

# **Discussion on TTIP in the European Parliament**

#### **Presentation**

Panel discussion

**Date** 

5 June 2013

Location

Brussels, Belgium

#### Panel discussion

Dr. Christiane Gerstetter

On 5 June 2013, Christiane Gerstetter of Ecologic Institute participated in a panel discussion in the European Parliament on the planned EUâ<sub>□□</sub>US Transatlantic Trade and Investment Partnership (TTIP) agreement. Her input focused on ways to ensure that the agreement incorporates and results in some environmental benefits. The discussion was organized by the Greens/EFA as part of a series of similar events in Berlin and Paris.

The US and EU recently decided to embark on negotiations of a trade and investment agreement, going beyond the current multilateral trade rules contained in WTO law. The planned agreement was supported by US President Barack Obama in his State of the Union address; the EU Commission, which is responsible for trade and investment negotiations on the EU side, has requested a mandate from the Council. The European Parliament adopted a resolution on the draft mandate.

Panelists and moderators were MEPs Reinhard Býtikofer, Yannick Jadot and Bas Eickhout as well as Jennifer Hillman (German Marshall Fund, USA), Thomas Klau (European Council on Foreign Relations, Paris Office), Lori Wallach (Public Citizen, USA), Thea Lee (AFL/CIO, USA), Guillaume Duval (Alternatives Economiques, Paris), Robert Stumberg (Georgetown University, USA) and Florian Moritz (Confederation of German Trade Unions, Germany).

## Particulary sensitive issues in TTIP

Prior experience with trade and investment agreements shows that they do not automatically generate co-benefits for the environment and other non-trade objectives such as protecting labour rights, if insufficient consideration is given to such policy objectives when drafting the rules of the agreements. Against this background, the panelists commented on opportunities and risks involved in a TTIP for the environment and labour rights.

Some aspects contained in the EU Commission's draft negotiation mandate were considered as

particularly sensitive; these included investor-state dispute resolution, the downward harmonisation of environmental standards considered to constitute non-tariff barriers to trade in the trade discourse and curtailing the regulatory space of government through rules on such issues as "fair and equitable" treatment of investors or broadly worded prohibitions on expropriation. Chances were seen, among other, concerning making the observance of core labour standards binding for both sides, the removal of environmentally harmful subsidies or agreeing on common standards for certain "green" products or environmental labelling.

### How to bring environmental concerns into TTIP

In her contribution, Christiane Gerstetter stressed that the impact assessments on the TTIP conducted so far appear to focus too narrowly on the potential economic benefits of TTIP, using environmentally questionable indicators such as GDP. Generating more income for companies and households will only translate into an added value for the environment if these monetary gains are actually invested in funding for the environment or more environmentally friendly consumption and production; on the negative side, trade causes more emissions and may also lead to more intensive resource use. She stressed that transparency of and civil society and parliamentary involvement in trade and investment negotiations are not only desirable as such, but also tend to make trade agreements greener. Business communities are usually already organized, while environmental and consumer interests are more widely dispersed. She also recommended questioning each and every proposed rule with regard to its necessity as well environmental added-value and impact; for example, rules on investment protection may not be needed in two highly sophisticated legal systems as the EU and the US. Finally, she also recommended thinking about the implementation stage of an agreement, building in review mechanisms and involving parliamentarians and civil society then.

### Organizer

European Parliament, <u>The Greens/European Free Alliance</u> (The Greens / EFA in the EP), International

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### **Keywords**

<u>Finance</u> Trade

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