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**PRESS PACK****“The TTIP: Can it bring benefits to the people?”  
Conference EU/US consumer groups (TACD)  
29 October 2013**

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This summer saw the kick-off of major trade negotiations between the world’s two biggest economic blocks – the EU and U.S. The aim of the talks known under the acronym TTIP (Transatlantic Trade and Investment Partnership) is to reach an agreement to make trade easier on both sides of the Atlantic.

EU and US consumer groups are very sceptical that a trade agreement built around regulatory convergence will serve consumer interests. A deal that dismantles existing EU and US consumer protection will be vigorously opposed.

On 29 October, the Transatlantic Consumer Dialogue (TACD) organised a conference in Brussels to discuss what is at stake for consumers. This report provides a recap of the key issues of food, data protection, financial regulation and intellectual property rights which received special attention at this conference.

(For TACD media quotes, please see end of report.)

**Keynote speeches**

European Commissioner for consumer affairs Neven Mimica highlighted the benefits which the TTIP would bring consumers while underlining that these would not come at the expense of consumer safety or an erosion of standards.

Speaking at the conference, Dan Mullaney, the U.S. chief negotiator and assistant U.S. Trade Representative said “the Transatlantic Trade and Investment Partnership – starting with the High Level Working Group – has been characterized by our desire for a broad range of input from our stakeholders, whose views on how we can improve this already very robust relationship are crucial to this process. As we move forward in these negotiations, we intend to continue this dialogue – and even deepen our exchange. We will achieve a stronger outcome if multiple perspectives and a balance of views continue to inform our negotiating positions.”

According to Ignacio Garcia-Bercero, Director at the European Commission’s trade department and EU chief negotiator it is important to strengthen cooperation between the EU and US when it comes to regulatory processes. Regulatory compatibility should be pursued in a way that does fully respect the right to regulate and does not undermine protection for consumers, he added.

**The need for a transparent process**

In order to prevent an ACTA-style failure, the EU and U.S. need to step up efforts to make the negotiations more transparent. This key demand was emphasised at the conference. Consumer groups ask for access to negotiation documents as well as the possibility to provide meaningful input during the negotiations.

Rhoda Karpatkin from Consumers Union highlighted that a trade agreement which touches upon all areas of interest for consumers – from food to chemicals to financial services -

cannot be negotiated behind closed doors by officials and then presented to legislators as “take it or leave it”.

The failed ACTA agreement showed that civil society’s expectations cannot be ignored.

### **Food safety & labelling**

It became apparent once more that food and hygiene practices could pose a possible major stumbling block for a future EU-U.S. trade deal. Consumer representatives made it clear that they would oppose a trade agreement that dismantles existing EU and U.S. consumer protection.

Speaking at the conference, Caroline Smith DeWaal from the Center for Science in the Public Interest said that food standards should only be included in the agreement if the parties commit to protect the highest standards of consumer protection, including pathogen limits for *E.coli* and *Listeria* in use in the U.S. National governments should remain free to adopt more stringent levels of consumer protection than agreed in the deal, including in the face of scientific uncertainty.

The precautionary principle and respect of consumer choice were highlighted as guiding principles that must be preserved, especially in the areas of cloning, genetically modified foods and chemical treatment of carcasses.

Improvements in food traceability and rapid alert systems leading to better risk management and communication were mentioned as potential positive outcomes of a trade agreement.

### **Data protection**

TACD members reiterated its demand to leave data flows out of the trade negotiations. The data protection regimes in the U.S. and EU are starkly different and unbalanced. Speaking at the conference Kostas Rossoglou, Senior Legal Officer at BEUC, The European Consumer Organisation, stated that including data protection in the TTIP could easily result in a significant weakening of consumer protections with little or no public input.

Both the EU and U.S. are in the process of formally reviewing their data privacy regimes. Plans to comprehensively update EU consumer data protection laws are currently being negotiated between the European Parliament and national governments. Once data privacy laws are updated, then a basis might exist to discuss data flows in a transatlantic context.

‘Safe Harbor’, the framework which governs the exchange of data between the EU and US, is seriously flawed. European and U.S. American consumer organisations insisted that ‘Safe Harbor’ must be adequately harmonised with the provisions in the EU data protection legislation.

### **Intellectual property right (IPR)**

In the context of IPR, the main area of concern is the risk that the access of U.S. and EU citizens to knowledge and medicines could be unfairly limited.

When it comes to the area of health, it was mentioned that any measure to prevent clinical trial transparency should be prevented as well as legitimate parallel trade of medical products.

Peter Bradwell of the Open Rights Group also focussed on the fact that IPR enforcement measures should not mean the weakening of legal due process, privacy or any other fundamental right. More specifically, Internet Service Providers should be protected from liability as to the transmission or storage of information. Due process and the right to a

presumption of innocence – e.g. preventing right holders from asking internet providers to block their clients' access to the Internet – need to be preserved.

## **Financial services**

Regarding financial services, the focus was on using the TTIP as an opportunity for the EU and U.S to exchange ideas about best practices in financial regulation. As a response to the devastating financial and economic crisis, regulators have finally recognised that the financial sector requires robust regulation to guarantee consumer protection and this must not be undermined.

Dominic Lindley from Which? said that a future TTIP should set important minimum standards without limiting efforts to create stronger rules and regulations. Any moves by EU and U.S. financial companies to weaken the only recently obtained protection standards (especially Dodd-Frank regulatory framework which established the Consumer Financial Protection Bureau) must be prevented.

## **Media quotes:**

Monique Goyens, Director General of The European Consumer Organisation (BEUC) and EU Chair of TACD:

"A core concern we have with this trade deal is the suggestion of an investor/state dispute resolution system which would allow companies to sue governments for financial compensation. This brazen approach leaves open the possibility of private judgments being passed, outside of court, over governments' future efforts to tighten up consumer protection. Such resolution schemes veer perilously close to what would essentially be corporate courts, preserving such interests over and above the public good."

Ed Mierzwinski, Consumer Programme Director of the US Federation of Public Interest Research Groups (US PIRG) and U.S. Chair of TACD:

"Trade negotiators need to understand that corporate special interests have a plan to hijack their treaty and use it to undercut hard-fought, democratically approved privacy, food safety and other consumer rights unless their negotiations are transparent and strongly consider the views and needs of consumers on both sides of the pond."