedge and investment funds. The rating agencies were placed under the remit of the financial regulator and can be sued more easily for compensation if they are culpable of gross miscalculation. The Dodd Frank Act is therefore combating structural issues which have yet to be resolved in the EU. The regulatory measures here have, thus far, focused more on higher equity requirements and coordinating national financial regulators.

<sup>&</sup>lt;sup>3</sup> The Anti-Counterfeiting Trade Agreement (ACTA) is a multi-lateral trade agreement which seeks to combat product piracy and copyright infringements by means of international standards aimed at protecting intellectual property. However, the European Parliament rejected ACTA in 2012 following a massive public outcry.

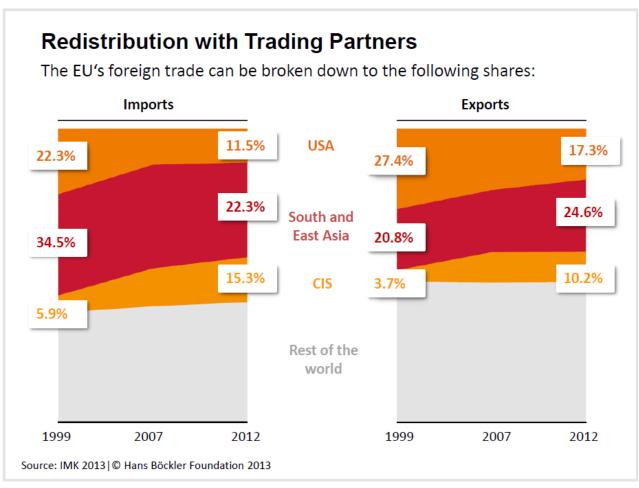


production requirements (e.g. a ban on genetic engineering).<sup>4</sup> Although this would merely represent an additional increase in annual growth of 0.034 percent for the EU and of 0.028 percent for the USA, the TTIP is exalted as a potent stimulus package.

Forecast minimum growth increases are hyped as a major stimulus package.

Added to this, the very modest growth forecasts scaled down in the CEPR study are also based on an optimistic scenario. Among other things, it presupposes the full reduction of customs duties and a very far-reaching reduction of non-tariff trade barriers. If this does not materialise to the full extent, or does so over a longer period of time than assumed, the increase in economic performance will be even lower than in the same scenario.

As it is, economic development both in the EU and the USA is primarily determined by the domestic economy and not the export economy. Trade relations between the two contracting partners have always been close but, over the past decade, they have fallen in significance in favour of the emerging countries, particularly the BRICS states (Brazil, Russia, India, China and South Africa). Whilst the USA accounted for 22.3 percent of all imports into the EU in 1999,



<sup>&</sup>lt;sup>4</sup> European Commission (2013): Transatlantic Trade and Investment Partnership. The economic analyses explained, p. 2.



its share fell to 11.5 percent by 2012. A similar situation exists for EU exports. In 1999, 27.4 percent of all exports went to the USA, but only 17.3 percent in 2012<sup>5</sup>.

Finally, it should be taken into account that especially industrial goods have dominated transatlantic trade thus far. Since customs duties in this area are low as it is, no significant boosts in trade and growth are to be expected if the duties are reduced further.

Another cited promise is that lower prices due to increased competition and lower costs can be expected to raise the real income of an average European household by a further 500 euros. Yet, this is another example of a value derived solely from model calculations. Experience with past free trade agreements has shown that the promised scale of price decreases has never materialised.

Positive effects are also supposed to result globally. If the USA and the EU were to harmonise their high labour, social and environmental standards – so the argument goes – this would have a positive impact on third countries, which, sooner or later, would gear themselves to these then purportedly still high standards.

Countries outside the alliance would also profit from the reduction in non-tariff trade barriers, which could facilitate their access to both markets, because, if they were to export to the EU and USA, even third countries would not need to pay any additional costs for two different testing and approval procedures.

