



EUROPEAN COMMISSION

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Statement by Commissioner Karel De Gucht on TTIP

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I am particularly pleased to be here today to discuss the ongoing TTIP negotiations with the newly constituted European Parliament.

You have a very serious responsibility as it will ultimately fall to you to vote on what will have been negotiated. Your thumbs up or down will make or break TTIP.

Given the wide spectrum of opinion in this Parliament, disagreement is unavoidable. But I hope the debate will be based on facts and logic.

We cannot afford to let it be controlled by irrational fears or false information.

Let me focus on three themes that have been on the forefront of the criticism levied against TTIP: the alleged lack of transparency, the alleged risk of lowering of regulatory standards which underpin our way of life and ISDS.

Many people have alleged that the negotiations have been conducted so far in secrecy.

It is true that when I meet with my counterpart Ambassador Froman, we prefer to do it without TV cameras being present. If you want to build confidence you also need a certain degree of confidentiality.

It is also true that the Commission historically has conducted negotiations without that much media attention. Not because we wanted to keep them secret, but because the interest was much lower.

TTIP has completely changed that. The Commission has worked hard to accommodate that new.

To give one example: Recently some media reported that "leaked secret documents reveal" that Europe is trying to get access to US oil and gas via TTIP. But that was not much of a revelation. As a matter of fact, position papers which have been available for a long time on our dedicated TTIP website clearly stated that we want the US to remove export restrictions in the energy field.

Tomorrow in the middle of the 6th negotiation round the chief negotiators will take a break to interact directly with stakeholders. As in every single negotiation round, there will be scores of presentations from all kinds of parties with a stake in the negotiations. They will be given direct access to the two chief negotiators for Q&A.

When each negotiation round is over, we will publish a written summaries of the outcome.

We have also put in place an advisory group consisting of experts carefully selected to represent a broad array of interests from civil society - including unions, consumer organizations and relevant business sectors.

We have also persuaded the US to allow us to share with Member States and Parliament negotiation documents in reading rooms.

But that does not mean that we cannot do even more.

In fact I wish we could. But the US only gives access to their Parliament on a reading room basis. So you can imagine it is particularly difficult to convince my American counterpart to go any further with 'our' Members of Parliament.

One of the sources of confusion is the fact that the negotiation directives given by the Council to the Commission have not been made officially public.

I am deeply convinced we should change that.

The negotiation guidelines summarize the EU objectives in the negotiations and could reassure citizens that there is nothing dangerous in TTIP. In May I called on the Council to declassify them. And today I hereby call on them again to publish the negotiation directives.

In addition, I will continue to be fully at your disposal to answer all questions you may have. And I stand ready to consider any other specific ideas on how we can further improve transparency.

One of the loudest arguments against TTIP that is often raised is that the agreement will force Europe to lower its high standards for protection.

Of the environment. Of consumers. Of workers.

The argument is that our European model is much better than the American one. And if we try to tear down trade barriers between the two continents, we will also automatically tear down the high European standards. Some are tempted to turn this into a 'Kulturkampf' claiming that TTIP threatens to Americanize our way of life.

The Commission does not share this line of reasoning.

First, it appears to suggest that the US is not interested in protecting the environment or its consumers or workers. Actually, sometimes the protection in the US is higher than here.

To illustrate: US courts are much more likely than European ones to award high damages to consumers if they have been harmed by a product they have purchased. The air and water quality legislations in the US are not softer than ours.

We do approach many areas differently than in the US, and sometimes, our rules here are stricter than in the US. But we share the same objectives of quality and protection and even where we differ, our values and concerns are much more similar than with any other part of the world.

That is why President Obama flatly stated in Brussels that he would not agree to any deal if it lowered the standards of protection. Neither would the Commission.

Second, it is also a wrong argument as a matter of logic. There are plenty of barriers to trade that can be removed without lowering of standards.

Take the internal market. The internal market is low on barriers to trade and high on standards of protection. The same philosophy underpins the TTIP negotiation: we should remove protectionism but keep protection.

Does it really make sense that an inspector from the US flies over here to inspect our pharmaceutical production sites and repeat exactly the same work as was done by a European colleague?

If we agree that the American inspector can stay home and just rely on a copy of the inspection report we have already made, there is no lowering of any standards anywhere. The only thing that is lowered is the amount of red tape.

And where the gap in approach between the EU and the US is too wide, we just won't change our rules: we will not import any meat that is treated with hormones; we will not give a blanket approval of imports of GMOs.

On the other hand, it is not because the US makes a claim that it must be wrong by definition. We should rely on the opinions of our own scientists in EFSA and not on ideology.

Finally, I know that many EU citizens are afraid of including ISDS in the agreement.

The fear is that this will open a way for large American corporations through arbitration to undermine policy space for our democratically elected parliaments. One often cited example is the ongoing lawsuit by Philip Morris against Australia for introducing plain packaging for cigarettes.

We have suspended the negotiations with the US on this issue while we conduct a public consultation. We will draw the conclusions from it in due course.

We need the debate to be about the ISDS provisions we are considering to include and not some imaginary alternative. The Commission's current ideas are available black on white in the consultation document. They have been carefully drafted to ensure that damage claims can only be raised for very clear violations of very fundamental principles of investor protection and that the policy space is fully preserved.

Contrary to what is alleged by some scaremongers, a US multinational will not be able to successfully sue for damages for lost future profit just because a parliament introduces a new law with the legitimate aim of protecting the environment or public health.

The terms of this debate should not be: ISDS or not ISDS. ISDS is already a feature in investment treaties between some of our Member States and the US. The core question is: what sort of ISDS do we want for investment protection vis-a-vis the US, but also any other third country?

There will also be a question of consistency to keep in mind.

I think it will be difficult one day claim that we must avoid ISDS provisions with the US because they are dangerous and then the next day insist to include the same kind of provisions in agreements with others such as China.

The provisions we propose in the consultation represent a very substantial improvement over most of the ISDS provisions in the 1 400 bilateral investment treaties that currently bind our Member States.

I look forward to an engaging debate.