



EPSU update on EU trade negotiations and public services February 2015

1) New research on trade and public services!!

Attached you will find two very helpful publications in English:

'Impact of the Transatlantic Trade and Investment Partnership (TTIP) on the Legal Framework for Public Services in Europe' by Professor Markus Krajewski and Britta Kynast, Friedrich-Alexander University Erlangen-Nürnberg. The English and German versions are available on the Hans Boekler Stiftung (HBS) website <http://boeckler.de/11145.htm?projekt=S-2014-720-1%20F&chunk=1>. The paper describes how trade agreements impact on public services and the steps that could be taken to protect them.

The second paper, *'The legal implications for the NHS of Transatlantic Trade and Investment Partnership'* available at <http://www.unitetheunion.org/uploaded/documents/FINAL%20Legal%20implications%20of%20TTIP%20for%20the%20NHS%2012%20Feb%20201511-21864.pdf>

explains how TTIP (and CETA) would interfere with the organisation of the UK health system and it also makes a number of proposals to safeguard the NHS. The paper was commissioned by UNITE the Union and written by Dr. Kyriaki-Korina Raptopoulou is a specialist practitioner in Medical Law, Health Law, Social Security and Public Procurement Law. Her book on 'EU Law and Healthcare Services' will be published in March 2015 by Kluwer Law International.

Both papers state that safeguards for public services need to be taken out by both the EU and individual Member States.

Also published in January by LSE Enterprise is a paper on TTIP and health systems and public health <http://blogs.lse.ac.uk/lseenterprise/2015/02/12/ttip-health/>. You can find a two 2 page summary [available on-line](#). The European Public Health Alliance (EPHA) has also related articles on their website. <http://www.eph.org/a/6278>

2) Developments in the European Parliament (EP)

The main development concerns the drafting of a EP resolution on TTIP. Bernd Lange - S&D) from the trade Committee of the EP (INTA) is responsible for this and you can find the text here:

<http://www.europarl.europa.eu/sides/getDoc.do?type=COMPARL&reference=PE-549.135&format=PDF&language=EN&secondRef=01.T>. Many other Committees in the EP are feeding in opinions, that the INTA Committee will take into account (see table at end of document).

The expected timetable for the EP resolution:

- 26 March (12.00): deadline for amendments in INTA;
- 14 April: consideration of amendments in INTA;
- 16 April: deadline under Rule 53(3) for other committees to submit their opinions;
- 6-7 May: committee vote in INTA;
- 18-21 May: plenary vote.

It is expected that Mr Lange's draft resolution will receive a considerable number of amendments as although not legally binding it will give an indication of the position of the EP. ETUC is coordinating amendments into the resolution and EPSU and ETUCE has made some first suggestions specifically

aiming at securing a clear exclusion of public services and strengthening the report. When we have developed these we will ask for your interventions in building support for them. It will be very important to lobby and keep up the pressure on members of the EP to get across our concerns and to make sure that the adopted report is a step forward.

3) CETA

EPSU continues to collect information about the implications of the agreement (all input welcome). The EC has circulated to Member States a table summarizing the reservations made in CETA – see [attached](#) – and has apparently asked them if they would consider removing some or all of these in the context of the TTIP and TiSA negotiations. Any information you have about this would be appreciated. To our mind, this contradicts the EC's claim that the EU follows a consistent approach to trade and public services. As we mentioned in the trade seminar in Vienna, the safeguards for public services in CETA are not sufficient.