#### **Employment gains?**

If the advocates are to be believed, the TTIP will bring both the USA and the EU not only more growth and higher incomes but also more jobs. A study by the Bertelsmann Foundation predicts that over two million new jobs will be created, of which just over one million are forecast for the USA, with around 181,000 for Germany.<sup>6</sup> Since this job growth is supposed to materialise in the course of the next 10 to 20 years, this effect is barely worth mentioning.

The winners will be, above all, multinational corporations. In the USA, the major service providers are the ones that are hoping for access to the European market, which, until now, has been far less liberalised than the service market in the USA. In particular, American providers of transportation, insurance and financial services could profit from the dismantling of trade barriers. However, European service providers in certain sectors, such as aviation and shipping, as well as courier services, are pinning their hopes on market growth in the USA. On the European side, especially industrial exporters (e.g. automobile manufacturers) would profit from the efforts to harmonise quality and technical standards. On both sides, major enter-

<sup>&</sup>lt;sup>5</sup> Stephan, S./Löbbing, J. (2013): Außenhandel der EU27. Eine regionale und sektorale Analyse, in: IMK Report 83

<sup>&</sup>lt;sup>6</sup> Bertelsmann-Stiftung (ed.) (2013): Die Transatlantische Handels- und Investitionspartnerschaft (THIP). Wem nutzt ein transatlantisches Freihandelsabkommen? Teil 1: Makroökonomische Effekte, p. 41.



prises are also hoping that the opening of the public procurement systems will give rise to new business segments and their resulting profits. Access to these has, up until now, been restricted in many cases by the "Buy American Act", among others.

The dangers and actual beneficiaries of TTIP are consciously concealed.

Especially export-oriented companies profit from free trade agreements, whilst companies operating on the domestic market feel the burden of added pressure as a result of the increase in imports. According to the theory, if companies file for bankruptcy due to fiercer competition, employees from these companies will simply switch to the booming export sectors. That significant delays and problems can arise due to the differences in qualification, culture and language are just as much disregarded in the model as is the elimination of the consequences of comprehensive migratory movements. Not even the depopulation of entire regions poses a problem in the model, though in reality this goes hand in hand with extensive social and structural upheavals.

In the models, employees become nomads: constantly searching for jobs and income.

## **Dangers and risks**

#### Investor protection trumps democracy?

The European Commission wants investors to be better protected from direct and indirect expropriation. At the same time, the term "indirect expropriation" is open to relatively wide interpretation. In theory, all political measures which will negatively influence corporate profits or merely their anticipated profits in the future could fall into this category. With the help of the investor/state dispute settlement mechanism, foreign investors can sue states for damages if certain laws that serve to protect citizens, workers and employees or the environment compromise their anticipated profit. Private companies are thus afforded a means of taking a state to court. It is therefore feared, for example, that this could be used to enforce fracking, i.e. the exploitation of so-called "unconventional" gas resources, against the will of states and their inhabitants.

Investor/state arbitration tribunals are completely non-transparent and are held in secret. They contradict democratic processes.

The arbitration tribunals themselves are not institutions of a democratic state governed by the rule of law but act on the basis of trade and investment protection agreements outside national legal frameworks. In this case, the decision-makers and/or judges are three lawyers, the first of whom is nominated by the company/investor, the second by the state and the third



with the consent of both parties, or by a different institution. No appeal proceedings or superior tribunals exist which could revoke decisions.

Examples of such trials, which, given the composition of the "courts", usually find in favour of the investors are available in abundance – over 500 worldwide already. The Swedish Vattenfall group e.g. has sued the German state for 3.7 billion euros in compensation for losses incurred due to the country's nuclear phase-out programme. The outcome of this case pending in Washington is unclear. Such means of bringing legal action lead to laws designed to protect citizens and safeguard social standards fall victim to profit-driven corporate interests and therefore undermine the rule of law.

