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The Transatlantic Trade and Investment Partnership

By Dominic Webb

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Summary

The Transatlantic Trade and Investment Partnership (TTIP) is a controversial trade agreement currently being negotiated between the EU and the US. These economies account for nearly half of global GDP and almost a third of world trade.

Negotiations were launched at the G8 summit at Lough Erne in June 2013. The first negotiating round took place in July 2013. Eleven negotiating rounds have taken place so far. Initial hopes that negotiations would be concluded within 18 – 24 months (ie between the end of 2014 and the middle of 2015) proved optimistic.

Average tariffs on trade between the EU and US are relatively low. Much of the negotiation therefore centres around non-tariff barriers to trade, such as harmonising product regulation and standards and on measures to protect the rights of investors.

The economic benefits of TTIP are contested. A study for the Department of Business, Innovation and Skills estimated that the gains to the UK would be £4 billion to £10 billion annually (0.14% to 0.35% of GDP) by 2027. Critics of TTIP argue that these estimates overstate the gains, and that alignment of regulatory standards in areas such as consumer safety, environmental protection and public health could have social costs.

Probably the most controversial element of TTIP is Investor State Dispute Settlement (ISDS). These provisions allow investors to bring proceedings against foreign governments that are party to the treaty. These cases are heard in tribunals outside the domestic legal system. The concern is that the ISDS provisions might affect governments' ability to determine public policy if they are concerned they might be sued by corporations. In the UK, the main area of concern has been the NHS – in particular, whether any future measures to reduce the private sector's involvement might be challenged under these provisions. The UK Government and the European Commission have sought to allay these concerns – including through a new proposal for an Investment Court System, put to the US in November 2015 – but critics remain to be convinced. Besides ISDS, there are a number of other areas of concern with TTIP including the extent to which standards can be harmonised between the EU and US (food standards, for example) and public procurement.

TTIP has been the subject of a number of Parliamentary debates and Committee reports, including a May 2014 report by the House of Lords European Union Committee and a March 2015 report by the House of Commons Business, Innovation and Skills Committee. While trade and foreign direct investment are the responsibility of the EU, TTIP is widely expected to be a "mixed competence" agreement meaning it will require ratification by all 28 EU member states. In September 2014, Vince Cable, the then Secretary of State for Business, Innovation and Skills said: "The UK Parliament ... will have a full opportunity to scrutinise the deal before it is finalised."

1. Background

The Transatlantic Trade and Investment Partnership (TTIP) is a wide-ranging trade and investment treaty currently being negotiated between the EU and the US. Between them, the EU and US economies account for nearly half of global GDP and almost a third of world trade.¹

The main aims of the partnership are to increase trade and investment between the US and EU by reducing tariffs (particularly on agricultural products), aligning regulations and standards, improving protection for overseas investors, and increasing access to services and government procurement markets by foreign providers. The European Commission's [negotiating mandate](#) has more detail on what the EU is aiming for in the deal.²

TTIP negotiations were launched at the G8 summit at Lough Erne on 17 June 2013. The first negotiating round took place between 8 and 12 July 2013. Details of subsequent negotiating rounds are in the timeline (appendix 2) at the end of this note.

Both sides originally hoped that the negotiations would be concluded within an 'ambitious timescale' of 18-24 months after their commencement (i.e. between the end of 2014 and the middle of 2015), well before the pressures of the 2016 US Presidential race begin to bear down. This timetable has proved to be too optimistic. The *Financial Times* reported in December 2014, that those involved thought that at best "a broad political agreement" might be reached by the end of 2015 with the details to be filled in later.³ The Government said in the summer that it is pressing for an agreement to be reached under the current US administration. This would require "tangible progress by end-2015."⁴ This timescale is generally seen to be challenging, to say the least, but the two sides have agreed to accelerate negotiations and their work between negotiating rounds.⁵

Besides TTIP, the US signed the Trans Pacific Partnership (TPP) in October 2015. This is a trade agreement with 11 other countries.⁶ The EU has also finished negotiations for a trade agreement with Canada, CETA (see box). The slow progress towards the World Trade Organization's

¹ EU and US economies accounted for 46% of global GDP in 2014. Source: IMF World Economic Outlook database (October 2015).

EU and US accounted for an estimated 30% of world trade in goods and services in 2014 (only counting EU trade outside the EU). Source: European Commission, [European Union trade in the world](#) (November 2015), p12

² European Commission, Directives for the negotiation on the Transatlantic Trade and Investment Partnership between the European Union and the United States of America (dated 17 June 2013, published 9 October 2014)

³ "Trade deal stuck on launch pad as political and commercial pressures increase", *Financial Times*, 17 December 2014

⁴ [PQ 657 4 June 2015](#)

⁵ "TPP deal lifts hopes for US-EU trade pact", *Financial Times*, 6 October 2015. European Commission, Report of the eleventh round of negotiations for the Transatlantic Trade and Investment Partnership, 6 November 2015.

⁶ These countries are Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam.

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Doha trade round is one factor behind bilateral or regional trade agreements such as TTIP, TPP and CETA.