4) TTIP

EC proposals on Regulatory Cooperation in TTIP

The last round of TTIP negotiations in February focused on regulatory aspects, included [detailed provisions](#) for stepping up cooperation within the TTIP by setting up a transatlantic regulatory cooperation body (RCB). These are expected to be further discussed at the next round of TTIP negotiations in April 2015. The European Commission published an [Introduction on textual proposal on regulatory cooperation with TTIP](#)

EPSU and civil society groups criticized these proposals in the TTIP as a threat to democracy and an attempt to put the interests of business before the protection of citizens, workers, and the environment. See the [joint statement](#) (available in English, French, German, Spanish and Greek on the Corporate Europe Observatory <http://corporateeurope.org/international-trade/2015/02/statement-169-civil-society-organisations-regulatory-cooperation-eu-us>). Under regulatory cooperation public interest standards (and especially any new ones) would have to be 'trade and investment' proofed, compatible with laws on both sides of the Atlantic and supportive of a "pro-competitive regulatory environment". This might put at risk protections such as the 'precautionary principle' that currently take precedence over economic factors.

Other EC papers published in January on competition, food safety and animal and plant health, customs issues, technical barriers to trade, small and medium-sized enterprises (SMEs), and government-to-government dispute settlement are available on the EC's website [To the texts published today](#).

EC civil dialogue on TTIP

The EC organized a civil dialogue meeting on 4 February during the negotiations which included presentations from stakeholders, including EPSU. EPSU also raised concerns about the TiSA paper on health (see below).

Meeting with US Ambassador to the EU

On 12 February EPSU took part in a delegation organised by SOLIDAR that met US Ambassador Gardner to exchange views on the current negotiations on the TTIP with a focus on possible impacts on social, health and public services, their providers and their provision referring to our European Social model. In an open discussion, concerns on both sides of the Atlantic were exchanged, especially regarding public procurement, the enforceability of labour standards and the possible carve-out of social and public services. It was stated that our different historical developments and

understanding of the welfare state, its actors and responsibilities as well as the sometimes misleading communications between negotiators and the wider public have led to a certain scepticism and at times mist rust over the negotiations. The open debate allowed a better understanding of the different positions on both sides. While identifying commonalities in some areas, other areas such as the system of dispute settlement remain subject to further discussions.

ISDS

On 3 February EPSU took part in a hearing on ISDS and investment protection in the European Economic and Social Committees (EESC). EPSU presented elements of '*Trading away democracy: how CETA's investor protection rules threaten the public good in Canada and the EU*' <http://www.epsu.org/r/668>. The study describes the problems with the ISDS provisions in CETA and explains why many groups including trade unions, civil society and consumer organisations oppose ISDS in CETA, and TTIP. The EC representative at the hearing acknowledged the need for reform of ISDS. This position was echoed by business representatives at the hearing who argued that ISDS is necessary to give confidence to investors. The hearing also looked at possible alternatives to ISDS, for example a world investment court. EPSU referred to the study on ISDS by Markus Krajewski "*Modalities for investment protection and Investor-State Dispute Settlement (ISDS) in TTIP from a trade union perspective*" carried out for the Freidrich Ebert Stiftung (FES) (see http://www.fes-europe.eu/attachments/486_FES%20Study%20ISDS%20in%20TTIP%202014.pdf). This reflects on whether trade agreements might include measures to improve the judicial systems in countries that lack an independent and efficient judiciary (but not US or with Canada whose legal systems offer sufficient protection for economic actors including foreign investors). The EESC is currently drawing up an opinion on ISDS and investor protection.

5) TiSA

On 24 February there will be a hearing in the INTA Committee on TiSA where EPSU will put forward the views of EPSU/PSI. The day after there will be a civil dialogue meeting on TiSA organized by the European Commission (EC) to report on the developments in the negotiations.

EPSU/PSI are very critical of a new leaked document which reveals the negotiations are discussing health "tourism". PSI published two analysis of the proposal . The leaked paper reinforces are concerns that TiSA is aiming to commodify health care services globally, with higher costs for governments and poorer performance for patients, to the benefit of large health corporations and insurance companies. The [proposal](#) would raise health care costs in developing countries and lower quality in developed countries in Europe, North America, Australia and elsewhere. The proposal, reportedly tabled by the government of Turkey, was discussed by EU member states last September at the Geneva TISA negotiations. It suggests an annex on health care services in the TISA that would promote offshoring by facilitating patients' travel abroad to access health services. According to PSI, the TISA proposal assumes that health services are a commodity like any other that can be handled by the market. Establishing trade in health services ignores public health aspects and will exacerbate inequality.

