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**To:** SCHLEGELMILCH Rupert (TRADE); [Art. 4.1(b)]  
[Art. 4.1(b)] (TRADE)  
**Cc:** [Art. 4.1(b)] (TRADE)  
**Subject:** Meeting with German associations of communes, 24 June 2015

**Summary:**

On Wednesday, 24 June we met again the German associations of communes (Kommunale Spitzenverbände) mainly on TTIP, addressing mainly investment, but also procurement and public services in general. As usual, the meeting atmosphere was constructive, they pointed to the latest position paper issued together with the German Ministry of Economics on public services and TTIP, which is expected to have a positive impact on their constituents. Interesting to note that their constituents are now not complaining about lack of transparency anymore, but about the complexity of the material made available.

Following a short update on TiSA, they mentioned that TiSA could, in contrast to TTIP, become an offensive interest for the communes / communal enterprises as it could be seen as offering market opportunities instead of threats (inter alia because it does not include investment protection).

**Details:**

**Investment:**

- Is there a link to public services [*response: no direct link, but right to regulate in general is preserved through several safeguards, including an explicit provision in the preamble of CETA, which will be transformed in an article for TTIP and future agreements.*]
- What are the ideas on an international tribunal [*response: update on state of play of current discussion, based on ideas included in the concept paper*]
- Would it be possible to readjust the dispute settlement mechanism after TTIP [*Yes, review mechanism is envisaged*]
- Would there be private or public judges [*response: nominated by Parties to the Agreement, need to have appropriate qualifications*]
- What are implications if local authorities / entities change policy / law [*response: low risk, more cases launched than won, appropriate safeguards included and more transparency*]
- Are there mechanisms that ensure access of SMEs to dispute settlement [*response: transparency would make information easy available to SMEs, mediation, single arbitrator, provisions to limit costs, still under consideration*]

**Procurement:**

- For the US side, do the negotiations cover access to public contracts only for the federal level or do the discussions concern also states? [*response: negotiations cover procurement for all levels of government as follows from HLWG conclusions and this means that states are also concerned*]
- How does the federal government negotiate for states? Could they be excluded from commitments? [*response: federal government cannot obligate a state for commitments in procurement without the state's approval – each state has to commit separately but they have done this before in FTAs and also in GPA*]

They also reported on a meeting of the Council of the European Regions and Municipalities which concluded that public services should be explicitly carved out of TTIP and reference should be made to

the concept of services of general economic interest as enshrined in the treaty. A position paper is in the making.

On TISA, they enquired about the public consultation done for the SIA by consultants.

[Art. 4.1(b)]

Policy Officer



European Commission

DG TRADE

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