CETA

The Comprehensive Economic and Trade Agreement (CETA) is a trade agreement between the EU and Canada. Negotiations for this treaty ended in August 2014. The agreement is undergoing legal review before it is submitted for approval to the European Parliament and the Council. The Government has said that it expected CETA to be laid before the UK Parliament in late 2016.⁷

The agreement will remove 99% of customs duties and other obstacles for business. It is aimed at boosting trade, strengthening economic relations and creating jobs. The European Commission claim that it will lead to a yearly €12 billion increase in EU GDP.⁸ The text of the agreement is available [online](#) and is sometimes considered as giving a potential indication of what the detail of TTIP might look like (although the two agreements have been negotiated separately).

CETA has generally received much less interest than TTIP. However, critics have pointed to parallels between TTIP and CETA, especially in the area of investment protection.⁹

⁷ [PO 5063 6 July 2015](#)

⁸ European Commission, [CETA](#)

⁹ See for example, Global Justice Now, [CETA: TTIP's little brother](#), September 2015

2. Debate over the economic benefits of TTIP

The economic benefits of TTIP are a matter of debate. A study commissioned by the EU authorities found that an agreement could bring aggregate economic gains of €68 billion to €119 billion per year to the EU (0.3% to 0.5% of GDP) and €50 billion to €95 billion (0.2% to 0.4% of GDP) to the US.¹⁰ These figures are estimates for 2027. Research for by the Centre for Economic Policy Research (CEPR), commissioned by the Department for Business, Innovation and Skills, estimated that the gains to the UK would be in the range of £4 billion to £10 billion annually (0.14%-0.35% of GDP) by 2027.¹¹ The UK Government cited this research when it said that an agreement could add up to £10 billion annually to the UK economy.¹²

Anti-TTIP campaign groups have said that the economic gains from TTIP have been exaggerated.¹³ For example, Polly Jones of the World Development Movement, referred to the *ASSESS_TTIP* study by the Austrian Foundation for Development Research when giving evidence to the House of Commons Business, Innovation and Skills (BIS) Committee.¹⁴ This study, commissioned by the European United Left/Nordic Green Left group in the European Parliament, found that TTIP would bring “limited economic gains but considerable downside risks”. It argued that other assessments of TTIP’s economic impact were too optimistic about the extent to which non-tariff barriers might be reduced and that the alignment of regulatory standards in areas such as consumer safety, environmental protection and public health could have significant social costs.¹⁵

In its report on TTIP, the BIS Committee concluded:

Whilst TTIP has the potential to deliver economic benefits to the United Kingdom, it is impossible at this stage to quantify those benefits in any meaningful way. Rather than continue to use the £100 billion figure, the Government must come up with a comprehensive assessment which includes the estimated economic yield of a variety of levels of agreement.¹⁶

In response to the Committee, the Government said that CEPR figures provide the most reliable and useful guide to the potential benefits of

¹⁰ CEPR (2013) [Reducing Transatlantic barriers to trade and investment](#).

¹¹ CEPR (2013) [Estimating the Economic Impact on the UK of a Transatlantic Trade and Investment Partnership \(TTIP\) Agreement between the European Union and the United States](#).

¹² [The Transatlantic Trade and Investment Partnership](#) (*Government Response to the House of Lords European Union Committee’s Fourteenth Report*), Cm 8907, July 2014, p5.

¹³ See, for example, [Busting the “economic” arguments](#) on the StopTTIP website.

¹⁴ Business, Innovation and Skills Committee, [Transatlantic Trade and Investment Partnership](#), 25 November 2014, HC 804-I, Q68

¹⁵ OFSE (Austrian Foundation for Development Research, [ASSESS_TTIP: Assessing the Claimed Benefits of the Transatlantic Trade and Investment Partnership \(TTIP\), Final Report](#), 31 March 2014, page IV

¹⁶ Business, Innovation and Skills Committee, [Transatlantic Trade and Investment Partnership](#), 25 March 2015, HC 804 2014-15, para 22

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the agreement, pointing out that CEPR studies cover a range of scenarios to provide a guide to the impact of a deal reflecting varying levels of ambition.¹⁷

¹⁷ [Government Response](#) to the House of Commons Business, Innovation and Skills Committee's Eleventh Report of 2014-15, The Transatlantic Trade and Investment Partnership, Cm 9103, July 2015

3. Transparency and process of negotiations

The European Commission, led by the trade commissioner, takes the lead in trade talks. Negotiators are split into working groups (there were 24 groups in the first round), who discuss specific sectors and areas. The Commission consults the UK and other EU governments during the negotiations through the Trade Policy Committee, made up of senior officials from each Member State. EU Members are also consulted and informed via the Foreign Affairs Council, while the European Parliament is informed through its International Trade Committee. During their negotiations, the Commission will be required to adhere to the negotiating mandate approved by the Foreign Affairs Council on 14 June 2013.¹⁸ They will also be guided by position papers covering particular areas (e.g. regulation) and sectors (e.g. raw materials and energy).¹⁹

Concerns have been raised over the lack of transparency of the TTIP negotiations. For example, in its report on TTIP, the House of Lords European Union Committee report said:

A number of witnesses drew our attention to their concerns that the TTIP negotiations were insufficiently transparent. Maria Eleni Koppa MEP told us that "the fact that we are totally in the dark about what happens and about the details of the negotiations is not helpful, at least for those of us who want to be supportive." Corporate Europe Observatory expressed their concern that the agreement was being negotiated "in secrecy and under undue influence from corporate lobby groups".²⁰

Concerns about a lack of transparency led the European Ombudsman to investigate TTIP and ask the Commission to improve public access to important TTIP documents. The Commission has taken some steps to improve transparency such as making the negotiating mandate available to the public for the first time in October 2014. It has also published a range of fact sheets and negotiating texts on the 24 chapters which would make up the agreement.²¹

In August 2015, EU trade commissioner Cecilia Malmström described her intention to keep MPs in member states informed:

How national governments inform members of their national parliaments is their responsibility. I recognise that it is indispensable for national parliamentarians to be fully informed of EU trade negotiations and will, therefore, support national governments in their efforts to ensure that national parliamentarians have access to the information they require in order to exercise effective democratic control. I will ensure that

¹⁸ The mandate was published by the Commission in October 2014 and is available [here](#).