For more information:

- Read [PSI's full Press release](#)
- Read [Professor Jane Kelsey's comments](#) (Associated Whistle-Blowing Press website)
- Read the [analysis by Dr Odile Frank](#) of Public Services International (PSI)
- PSI website "[No Trade in Public Services](#)"
- Read the [leaked concept paper on health care services within TISA Negotiations](#) (Associated Whistle-Blowing Press website)

6) EU-Japan FTA

EPSU participated in the civil dialogue meeting organised on 5 February by the EC to discuss the inception report for the sustainability impact assessment of the EU-Japan FTA. There was also a brief introduction to the 'state of play' of the negotiations, which are apparently quite advanced on a number of issues, although little public information is available on concerning actual texts. The next round of negotiations will take place in Brussels at the end of February. Trade union colleagues who participated in the meeting were critical of the economic model used for the impact assessment study (as over-optimistic about the benefits of employment). There will be some sector-specific studies carried out as part of the impact assessment that will also address employment issues (pharmaceuticals, transport equipment, processed foods and electronic equipment have already been identified, plus possibly audio-visual services to be added). Gender equality is also identified already as an area for further study, and trade unions asked for attention to be paid also to other aspects of equality, especially income inequality. The consultants preparing the impact assessment (LSE Enterprise) will collect input in the next weeks/month on the scope of the impact assessment study. Trade Sustainability Impact Assessment (TSIA) in support of negotiations of a comprehensive trade and investment agreement between the EU and Japan http://www.tsia-eujapantrade.com/uploads/4/0/4/6/40469485/draft_inception_report_tsia_eu-japan_fta_.pdf.

7) EU draft trade secrets Directive

EPSU is also concerned about a draft trade secrets Directive (see EC website http://ec.europa.eu/internal_market/iprenforcement/trade_secrets/index_en.htm) and its consequences for health, environment, free speech and worker mobility. The draft text has a very broad definition of "trade secrets" that enables almost anything within a company to be deemed as such and inadequate safeguards that will not ensure that EU consumers, journalists, whistleblowers, researchers and workers have reliable access to important data that is in the public interest. As such the Directive would be a step back for transparency of company information. EPSU is supporting a coalition of organisations working to amend the Directive.

EP resolution on TTIP – timetable:

	PLANNED DEADLINE FOR AMEDEMEMENTS	CONSIDERATION OF AMEDEMEMENTS	VOTES IN COMMITTEES	CONSIDERATION OF DRAFT REPORT	CONSIDERATION OF WD INTA/EXCHANGE OF VIEWS	Forseen Plenary
04 February 2015	TRAN 12:00					
05 February 2015	ENVI, 18:00				IMCO	
23 February 2015		TRAN, LIBE, DEVE		INTA,JURI,ITRE,ECON,AFET		
24 February 2015		LIBE, DEVE	DEVE	INTA, JURI,ITRE,IMCO		
25 February 2015	IMCO, 12:00					
26 February 2015	AFET, 18:00			AFCO		
27 February 2015	ITRE,12:00					
02 March 2015	AFCO					
03 March 2015	JURI,12:00/ECON					
05 March 2015			LIBE			
16 March 2015		IMCO	TRAN			
17 March 2015		IMCO,AFCO	TRAN, AFCO			
23 March 2015		ECON	ITRE,AFET			
24 March 2015			JURI,ITRE,ECON, IMCO			
26 March 2015	INTA					
31 March 2015			ENVI			
01 April 2015			EMPL			
14 April 2015		INTA				
06 May 2015			INTA			
07 May 2015			INTA			
18-21/05/2014						plenary