

CECILIA MALMSTRÖM

MEMBER OF THE EUROPEAN COMMISSION

Brussels, 17. 12. 2014

Dear Mr Healey,

Many thanks for your timely letter of 21 October regarding my appointment as Trade Commissioner and the Transatlantic Trade & Investment Partnership (TTIP) negotiations. Trade policy is indeed a crucial topic for the EU and the UK as we seek new sources of economic growth and jobs for our citizens, and I welcome your interest in a successful TTIP.

One of my immediate priorities is to improve and increase the information made available by the European Commission about the TTIP negotiations. To this end I have launched a transparency initiative¹ to make more EU negotiating texts public, and to ensure that Members of the European Parliament have access to more documents. The Commission already has a comprehensive TTIP website² which contains a wide range of documents, analysis and records of negotiating rounds, and is a key tool in our public engagement. In my short time in office I have already held meetings with consumer representatives, business, trade unions and other interest groups in Brussels and in Berlin – and I know that my services are heavily engaged in many kinds of TTIP outreach activities.

However, there is always room to do more, and this is a message I intend to pass also to Member States. I agree with you that Member States are well-placed to communicate the realities of TTIP to their own citizens, and to address particular national concerns. I know that the UK government is already making extensive efforts in this regard. More UK-specific examples of the benefits that TTIP could bring would be welcome. Some are already available in our collection of case studies³ from small businesses, developed jointly with the US earlier this year: notably Fuller's beer and LugPlugs ear plugs. Further EU examples are also available online⁴. I hope that the Commission and the UK can make greater use of these persuasive examples in our various communications.

Regarding the role of Member State parliaments in ratifying EU trade agreements, you may be aware that my predecessor Karel De Gucht has already pointed out that TTIP is likely to be mixed competence, given its broad scope. If this is the case, then Member States would indeed need to ratify the agreement in accordance with their own domestic procedures. However, we cannot prejudge the content of the agreement at this stage.

¹ <http://trade.ec.europa.eu/doclib/press/index.cfm?id=1205>

² <http://ec.europa.eu/trade/policy/in-focus/ttip/>

³ http://trade.ec.europa.eu/doclib/docs/2014/march/tradoc_152266.pdf

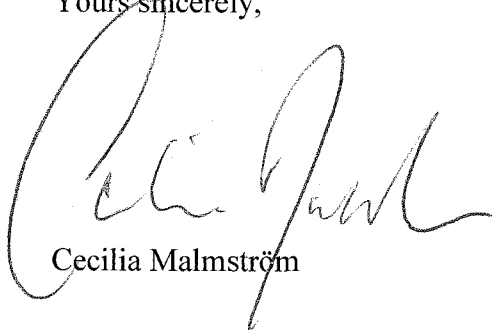
⁴ <http://trade.ec.europa.eu/doclib/press/index.cfm?id=1053>

I share your concerns about the public impression of TTIP's possible consequences for public services, such as the National Health Service in the UK. We have already made very clear that TTIP could in no way affect how Member State governments, or devolved authorities, choose to manage publicly-funded services such as health, social care and education, and nor could it restrict the choices of future governments. The recent publication of the Comprehensive Economic & Trade Agreement (CETA) with Canada helps to demonstrate precisely how public services are safeguarded in EU trade agreements (and have been since the formation of the World Trade Organisation in 1995). I know that the Chief Negotiator, Ignacio Garcia Bercero, addressed this topic in Westminster at your event on 24 November, and I trust that his clarifications were helpful. My services continue to seek ways to disseminate this message as widely as possible, and we would welcome the support of your All-Party Parliamentary Group to do so in your respective constituencies.

Completing the analysis of the 150,000 replies to the public consultation on investor-state dispute settlement (ISDS) is also one of my immediate priorities. The report should be made public soon and will serve as a basis for further consultations with Member States, the European Parliament and civil society. In the meantime, President Juncker has made clear that the European Commission is working on the basis of the unanimous mandate⁵ given by Member States for conducting the TTIP negotiations. The negotiating mandate sets out a number of conditions that ISDS would have to respect. Following these consultations, the Commission will develop concrete proposals for the EU approach to investment protection and ISDS in TTIP. In any event, no provision in TTIP will prevent access to national courts or allow secret arbitration tribunals.

I hope that this reply convinces you of my commitment to a successful, ambitious and balanced TTIP deal. I am grateful for your continuing support and that of the UK's All-Party Parliamentary Group.

Yours sincerely,



Cecilia Malmström

⁵ <http://data.consilium.europa.eu/doc/document/ST-11103-2013-DCL-1/en/pdf>