¹⁹ The treaty negotiation process is described in a Commission Directorate General for Trade publication of September 2013, [Trade negotiations step by step](#) and Factsheet, June 2013, [Transparency in EU trade negotiations](#)

²⁰ House of Lords European Union Committee, [The Transatlantic Trade and Investment Partnership](#), 13 May 2014, HL 179, 2013-14, para 194.

²¹ These are available on the European Commission website [here](#).

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my services are ready to assist the governments of EU Member States in providing all the necessary information to the members of national parliaments ...²²

In October 2015, Caroline Lucas asked a PQ about whether MPs could get access to classified documents related to TTIP. In response, the Government said that BIS officials were working with the Clerks of the Commons and Lords European Scrutiny Committees to explore whether such information could be shared, while preserving the confidentiality of sensitive documents. In response to a second PQ on transparency in TTIP, the Government said:

We are working with our counterparts in the European Commission and the US to both declassify as many documents as practicable and to give UK parliamentarians equivalent access to classified documents related to this agreement as that afforded to Members of the European Parliament.²³

²² Cecilia Malmström, [Transparency in TTIP, Blog post](#), 21 August 2015

²³ [PQ 10497 and 10523](#) 16 October 2015

4. Scope of negotiations and potential sticking points

4.1 Scope

Tariffs between the EU and US are already low, and both sides foresee their eventual elimination under the Agreement. Most negotiating energy, however, is likely to be devoted to reducing non-tariff barriers to trade, with the aim of harmonising product regulation and standards (e.g. labelling, product specifications, sanitary requirements) in areas where these are deemed necessary, and eliminating them in areas where they are not. Another important area is protection for foreign investors and a procedure to resolve investment disputes between the US and EU.

4.2 Potential sticking points and controversies

The US-EU High Level Working Group (HLWG) that conducted preparatory work on the agreement noted the existence of ‘sensitive’ sectors, describing ambitions for services trade liberalisation as follows:

The HLWG recommends that in the services area the goal should be to bind the highest level of liberalization that each side has achieved in trade agreements to date, while seeking to achieve new market access by addressing remaining long-standing market access barriers, recognizing the sensitive nature of certain sectors.²⁴

Following initial pressure from France,²⁵ the European Parliament passed a resolution on 23 May 2013 to request that the audiovisual sector be excluded from trade negotiations.²⁶ This was reflected in the final negotiating mandate approved by the Foreign Affairs Council on 14 June 2013, which states that audiovisual services will not be covered. This would allow France and other EU Member States to continue to subsidise their audiovisual sectors on the grounds of cultural protection. The consequences of the exclusion of audiovisual services, and the tit-for-tat nature of trade negotiations, was made explicit by the US ambassador to the EU in an interview with the *Financial Times*:

If a mandate is released that constrains negotiators – whatever you want to call it, a carve-out, a red line, an exception – if it’s not a clean mandate, it will increase the pressure on our side to do the same... That’s only natural. There is a quid pro quo here, and there will be a price to pay²⁷

Some areas likely to present particular difficulties during the negotiations are discussed below.

²⁴ [Final report of High-level Working Group on Jobs and Growth](#), 11 February 2013

²⁵ Euractiv, [France draws red lines in EU-US free trade negotiations](#), 20 March 2013

²⁶ EDN, *European Parliament votes in favour of cultural exception*, 24 May 2013

²⁷ “US warns EU against exempting film industry from trade talks”, *Financial Times*, 11 June 2013

4.3 Investor-state dispute settlement (ISDS)

Much of the opposition to TTIP has centred on the potential ISDS provisions. These would allow investors to bring proceedings against a foreign government that is party to the treaty, in tribunals outside the domestic legal system. The reason for including ISDS in trade agreements in the past was to provide investors with reassurance in countries where the legal system might be biased against them. If the government is found to be in breach of its treaty obligations, the harmed investor can receive monetary compensation or other forms of redress.

Most ISDS provisions are contained not in trade agreements, but in bilateral investment treaties (BITs). The UK has ISDS arrangements in the majority of its BITs (there are currently 94 BITs in force²⁸). Only two publicly known claims have ever been brought against the UK under ISDS, and neither was in connection with a change in public policy.²⁹ According to the Government, no successful ISDS action has been brought against the UK to date.³⁰ There are, however, international examples of policy change motivating legal action by foreign investors, including in the health sector.³¹ The number of ISDS cases is increasing. In 2013, a record 59 cases were initiated. This fell to 42 cases in 2014 but the level remains much higher than in the late 1990s and early 2000s. The proportion of cases against developed countries is also increasing (40% in 2014 compared with a historical average of 28%).³²

The ISDS provisions are highly controversial. There is widespread opposition to ISDS, not just in the UK, but also in Germany, for example.³³ Concerns have been raised that they will undermine the power of national governments to act in the interest of their citizens.³⁴ In particular, some commentators have claimed that, as a result of ISDS proposals in TTIP, measures to open up the NHS to competition could be made irreversible if the provisions required US companies to be compensated in the event of a change of policy (see below for more on this).³⁵ Other concerns raised include US oil companies challenging environmental regulations such as France's laws against fracking and

²⁸ Data from UNCTAD database, as 3 Dec 2015.

