

E U R O P E A N E C O N O M I C A R E A
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TENTH MEETING OF THE EEA EFTA FORUM

Brussels
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Opinion on the Transatlantic Trade and Investment Partnership – TTIP

Rapporteur: Gry Anette Rekanes Amundsen

The EEA EFTA Forum of Local and Regional Authorities:

- A. Having regard to the European Union's ongoing negotiations with the United States on a Transatlantic Trade and Investment Partnership (TTIP);
- B. Having regard to the European Union's Committee of the Regions draft opinion on the Transatlantic Trade and Investment Partnership;
- C. Having regard to the opinion of the European Economic and Social Committee on Transatlantic trade relations and its views on enhanced cooperation and an eventual EU-US free trade agreement;
- D. Acknowledging the impact of European Union law on local and regional authorities in the EEA EFTA States through the EEA Agreement;
- E. Emphasising the key role played by local and regional authorities in provision of public services and environmental protection;
- F. Noting the reinforced subsidiarity principle set out in the Lisbon Treaty and its explicit reference to the local and regional dimension and self-government;
- G. Noting the role of the Forum as a body in the EFTA structure:
 - 1. Views the planned transatlantic free trade agreement as an opportunity to boost growth and employment in the EU and the European Economic Area (EEA), in that it will provide reciprocal market access for trade in goods, services, investment and public procurement, and cuts red tape and removes non-tariff barriers to trade;
 - 2. Welcomes the TTIP's objective of facilitating small and medium-sized enterprises (SME) access to both markets and their ability to do business and invest on both sides of the Atlantic;

3. Notes that TTIP would have global implications, bringing both risks and opportunities for local and regional authorities, and therefore insists that democratic participation and the powers of local and regional authorities' representatives should be respected and safeguarded;
4. Underlines that the negotiations on TTIP cover areas that fall within the remit of all government and administrative levels, including local and regional authorities of the EEA EFTA Member States, and calls on the European Commission, in light of the substantial regional and local dimension of the agreement, to include representatives from the local and regional levels, such as the Council of European Municipalities and Regions and the EU's Committee of the Regions, in the Expert Advisory Group established by the European Commission, to ensure the timely involvement and participation of the local and regional levels in the negotiations;
5. Insists that state and local and regional powers should be retained – especially when it comes to setting protection standards and in relation to public services of general interest and in this context highlights the principle local and regional self-government enshrined in the Treaties of the European Union and the Council of Europe's Charter on Local and Regional Self-Government;
6. Calls on the European Commission to adopt a positive listing approach in the TTIP agreement, and to reject negative listing and "ratchet" clauses;
7. Notes the wishes of the parties to establish an open, stable, predictably and non-discriminatory framework for international trade in energy. TTIP should also promote energy efficiency and renewables and work towards convergence of EU and US domestic standards and regulations in the energy field;
8. Emphasises that the high standards of protection adopted for EU and EEA EFTA citizens are an important achievement to be safeguarded, and insists that the existing legal standards in areas such as product safety, health, social and environmental protection, climate, foodstuff and animal protection, and consumer and data protection rights must on no account be lowered, and stresses the need to raise these standards globally, based on best practises;
9. Underlines that a transatlantic free trade agreement must not undermine the precautionary principle prevailing in the EU and the EEA, especially in the fields of environmental, health, food and consumer protection;
10. Notes that the EEA Agreement includes binding provisions stemming from International Labour Organization (ILO) standards as well as on labour protection and product safety, and underlines that the ILO core conventions should be set as the minimum basis in TTIP negotiations;

11. Disagree that existing and future employee protection, such as the right to co-decision in workplace labour relations and other employee protection rights, being deemed non-tariff barriers to trade in TTIP;
12. Underlines that the powers of self-organisation of local and regional authorities must be guaranteed as a core part of the right to local self-government, and that re-localisation according to local circumstances and the wishes of local voters must remain an unrestricted possibility;
13. Stresses that political and administrative measures taken in a democratically legitimate and constitutional way must not be challenged by arbitral tribunals and/or subject to retrospective claims for damages, and that the investor protection clauses contained in TTIP must on no account directly or indirectly undermine States' right to regulate;
14. Is of the view that dispute settlement mechanisms governing investor-state relations (ISDS) between the EU and the USA which circumvent the ordinary courts should be avoided. Such special arrangements risk undermining the rule of law and equality before the law of the EU and EEA EFTA Member States. Adequate, proven remedies are available before the national courts;
15. Stresses the need for equal and fair competition between the parties. Notes in this regard that 85% of public tenders in the European Union are open to US suppliers, whilst only 32% of US tenders are open to EU suppliers, with this imbalance further exacerbated by an "opt-in" system for US states;
16. In view of the strong demand voiced by European citizens for complete transparency in the negotiations, stresses that full transparency and consultation with all relevant stakeholders is essential if any agreement is to get broad public support. Texts must be shared with stakeholders at the earliest possible stage;
17. Calls on the EEA EFTA Ministers to use all channels for information and consultation regarding TTIP, and cooperate with all relevant stakeholders from the EEA EFTA Member States;
18. Asks the EEA EFTA Ministers to take into account the opinion of the Forum in discussions on TTIP.