

## CFTN AGM 2015 Trade Justice Report

**Transatlantic Trade and Investment Partnership** between the US and the EU.

This proposed treaty has hit the press and been taken up by campaigners in an extraordinary surge of interest and debate which has astonished me: the first time Trade Justice has become generally newsworthy in my experience. The timing is good since the partnership is still under discussion – and given the hostile publicity it has received may not be completed for some time; perhaps a year or more.

Tariffs between the EU and US are already low - averaging around 3% - and both sides foresee they will be eliminated under the agreement. The main focus of negotiations is on harmonising regulations, reducing "non-tariff barriers" to trade, or getting rid of them if they are deemed unnecessary. The British government claims TTIP could add £10bn to the UK economy, £80bn to the US and £100bn to the EU every year. It says shoppers would benefit by the removal of EU import tariffs on popular goods, such as jeans and cars. It is also claimed that reducing regulation would help UK businesses export to the US, with small businesses in particular predicted to benefit.

Campaigners have criticised the secrecy surrounding the negotiations. The main issues which concern critics are: the "**investor-state dispute settlement**". This procedure would allow companies to sue foreign governments over claims of unfair treatment and to be entitled to compensation. Critics say the measures undermine the power of national governments to act in the interests of their citizens. For example, they warn that tobacco giants could use the procedure to challenge restrictive regulations, citing a case in Australia, where Philip Morris Asia used a 1993 trade agreement with Hong Kong as the basis for a legal move to stop a change to packaging. In the UK, attention has focused on the **potential impact on the NHS**, with critics saying TTIP would allow private firms running NHS services to sue the government if it chose to return the services to the public sector. Opponents have called for the NHS to be exempted from TTIP, arguing that other sectors have already secured exemptions, such as the French film industry. The UK government says the details of how the dispute settlement would work is still under negotiation and insists there is no threat to the NHS. There is also concern over **food standards**, where it is argued that the EU has much stricter regulations on GM crops, pesticide use and food additives than the US. It is said that the TTIP deal could open the EU market to cheaper products with poorer standards.

The two continuing trade justice issues are:- the [1] **Doha Round at the World Trade Organisation**. Roberto Azevedo, the Director General, has tried to get agreement on some aspects of this long-running negotiation: in Bali in 2013, it seemed that a [Trade Facilitation Agreement](#), easing global customs rules had been approved. India then refused to ratify the agreement until the 'Peace Clause' on food stocks [that India and other food producing countries can hold these] is made permanent. The impasse was broken when the US assured its support on India's stance at the WTO. Further agreements are held up by the continued friction between the US and the emerging economies, in particular China and India.

**Economic Partnership Agreements between the EU and the ACP** These have been concluded, including, it seems that with ECOWAS [Economic Community of West African States] although information on the position of Nigeria, which has been reluctant, is elusive. Indeed, there seems to be silence on the EPAs in all my usual sources. I assume there will follow studies of the impacts.