²⁹ [UNCTAD database of treaty-based ISDS cases](#). The specific cases are *Eurotunnel Group v. France and United Kingdom 2003* (awarded in favour of investor). This case was brought under the Treaty of Canterbury which is not described as a BIT in the UNCTAD database. The other case is *Sancheti v. United Kingdom 2006* (unknown outcome).

³⁰ See [TTIP: Vince Cable's detailed response to 'TTIP: no public benefits, but major costs'](#), 12 November 2014 (section 5)

³¹ See, for instance, [FTR Holding S.A. \(Switzerland\), Philip Morris Products S.A. \(Switzerland\) and Abal Hermanos S.A. \(Uruguay\) v. Oriental Republic of Uruguay 2010](#)

³² UNCTAD, [Recent trends in IIAs and ISDS, IIA issues note](#). No 1, February 2015

³³ "Germany expresses concerns about US and Canada trade deals", *Financial Times*, 25 September 2014

³⁴ See, for instance, George Monbiot [This Transatlantic trade deal is a full-frontal assault on democracy](#), *Guardian*, 4 November 2013

³⁵ See, for instance, Davies, P. (2013) [Trade secrets: will an EU-US treaty enable big business to gain a foothold?](#) *BMJ* 2013;346:f3574

that US companies might be able to challenge the EU's prohibition on genetically modified organisms.

John Hilary of War on Want, a critic of TTIP, put forward the following arguments against ISDS:

Perhaps the greatest threat posed by TTIP is that it seeks to grant transnational corporations the power to sue individual countries directly for losses suffered in their jurisdictions as a result of public policy decisions. This provision for 'investor-State dispute settlement' (ISDS) is unparalleled in its implications, in that it elevates transnational capital to a legal status equivalent to that of the nation State. Under TTIP, US and EU corporations would thus be granted the power to challenge democratic decisions made by sovereign States, and to claim compensation where those decisions have an adverse impact on their profits.³⁶

In response to these concerns, negotiations over ISDS were suspended while the European Commission ran a public consultation. This took place between 27 March and 13 July 2014.³⁷ 149,000 responses were received with over a third (52,000) coming from the UK.³⁸ The Commission published its analysis of the responses on 13 January 2015.³⁹ The Commission noted that the consultation revealed four areas of particular concern:

- the protection of the right to regulate;
- the establishment and functioning of arbitral tribunals;
- the relationship between domestic judicial systems and ISDS;
- the review of ISDS decisions for legal correctness through an appellate mechanism.⁴⁰

In its report on TTIP, the BIS committee said that it remained to be convinced that ISDS provisions were needed in TTIP. The Committee argued that the UK Government and the EU needed to show that the legal systems in the EU and US did not provide adequate protection for foreign investors before ISDS should be considered. If ISDS were to be included in the Treaty, the Committee recommended including a number of safeguards including clauses to dismiss frivolous claims, a presumption that the loser should pay and a statement that Government's right to regulate take priority over investors' rights to invest.⁴¹

³⁶ [The Transatlantic Trade and Investment Partnership](#), by John Hilary, War on Want, February 2015

³⁷ Details of the consultation are [here](#).

³⁸ European Commission Preliminary report (statistical overview), [Online public consultation on investment protection and investor-to-state dispute settlement \(ISDS\) in the Transatlantic Trade and Investment Partnership Agreement \(TTIP\)](#), July 2014

³⁹ European Commission, [Online public consultation on the investment protection and investor-to-state dispute settlement \(ISDS\) in the Transatlantic Trade and Investment Partnership \(TTIP\)](#), 13 January 2015

⁴⁰ European Commission Press Release, [Report presented today: Consultation on investment protection in EU-US trade talks](#), 13 January 2015

⁴¹ Business, Innovation and Skills Committee, [Transatlantic Trade and Investment Partnership](#), 25 March 2015, HC 804 2014-15, para 54-5

The Government's position on ISDS was set out in the following PQ response:

The purpose of an investor-state dispute settlement (ISDS) mechanism in an investment protection agreement is to provide an independent process for foreign investors to seek compensation where they believe they have suffered a loss as a result of action by the host state which breaches the provisions of the treaty. ISDS provisions can help to create a positive investment climate and promote growth. As such, ISDS will not have a direct impact on consumers, who will benefit from other elements of the Transatlantic Trade and Investment Partnership (TTIP) and who have separate routes for seeking redress. The UK currently has over 90 investment protection agreements with other countries. While a number of UK businesses have used ISDS to seek compensation, there has been no successful action against the UK in respect of any of these agreements. The Department for Business, Innovation and Skills has commissioned research into investment protection agreements and the ISDS mechanism, reviewed academic research, consulted external experts and carried out its own internal analysis on investment provisions. The ISDS provisions in TTIP are still under negotiation. We believe these provisions must strike the right balance between protecting investors and the host nation's right to regulate and determine policy. Balanced investment protection provisions in TTIP could act as a model for future trade and investment agreements.⁴²

Investment Court System in place of ISDS?