#### Transatlantic wage and social dumping?

In terms of the impact that the TTIP has on wages and the welfare state, it is alarming to note that the USA has, thus far, only ratified two of the eight ILO Core Labour Standards. For this reason, freedom of association and collective bargaining in the USA is, in part, significantly restricted. This, in turn, considerably hinders the work of trade unions in particular. T-Mobile USA is just one example of a company attempting to hamper trade union representation. In the USA, pre-democratic conditions exist in companies and administrations.

Even though the Commission's mandate prescribes that national labour and social standards should be maintained; the danger nevertheless remains that, as part of a transatlantic free trade zone, standards could spiral downward and that companies could exploit the differences in standards by only applying the lowest ones. National regulations could also be side-stepped as a result.

The lack of binding guidelines in the TTIP can lead to a race to the bottom regarding labour and social standards.

That the danger of such a race to the bottom exists has already been confirmed by other free trade agreements. A look at the EU, for example, reveals how weak social standards and/or the lack thereof in the liberalised single market are leading to a rise in precarious employment, wider pay gaps and added pressure on wages and working conditions. Large numbers of workers from Eastern Europe have worked in Germany for low wages and under miserable social conditions, for example in German abattoirs. They are either employed by foreign temporary employment agencies or the German abattoirs have concluded contracts for work and services with foreign sub-contractors. These days, full-time employees are virtually non-existent in many German slaughterhouses. Thus, if no binding labour standard arrangements are agreed upon during the TTIP talks, there is a danger that companies will exploit the lower standards of certain countries. Wage dumping, tax evasion and the erosion of trade union influence will result.



#### Restricted environmental, consumer and climate protection?

Even though the EU Commission gave assurances that it will pursue an ambitious policy during the negotiations and will not allow existing standards to be undercut, the European regulations governing environmental, consumer and climate protection are a thorn in the side of American and European lobbyists. Not only the European sustainability standards for biofuels run counter to the export interests of the USA; so, too, do the supposedly too slow approval and labelling of genetically-modified foods, the further refinement of the EU chemicals directive REACH as well as the European emission standards for passenger cars. Companies as well as stakeholders from the business community are therefore exerting pressure on the precautionary principle established in EU treaties. The investor/state dispute settlement process could also play a decisive role here by allowing firms a means to file suits against the regulations governing environmental and climate protection.

#### Privatisation of services of general interest?

The extensive liberalisation and privatisation of fundamental goods required by society, such as water, education and healthcare have long since been the focus of particular interest of numerous private-sector service providers. In the course of the TTIP, pressure from such companies could therefore give rise to regulations that accelerate privatisation. The profit-driven marketing of e.g. education and healthcare harbours a danger of losses in quality and price increases occurring and low-income sections of the population being excluded.

The opportunities for the federal, state and municipal governments to influence regional business developments are under massive threat.

A similar problem can be found in terms of the liberalisation of public procurement. If foreign companies need to be treated as full equals during the bidding process for public contracts, the federal government, individual federal states and the municipal government will scarcely be in a position any longer to boost local business or specifically support certain industries. By the same token, decisions taken by the municipal governments to provide certain public services themselves could be made the subject of arbitration processes by private companies and therefore potentially overturned. Thus, there is a danger that the coverage of public needs cannot be guaranteed any more due to private profit-driven interests. It is also questionable whether the respective authorities would still be able to award contracts on the basis of social and ecological criteria. They would thus be denied a vital instrument for exerting influence on regional business developments. The Bavarian Association of Cities (Bayerischer Städtetag) has also warned of the threat posed to the provision of services of general interest by the TTIP: the EU Commission could, in future, enforce the liberalisation of public services in Europe by referring to international agreements. A further privatisation surge would therefore loom over



education, the promotion of culture, healthcare, social services, waste and sewage disposal, energy, transportation and water supply.

#### Democracy under attack?

Free trade agreements and WTO negotiations have long since been criticised for their non-transparency and limited means of involvement. The TTIP is no exception.

