

**Commissioner Cecilia Malmström**  
European Commission  
Rue de la Loi, 200 1049 Brussels, Belgium

**Trade Minister David Parker**  
Ministry of Foreign Affairs and Trade  
195 Lambton Quay, Wellington 6160, New Zealand

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18 June 2018

**Subject: European Union and New Zealand consumer checklist for a positive trade agreement**

Dear Commissioner Malmström,

Dear Minister Parker,

Consumer NZ and The European Consumer Organisation (BEUC) would like to provide input to the negotiations for a trade agreement between the EU and New Zealand. The negotiations are about to start and the final agreement will cover a broad range of economic sectors and inevitably affect consumers. This phase provides the opportunity for both sides to demonstrate that trade can deliver to consumers.

***Place consumers at the heart of the agreement***

The EU-New Zealand trade agreement must involve and protect consumers and bring them real benefits. One of the ways to help achieve this is to include a chapter dedicated to consumers. This will ensure negotiators do not overlook the consumer interest, as usually happens. The chapter should set consumer protection objectives to which both trade partners must adhere.

***Ensure reduced prices and wider choices***

Trade benefits are not automatically passed on to consumers. Whether this occurs, depends on a range of factors such as the competitive pressures on the market. Both sides must make sure consumers will see a difference in price when shopping. Both parties should commit that their relevant authorities will monitor the competitiveness of markets affected by the trade agreement to ensure cost reductions for companies are fairly shared with consumers.

***Provide tangible benefits to consumers***

Further than price reduction and increased choice, this agreement should set a precedent and bring tangible benefits to consumers, such as easy access to redress if something goes wrong with a purchase, reducing telecommunications costs and geo-blocking practices.

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***Preserve high levels of consumer protection***

The EU-New Zealand trade agreement must uphold consumer protection levels. There should be no trade-offs in the margins of the talks on food, safety standards, cosmetics, financial services or access to medicines.

***Protect your citizens' data protection and privacy rights***

The EU and New Zealand already have an adequacy agreement regarding their data protection laws. Therefore, data flows should not be discussed further in these trade negotiations. If the EU and New Zealand decide otherwise, they should only include the recent EU horizontal approach on data protection and trade, not the data flow provisions of the recently agreed Pacific trade deal (CPTPP).

***Refrain from including an investor to State dispute settlement***

Investor to State Dispute Settlement (ISDS) systems have proven harmful to consumers and the public interest in the past. Despite some improvements proposed by the EU with the Investment Court System and the Multilateral Investment Court, there are high risks for consumers. Foreign investors will still be able to threaten governments with lawsuits for compensation when governments, for example, adopt ambitious laws that protect consumers. This could lead to regulatory chill. Therefore, we call on you to refrain from introducing such systems in any separately negotiated investment agreement.

***Make sure regulatory dialogue benefits and protects consumers***

Dialogues between EU and New Zealand regulators should aim at enhancing consumer welfare and must remain voluntary. A trade agreement is not the place to create or manage such dialogues, they should be handled in a parallel process. The deal should not be used to define a check list for good regulatory practices.

***Provide a high level of transparency***

Transparency is a precondition for people to trust trade agreements. We note the recent efforts of both sides to increase transparency. To restore consumer trust in trade deals, we call on you to publish negotiating positions, texts, including consolidated versions, and communicate on the content of the future agreement throughout the process.

We trust you will take our views into account. We are available for further discussion.

Yours sincerely,

Monique Goyens  
Director General  
BEUC The European Consumer Organisation

Sue Chetwin  
Chief Executive  
Consumer New Zealand