In September 2015, Cecilia Malmström announced proposals for a new Investment Court System to replace ISDS. She said that ISDS suffered from a lack of trust and a "new and transparent system" was needed. The proposed new system would have the following features:

- public Investment Court System composed of a first instance Tribunal and an Appeal Tribunal would be set up;
- judgements would be made by publicly appointed judges with high qualifications, comparable to those required for the members of permanent international courts such as the International Court of Justice and the WTO Appellate Body;
- the new Appeal Tribunal would be operating on similar principles to the WTO Appellate Body;
- the ability of investors to take a case before the Tribunal would be precisely defined and limited to cases such as targeted discrimination on the base of gender, race or religion, or nationality, expropriation without compensation, or denial of justice;
- governments' right to regulate would be enshrined and guaranteed in the provisions of the trade and investment agreements.⁴³

A report in the *Financial Times* said that the business community were sceptical about the proposal, believing that a similar court already

⁴² PQ 206924 10 September 2014

⁴³ European Commission Press Release, "[Commission proposes new Investment Court System for TTIP and other EU trade investment negotiations](#)", 16 September 2015. On the protection of public services in TTIP, see also European Commission Press Release, "[Protecting public services in TTIP and other EU trade agreements](#)", 13 July 2015

existed at the World Bank. There were also doubts about whether the US would back the proposal having put forward its own ideas on ISDS.⁴⁴

In November 2015, the Commission published its detailed proposal for the new system and tabled it for discussion with the United States. A summary of the Commission's proposal is [here](#). The final text includes the key elements of the Commission's September proposal, along with changes on access to the new system by small and medium sized companies.

The proposal includes a clause emphasising government's right to set policy – in particular saying that:

1. The provisions of this section shall not affect the right of the Parties to regulate within their territories through measures necessary to achieve legitimate policy objectives, such as the protection of public health, safety, environment or public morals, social or consumer protection or promotion and protection of cultural diversity.
2. For greater certainty, the provisions of this section shall not be interpreted as a commitment from a Party that it will not change the legal and regulatory framework, including in a manner that may negatively affect the operation of covered investments or the investor's expectations of profits.⁴⁵

The UK Government has expressed support for the Commission's proposal to reform the investment provisions in its trade and investment agreements.⁴⁶

ISDS and the NHS

Some commentators have claimed that that ISDS proposals in TTIP would make measures to open up the NHS to competition irreversible. In February 2015, the summary of a legal opinion commissioned by Unite the union, suggested that there are "real risks arising from the TTIP that could impact on the NHS unless a robust carve-out is put in place".⁴⁷

In January 2015, Cecilia Malmström wrote to the then trade minister, Lord Livingstone, about the impact of TTIP on the NHS. Her letter said:

To be clear, the effects of the EU's approach to public health services in trade agreements such as TTIP are that:

- Member States do not have to open public health services to competition from private providers, nor do they have to outsource services to private providers;
- Member States are free to change their policies and bring back outsourced services back into the public sector whenever they choose to do so, in a manner respecting property rights (which in any event are protected under UK law);

⁴⁴ "EU seeks to remove obstacle to trade deal", *Financial Times*, 16 September 2015

⁴⁵ European Commission Press Release, [EU finalises proposal for investment protection and Court System for TTIP](#) (12 November 2015) and [European Union proposal for Investment Protection and Resolution of Investment Disputes](#) (12 November 2015).

⁴⁶ [PO 13603 19 November 2015](#)

⁴⁷ Unite, [The Legal Implications for the NHS of Transatlantic Trade and Investment Partnership](#) (February 2015)

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- It makes no difference whether a Member State already allows some services to be outsourced to private providers, or not.

[...]

We make sure that governments do not have to open up any of their public services markets (such as publicly-funded health services) to private operators if they do not want to, and that should they choose to do so, there is nothing to prevent them reversing this decision in future.

[...]

Thirdly, some people question whether including investment protection and Investor-State Dispute Settlement (ISDS) in TTIP would mean that in practice it would be difficult to bring a service back into the public sector, owing to the potentially high costs of losing an ISDS case. Whilst I understand that these questions are posed, I can categorically state that nothing in either the 3,000 existing investment agreements, or in the future TTIP, could prevent a service being brought back into the public sector or force the payment of compensation for such an action. Compensation would only be available if bringing a service back into the public sector involved nationalising property owned by foreign investors. As under UK law, in such cases, compensation would be required.⁴⁸

The BIS Committee said the following about ISDS in its report on TTIP (before the Investment Court System proposals discussed above were published):

It is impossible for us to make a definitive statement until a final text of the draft provisions are published although we welcome the repeated statements given by both the European Commission and the UK Government that public services—including the NHS—will be unaffected by TTIP. However, we are aware that not all campaigners will accept these statements at face value. We recommend that the Government, in its response to the Commission's consultation, ensures that an unequivocal statement protecting public services at present—and the right to expand them in the future—is set out in any ISDS provisions. We further recommend that those draft provisions are made public, in advance of final decision, so that they can be subject to public scrutiny.⁴⁹

The Government has said that the NHS will be protected:

The United Kingdom has trade deals with over 160 countries across the world and we have protected the National Health Service and public services in all of these trade agreements. We will continue to do so in the European Union-United States free trade deal (TTIP). This is non-negotiable.

