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Subject: Exchange on TTIP between Ignacio Garcia Bercero and the Social Dialogue Committee, Brussels 24 June 2015

Meeting of social partners in the framework of the "social dialogue committee": discussions of TTIP

Participants:

- around 60 representatives of EU and national level social partners (trade unions, business, SMEs).
- DG EMPL, Ignacio Garcia Bercero and Art. 4.1b (DG TRADE)

Highlights

IGB introduced the discussion by providing an state of play of the negotiations as well as raising a number of elements of particular interest for social partners such as public services, regulatory compatibility, sustainable development, the on-going sustainable impact assessment as well as the latest on investor protection/ISDS

Followed several interventions and exchanges of views with representatives from the social partners, notably:

BusinessEurope:

- Underlined strategic necessity of TTIP as EU needs to remain in driving seat in global trade policy setting. Now that US has TPA, it will soon conclude TPP and therefore EU cannot fall behind that
- TTIP is the best instrument to shape globalisation according to shared values with US
- Sustainability an important element of TTIP. Need to foster it through trade and going beyond existing FTAs. Key for social partners to be involved deeply. No need for trade sanctions as this would limit the scope of the chapter and involve lengthy processes. Cannot focus on "blackmailing" the Us as regards ratification of ILO Conventions

CEEP:

- Support for ambitious TSD chapter. Need high level playing field
- Given tensions on public services, a hybrid approach is not ideal. Better to have a positive list approach on services commitments. CEEP has provided negotiators with a list of specific exclusions that would be needed. Mentioned also need to ensure that Public Procurement directives are not undermined as regards promotion of sustainability but also in terms of public services commitments.

UEAPME:

- TTIP has the support from SMEs, a potential market of 800 million people is huge

- Welcome specific TTIP SMEs chapter but not enough. The interests of SMEs must be reflected in all the chapters of the agreement (ie only 13% of EU SMEs are doing business in US, 87% remain therefore local)
- For example, export restrictions are a continuous issue of competitiveness of EU SMEs, given differences in energy prices
- Need more transparency, involvement of social partners and impact assessments before and after the negotiation.

ETUC:

- Noted that the key question should be: for whom is TTIP going to be beneficial. TTIP should be about jobs, good jobs and protection of the EU social and protection system.
- Underlined importance to involve social partners, in particular at sectoral level, on the negotiating process
- As regards the SIA, enquired what the Commission would do if it reached negative conclusions
- ETUC supports the TSD elements in the INTA EP Resolution: labour rules must be mainstreamed through the whole agreement, not only in a dedicated chapter (ie as regards responsibility of investors negotiators should be looking at existing OECD and ILO guidelines)
- On services the INTA Resolution also had good language, notably as regards positive listing of public services exclusions
- On regulatory coherence, REACH should be listed as key reference, with no regression clause
- On the TSD chapter itself, the key objectives on labour should be the promotion of the ratification and implementation of key ILO Conventions. Implementation is key, also for the operative parts of those Conventions such as the one on freedom of association that have not been ratified by the US. The existing monitoring mechanisms in EU FTAs is not sufficient and has limitations (ie Korea) so there is a need for the TSD chapter in TTIP to be subject to dispute settlement
- Briefly recalled the opposition of ETUC to the inclusion of ISDS.

Other issues discussed:

- IGB provided further details on the overall EU approach to the TSD chapter and the question of enforcement.
- Clear division of opinion as regards enforcement of TSD chapter with sanctions (BusinessEurope against, trade unions in favour)
- Update on EP resolution on TTIP and exchanges between business and trade union representatives on the substance of the Resolution (the latter pointing out to ISDS as the main problem, the former noting that, even if not ok with 100% of the resolution, the key was to have it adopted finally)
- TPA process and impact of US having it now on the overall negotiating process

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