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Stakeholder Forum on  
the Proposed Transatlantic Trade and Investment Partnership Agreement  
Washington, D.C.  
**December 18, 2013**

*The [Coalition for Sensible Safeguards](#) is an alliance of consumer, small business, labor, scientific, research, good government, faith, community, health, environmental, and public interest groups, as well as concerned individuals, joined in the belief that our country's system of regulatory safeguards provides a stable framework that secures our quality of life and paves the way for a sound economy that benefits us all.*

Thank you for the opportunity to present comments today on the proposed Transatlantic Trade and Investment Partnership agreement (T-TIP). I am Ronald White, Director of Regulatory Policy for the Center for Effective Government and here presenting today also on behalf of the Coalition for Sensible Safeguards.

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My comments will focus on regulatory-related concerns related to the implications of the current negotiations. However, I would first like to emphasize two broader issues. First, it is essential to ensure a transparent process for all interested parties that the T-TIP negotiating text should be made public. Second, T-TIP should not include investor-state dispute settlement (ISDR) provisions, originally developed to compel corrupt governments and incompetent judicial systems to uphold contracts by allowing foreign investors to directly challenge sovereign governments over public policies. Since the United States and European Union are unlikely to describe their governments as corrupt or their judicial systems as incompetent, ISDR would only serve as a legal mechanism available to benefit corporations that see public policy as negatively impacting their profit.

As you conduct your negotiations we hope you will consider the following concerns:

**The High Level Working Group's outline for negotiations call for the elimination of "non-tariff barriers" and "behind the border obstacles" which will diminish the ability of the United States to continue to meet legitimate regulatory objectives.** This language shares a familiar deregulatory tone with the Transatlantic Business Council's calls for the elimination of "trade irritants" and for "regulatory convergence."<sup>1</sup> This language is code for sweeping deregulation and binding rules that prevent governments from developing domestic standards and safeguards they deem necessary.

**The framework's guidance to "resolve concerns and reduce burdens arising from existing regulations through equivalence" and reduce costs through harmonization should not result in uniform, one-size-fits-all standards that will strip down current protections serving the interests of American families.** If across-the-board standards are adopted they should not harmonize down to embrace the lowest cost effective standards. They should instead harmonize upward, ensuring broadly shared prosperity across borders that will help us compete on the right things – the emerging, innovative industries of the future that will lead on clean manufacturing, safer chemicals, clean energy solutions and more -- and permit parties to adopt more stringent standards. Regulatory ceilings that buoy corporate influence and hamstring the

US' ability to democratically devise and enforce common-sense domestic safeguards are unacceptable.

**Negotiators should reject imposing additional non-statutory cost-benefit analysis.**

As proposed, the T-TIP will establish a dangerous international cost-benefit analysis (CBA) regime. T-TIP's initial negotiating framework exhorts the reduction of costs and trade barriers through "equivalence" and "harmonization." Currently, cost-benefit analysis is rarely required by statute. Many statutes, such as Clean Air Act, OSHA, MSHA, prohibit reliance on cost-benefit analysis.

In the US, CBA is used as an internal tool, mandated in some but not all instances by Executive Order, and only when it is consistent with the underlying statute. If T-TIP, under the guise of removing trade barriers, were to insist on cost-benefit analysis to justify all regulations, it would compel the US and EU to adopt new encroaching cost-benefit analysis to buoy corporate interests and hamstringing responsible government's right to democratically establish and enforce common-sense domestic safeguards. Moreover, it would nullify many US environmental and worker safety laws and weaken many of the protections already authorized by Congress.

**Negotiations with the potential to drastically affect domestic regulatory policy must be transparent and open to the public.** Far too often, corporations have enjoyed disproportional access to high-level negotiators and their materials. If the negotiators intend to act with the public's best interests at heart, then they ought to quickly provide full public access to the details of the negotiations and suggestions from states and other actors. Moreover, ample time should be given for interested public parties to review said materials, so that they may make worthwhile contributions. The single most important transparency imperative is to make negotiating texts available to the public as they are tabled.

In sum, the Center for Effective Government and the Coalition for Sensible Safeguards is troubled at the prospects of surrendering regulatory safeguards in the name of trade efficiency. As these negotiations proceed, decisions ought to be brokered in the light of day, and corporate interests should not override the public interest. Effective standards and safeguards provide health, safety and financial security for American families, and are a key component of a strong economy. More than that, standards and safeguards are at the very core of our American way of life and should not be sacrificed to the false notion that dismantling these critically important protections will improve trade.

Thank you for your attention and consideration of these comments.

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<sup>1</sup> "The Transatlantic Economic Partnership: Overview and Assessment," Directorate General for Trade of the European Commission, Oct. 2000, at 5. Available at:

[http://trade.ec.europa.eu/doclib/docs/2003/october/tradoc\\_111712.pdf](http://trade.ec.europa.eu/doclib/docs/2003/october/tradoc_111712.pdf)

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