This means that the government of the day, not trade agreements, will always set the rules governing how the NHS is run.

There will be nothing in the EU-US free trade deal Investor State Dispute Settlement (ISDS) provisions that would stop a future

⁴⁸ [Letter](#) on NHS and TTIP from Cecilia Malmstrom to Lord Livingstone, 28 January 2015

⁴⁹ Business, Innovation and Skills Committee, [Transatlantic Trade and Investment Partnership](#), 25 March 2015, HC 804 2014-15, para 51

Government from changing the legal framework for the provision of NHS services or terminating the private provision of such a service in accordance with the law or contracts entered into as is the case today. It would be entirely possible for the UK, or any EU country, to change the delivery model for publicly funded health services in the future.⁵⁰

4.4 Other areas of concern

Food standards

GM crops are strictly regulated in the EU, while a number of EU directives prohibit the importation and sale of meat treated with certain growth hormones and chicken washed with chlorine. The US has disputed these rules at the WTO; the EU has argued that the restrictions are necessary for the protection of human health⁵¹ while the US has called the bans 'unscientific', and part of a protectionist strategy to shut US farms out of EU markets.

Whatever the merits of each case, the food issue reflects different sensitivities and preferences among consumers on each side of the Atlantic; for instance, even though the EU has approved certain GM crop varieties, retailers have collectively refused to carry modified products in their stores for more than a decade. The Commission has offered assurances that EU regulations on GM and hormones are not up for negotiation (changes to these would have to separately be approved by Council and the European Parliament), while the negotiating mandate states that any agreement must recognise 'the right for the Parties to appraise and manage risk in accordance with the level of protection that each side deems appropriate'. On the US side, in his notification to Congress on the commencement of negotiations, President Obama noted that one of the major objectives for the US was the elimination of food standards 'not based on science'.⁵²

There have also been claims that TTIP could water down regulations on pesticides. According to the Center for International Environmental Law (CIEL), proposals put forward by industry would reduce standards currently in force in the EU and some US states by moving to a risk assessment approach, rather than the precautionary approach used in the EU. In response, CropLife America, a trade association, was quoted as saying that its proposals "will ensure the highest levels of consumer and environmental protection while promoting international trade, creating jobs and enhancing social and economic viability."⁵³

⁵⁰ [PQ 12655](#) 28 October 2015

⁵¹ Article 191 TFEU requires EU environmental policy, including the protection of human health, to be based on the 'precautionary principle'. The EU can invoke the principle if a scientific "evaluation does not allow the risk to be determined with sufficient certainty", and puts the burden of proof on the manufacturer of the product to show there is no danger.

⁵² [Letter from the Acting US Trade Representative to the Speaker of the House of Representatives](#), 20 March 2013

⁵³ "[Report: transatlantic trade agreement could increase toxic pesticide use](#)", *Guardian*, 7 January 2015

Concerns have also been raised that TTIP could lead to the erosion of protection offered to European regional food specialities. An article on the Euractiv website said:

Some EU farmers say changes to the European system would see Europe importing Nuremberg pork sausages from Kentucky or allowing US food companies to export parmesan cheese even when the milk has not been produced in Italy.

But the United States argues that terms such as feta, prosciutto and bratwurst are generic, highlighted by the fact that Denmark can sell Greek-style feta in Europe.

More broadly, US farmers complain that the farm trading relationship is unfairly skewed in Europe's favour and want it addressed in the trade talks.⁵⁴

An EU spokesperson rejected this allegation saying "We have made clear to our American counterparts that the protection of geographical indications is one of our main priorities." ⁵⁵

In response to a PQ in October 2014, the Government said that TTIP had the potential to deliver significant opportunities for UK agriculture, food and drink, and that it did not intend to allow such agreements to undermine the UK's ability to set its own welfare and regulatory standards when it comes to animal health.⁵⁶

Environment and sustainability

The Environmental Audit Committee examined the environmental risks of TTIP in early 2015. They identified a concern that standards in Europe would be reduced because they currently differ from those in the US and are derived from different regulatory approaches (the use of the 'precautionary principle' in the EU⁵⁷ as opposed to a 'cost-benefit' approach used in the US). The Committee recommended that the EU's stronger focus on applying the precautionary principle not be weakened, and that mutual recognition of environmental standards between the EU and US only be applied when there is genuinely equivalence between such standards.⁵⁸

In its response the Government said that TTIP:

- Will not erode regulatory standards. Both the EU and US are publicly committed to maintaining high standards. It provides a good opportunity to take stock of existing rules on both sides of the Atlantic and remove any unnecessary bureaucracy and regulatory duplication.
- Will not decrease environmental standards and targets which we have in place or hold back action on climate

⁵⁴ "[TTIP threat to German sausages baloney, says EU](#)", *Euractiv*, 7 January 2015

⁵⁵ *Ibid*

⁵⁶ HC Deb 30 October 2014 c380

⁵⁷ "The EU follows a precautionary principle if a scientific "evaluation does not allow the risk to be determined with sufficient certainty", and puts the burden of proof on the manufacturer of the product to show there is no danger"

⁵⁸ Environmental Audit Committee, [Environmental risks of the Trans-Atlantic Trade & Investment Partnership](#), 10 March 2015

change. TTIP will not prevent either side from introducing new environmental and low carbon legislation.⁵⁹

In October 2015, the European Commission presented its proposal for a 'chapter' of TTIP on trade and sustainable development, including the environment and labour. According to the Commission:

The key purpose of this chapter is to ensure that high standards for labour and environment are upheld both in the EU and the US and that we work together to address the challenges of the global economy such as child labour, health and safety at work and other rights of workers and the protection of environment, among others. ...

