

COMMUNICATION

to the European Commission

in accordance with Article 23f(4) of the Federal Constitution

from the Bundesrat EU Committee

of 8 July 2014

7399/13 LIMITE

DECISION OF THE REPRESENTATIVES OF THE GOVERNMENTS OF THE MEMBER STATES, MEETING WITHIN THE COUNCIL authorising the European Commission to negotiate, on behalf of the Member States, the provisions of a comprehensive trade and investment agreement with the United States of America that fall within the competences of the Member States.

1. In principle, we welcome the reduction and gradual elimination of barriers to trade and recognise the importance of trade in goods and services for the well-being of citizens. However, competitiveness and economic growth cannot be the only criteria used to assess such trade agreements. Environmental and social aspects, for example, should have the same measure of importance in the negotiations.
2. In particular, the planned agreement between the EU and the US must not lead to the high social and environmental standards in Austria and Europe being lowered. Quite the reverse, in the interest of the citizens it is vital that the high European standards be established in global trade.

Not only must EU and national labour law and legal standards concerning product safety, data protection, consumers, health, the environment and animal welfare continue to be guaranteed: it must be possible to improve them in the future without restriction, and Member States must be able to adapt them unilaterally, on the basis of the precautionary principle, in the light of the latest scientific evidence. Under no circumstances can established protection standards and regulatory margins be removed. The goal must be to secure ratification by the EU's free trade partners of the internationally recognised ILO conventions and international environmental conventions, and compliance with the obligations they impose. Attention must be given to efficient monitoring of these obligations and a mechanism to resolve differences in cases of failure to comply.

3. It is important that the negotiation process be transparent. Maintaining maximum transparency in negotiations in accordance with the relevant legal provisions is a key condition on which public acceptance of the agreement will hinge. Therefore, the transparency of the negotiations must be further strengthened. The interested sections of the public should be more closely involved in the preparation and follow-up of the negotiations.

4. When defining the content of the agreements, one should take care that the terminology is in line with the EU treaties. This is of particular importance in the field of services of general interest, especially when it comes to the terms 'services of general interest' and 'services of general economic interest'.
5. Room for manoeuvre must be ensured at the municipal, regional and national level in order to maintain and expand services of general interest and protect them from being restricted by commitments to liberalisation. We do not agree with the adoption of a negative list. The objective should be to have the agreement enshrine a positive list approach. The regulatory margins must be preserved, especially with respect to services of general interest and setting protection standards.
6. The independence of local authorities must be ensured - they must have the economic freedom of choice in the provision of public services. There should be an across-the-board exemption of services of public interest from the scope of the TTIP. Attention should therefore be given in the current negotiations to ensuring that services of general interest will not become the subject of obligations in the future.
7. At this stage, we cannot see any added value to including investment protection provisions and ISDS clauses in the TTIP unless it is ensured that the investors do not benefit from a higher standard of protection on the basis of such provisions than what would be provided for in national law and unless it can be convincingly shown that such provisions are necessary due to serious shortcomings in the legal systems of the parties to the agreement.
8. In addition, we support the letter from the Dutch Parliament (*Tweede Kamer*) to Trade Commissioner Karel de Gucht, which expresses the opinion that EU free trade agreements (the TTIP) should be regarded as mixed agreements and therefore should be subject to ratification by national parliaments. The letter was co-signed by 21 chairs of EU committees in the COSAC meeting on 25 June 2014.