Documents from the negotiations or consultation processes with stakeholders and representatives of the business community are not made available. It is therefore barely possible to understand which lobby groups are being heard during the negotiations, what levels of influence they have and what content is being discussed. As it is, there appears to be a massive imbalance in the interests represented in the consultation process. Although pressure from the EU Parliament and the general public has led to an increase in civil society actors being consulted, corporate lobbyists continue to have privileged access to information and consultations.

TTIP negotiations are held behind closed doors. It is unclear which lobby groups have access and influence.

The Commission's mandate here is already proving to be problematic. The content of this farreaching negotiating mandate, which was vested on the Commission by the European Council, is designed to be kept as much a secret from the general public as the content of the negotiations. This must be criticised because the entire process does not conform with democratic standards even though the content of the TTIP should be "fully binding on all levels" i.e.
at the national, regional and municipal levels. At the same time, neither the representatives of
nation states nor at the sub-national levels have any direct influence on the outcome of the
negotiations. As a result, agreements can be reached within the bounds of the TTIP, which
erode national, democratic legislation without the parties concerned having any say in their
formulation. Not even the fact that the European Parliament must ratify the TTIP can make up
for this democratic deficit. Much like with WTO negotiations, the outcome can only be approved as a complete package. As a consequence, not even the European Parliament has any
influence on the specific formulation of individual regulations. Moreover, once concluded, the
TTIP could practically never be amended. Since every party to the treaty has to give its consent, the USA or even a single EU member state could block any amendments.



# **Demands and perspectives**

The trade unions have had a very clear stance from the start of the negotiations.<sup>7</sup> First and foremost is the need for full transparency and the extensive involvement of parliaments, civil society organisations and trade unions in the negotiations. The governments of the EU member states must make all relevant documents available to their parliaments and civil society organisations and inform them in detail about the negotiations. This particularly holds true for the EU Commission.

Specifically, ver.di, the German Federation of Trade Unions (DGB) and the European trade unions call for the following:

- Social and ecological goals must rank equal with economic goals. This means: adjusting environmental regulations and standards to the highest possible level; fully ratifying all ILO Social Standards within the EU as well as in the USA; securing rights of codetermination and employee rights in transatlantic companies to the highest standard. If workers and employees are sent to the USA or Europe for work, the country of destination principle must apply: equal pay for equal work at the same location.
- Consumer rights must also be protected to the highest degree possible. The protection of personal data and copyrights must be guaranteed.
- Public services must be excluded from the agreement. Existing EU agreements governing the protection of public services must not be endangered by allowing the TTIP to enter through the back door. The subsidiarity principle in force within the EU, which enables municipal governments, individual federal states and the member states to largely devise the provision of services of general interest themselves must be strictly adhered to. Public procurement must also be kept free from any regulations which lead to the further liberalisation or privatisation of public services.
- Investor/state dispute settlement mechanisms only safeguard investor privileges. They
  protect their profits and save them from the costs of necessary social and ecological
  changes in the signatory states. For this reason, we reject the investor/state dispute
  settlement processes in the TTIP. The legal systems of both economic areas offer sufficient protection for investors.

<sup>&</sup>lt;sup>7</sup> Cf. the statement issued by the at <a href="http://www.dgb.de/themen/++co++aaaea4dc-bc">http://www.dgb.de/themen/++co++aaaea4dc-bc</a> 89-11e2-bf0d-00188b4dc422; by the European Trade Union Confederation at <a href="http://www.etuc.org/a/11025">http://www.etuc.org/a/11025</a>. Civil society organisations such as Attac and Campact are also closely following the envisaged agreement and have formulated their stances and launched protest campaigns, see <a href="http://www.attac.de/index.php?id=71050">http://www.campact.de/ttip/</a>. https://www.campact.de/ttip/.



• The EU's decision not to negotiate on audiovisual services as bearers of cultural diversity must remain just as much intact as the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions.

If these minimum requirements are not fulfilled by a transatlantic free trade agreement, there can be no option but to reject it. In the coming months, ver.di, together with its allies, will be making the TTIP the subject of social debate.