The proposal on sustainable development in TTIP presents an integrated approach on trade and sustainable development, also covering labour and the environment and reaffirms the right of governments to regulate on labour and environmental protection. The proposal also refers to commitments made as part of the International Labour Organisation (ILO) and Multilateral Environmental Agreements, to ensure that both sides respect a common set of fundamental labour standards and environmental rules. In addition, the text includes an obligation not to relax domestic labour or environmental protection laws as a means to attract trade or investment.

Detailed proposals relating to the environment include enhanced cooperation to deal with illegal logging, fishing and trade in endangered wildlife; the promotion of trade and investment in green goods and technologies; and a commitment to conservation of biodiversity and ecosystems.⁶⁰

Public procurement

The Commission's negotiating mandate anticipates that TTIP will contain provisions to increase mutual access to government procurement markets 'at all administrative levels... in the fields of public utilities... and ensuring treatment no less favourable than that accorded to locally established suppliers'.

The European Commission considers the EU's public procurement markets to be more open than those of many of its trade partners,⁶¹ and based on its negotiating mandate, it appears more enthusiastic about this element of the Agreement than the US (the President's notification to Congress did not mention procurement). The Commission is particularly keen to eliminate 'Buy America(n)' provisions and local provider requirements in US procurement markets that deny EU businesses fair access to the tendering process. However, the US may face particular difficulties in meeting the EU's demands because the

⁵⁹ [Government Response](#) to the House of Commons Environmental Audit Committee's Ninth Report of Session 2014-15: Environmental risks of the Transatlantic Trade and Investment Partnership, Cm 9104, July 2015

⁶⁰ European Commission press release, [EU to pursue the most ambitious sustainable development, labour and environment provisions in TTIP](#), 6 November 2015

⁶¹ This view has been challenged by some commentators, who point out that while EU procurement markets are 'legally' open, in practice, there remain many barriers to entry for businesses outside the EU. See, for instance, European Parliament Briefing Note [Detailed appraisal of the impact assessment on rules concerning third countries' reciprocal access to public procurement](#), June 2013

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Federal Government cannot make decisions that bind the public procurement markets of individual states.

5. Parliamentary scrutiny and ratification of TTIP

5.1 Debates and Committee reports

TTIP has been the subject of scrutiny by a number of Parliamentary Committees and has been debated in both the Commons and the Lords. It has also been the subject of numerous Parliamentary Questions. Parliamentary debates and committee reports include:

Debates

- Backbench business debate, 25 February 2014 [cc186-234](#)
- TTIP discussed in the [second reading debate](#) on Clive Efford MP's *National Health Service (Amended Duties and Powers) Bill*, 21 November 2014
- Backbench business debate, 15 January 2015 [cc1086-1118](#)
- Adjournment debate (TTIP and the poultry industry) 20 January 2015 [cc188-96](#)
- Adjournment debate, 9 July 2015, [cc562-570](#)

Committee activity

- The House of Lords European Union Committee [report](#) on TTIP, May 2014.⁶² Government's [response](#), July 2014.⁶³ Committee report [debated](#) in the House of Lords on 17 June 2014.⁶⁴
- The House of Commons European Scrutiny Committee questioned Lord Livingston, the Minister of State for Trade and Investment, on TTIP, on 11 June 2014. The transcript is available [here](#). Lord Livingston appeared before the Committee again on 26 February 2015, transcript [here](#).
- Environmental Audit Committee [report](#) on environmental risks of TTIP, 10 March 2015.⁶⁵ Government [response](#).⁶⁶
- The Business, Innovation and Skills Committee [report](#) on TTIP, 25 March 2015.⁶⁷ Government's [response](#).⁶⁸ Letter with [response](#) from European Commission.⁶⁹
- Lord Maude of Horsham, Minister of State for Trade and Investment and Edward Barker, Head of Transatlantic and International Unit, BIS. Evidence to European Scrutiny Committee, 21 October 2015. Transcript [here](#).

⁶² House of Lords European Union Committee Report, *The Transatlantic Trade and Investment Partnership*, 13 May 2014, HL 179, 2013-14

⁶³ Government Response to the House of Lords European Committee's Fourteenth Report, *The Transatlantic Trade and Investment Partnership*, July 2014, Cm 8907

⁶⁴ [HL Deb 17 June 2014 c727](#) onwards

⁶⁵ Environmental Audit Committee, *Environmental risks of the Trans-Atlantic Trade & Investment Partnership*, 10 March 2015

⁶⁶ Government Response to the House of Commons Environmental Audit Committee's Ninth Report of Session 2014-15: *Environmental risks of the Transatlantic Trade and Investment Partnership*, Cm 9104, July 2015

⁶⁷ Business, Innovation and Skills Committee *Transatlantic Trade and Investment Partnership*, HC 804, 25 March 2015

⁶⁸ Government Response to the House of Commons Business, Innovation and Skills Committee's Eleventh Report of 2014-15, *The Transatlantic Trade and Investment Partnership*, Cm 9103, July 2015

⁶⁹ Letter from European Commission to the Speaker, 15 July 2015

5.2 Scrutiny by UK Parliament⁷⁰

In July 2014, the UK Government said “Parliament will receive the complete draft text of the agreement in good time and have an opportunity to scrutinise it through debates in both Houses”.⁷¹ The then Secretary of State for Business, Innovation and Skills, Vince Cable, confirmed this in [a letter to all MPs on 22 September 2014](#): “The UK Parliament, including the House of Lords, which recently published the results of its detailed inquiry into TTIP will have a full opportunity to scrutinise the deal before it is finalised”. The sections below provide more detail on the ratification process.

The competence question

The Common Commercial Policy (trade) comes under the exclusive competence of the EU (Article 3 TFEU). Under the 2009 Lisbon Treaty foreign direct investment became the exclusive competence of the EU (Article 207 TFEU).

If a trade agreement comes under EU exclusive competence, the Council and the European Parliament adopt or reject it. The European Parliament cannot amend the agreement; it can accept or reject it under the ‘consent’ procedure, which includes a vote in the Committee for International Trade followed by a vote in the plenary. Then the Council authorises conclusion of the agreement.

If a trade agreement is mixed competence (EU and Member State competence), the Council, the European Parliament and all 28 Member States must adopt or ratify it. There is no fixed timetable for the ratification process and it could take two or more years.

Although it is not yet clear, the TTIP is likely to be a ‘mixed competence’ agreement, meaning it will contain elements that fall outside EU competence. In this case it will have to be ratified both by the EU (the Council) and each EU Member State according to its constitutional tradition.⁷² Member States have to ratify the treaty before the Council Decision on conclusion is adopted.

The former EU trade commissioner, Karel De Gucht, indicated in 2014 that he would ask the European Court of Justice to clarify the legal boundaries of trade policy to determine what comes under exclusive EU or mixed competence.⁷³ At the end of October 2014, just before leaving the Commission, he announced that the Commission had decided to request an opinion of the EU Court on the competence to sign and ratify a trade agreement with Singapore. This would “bring clarity which provisions of the Free Trade Agreement with Singapore fall within the

⁷⁰ This section by Vaughne Miller, International Affairs and Defence Section.

⁷¹ [PQ 206925](#) on EU External Trade: USA, 22 July 2014.

⁷² The scope of the EU’s competence in trade policy was greatly expanded by the Treaty of Lisbon, which brought agreements covering services trade, trade-related aspects of intellectual property and foreign direct investment within the EU’s exclusive competence. Nonetheless, elements of the TTIP, particularly investment protection and dispute settlement, are likely to be matters of mixed competence, hence requiring national parliamentary approval in each Member State. In the past, this has often been described as a ‘rubber stamping’ exercise.

⁷³ [EU-US trade deal must have national approval, say MPs](#), EUObserver, 2 July 2014

EU's exclusive or shared competence and which remain in the Member States' remit and require approval by national instances".⁷⁴ The Commission's Legal Service will prepare a formal request to the Court with a view to submitting it as soon as possible, and it is hoped that this opinion will provide clarity on the competence questions regarding TTIP. The Commission already appears to take the view that TTIP is a mixed competence agreement, stating in its press release that "The request for a Court of Justice opinion concerns the specific agreement with Singapore. Every trade agreement has its specific characteristics. In case of the EU-US trade talks, for instance there will most likely be a number of elements that will require ratification by national parliaments".⁷⁵

Under 'provisional application' procedures, if Member States in the Council agree to the treaties, parts of them can enter into force before they are ratified by all Member States.⁷⁶

Treaty ratification in the UK

In the UK, a treaty that requires national ratification is presented to Parliament as a Command Paper. Approval of the treaty is done through secondary legislation; a draft Order in Council is laid before Parliament and approved by both the Commons and Lords under the affirmative procedure.⁷⁷ However, Parliament cannot amend the treaty itself in any way. Under international treaty law individual governments and parliaments cannot amend draft international treaties during their ratification procedures. Governments agree treaty texts through a process of negotiation and then submit them to national ratification procedures. Ratification is never an opportunity to unilaterally change the text agreed beforehand - this is not just a feature of TTIP.

In the UK an Order is needed to declare the Treaty to be an 'EU Treaty' under the provisions of section 2 of the [European Communities Act 1972](#).

The UK must be in a position to implement the provisions of an agreement before it can approve it. If Parliament does not adopt any legislation required to implement the treaty, it cannot be ratified or come into force in the UK.

In summary, Parliament could delay ratification or stop the Government from ratifying a treaty:

- By voting against any legislation needed to authorise its ratification;
- By voting against ratification in a debate on the treaty when it is published during the 21-day period and doing so each time the

⁷⁴ [Singapore: The Commission to request a Court of Justice Opinion on the trade deal](#), European Commission press release, 30 October 2014.

⁷⁵ Ibid.

⁷⁶ Article 25 of the Vienna Convention on the Law of treaties allow negotiating parties to apply some or all of the provisions of the treaty provisionally prior to its entry into force. In the EU, the Council, voting by qualified majority, is expressly authorised to provisionally apply a treaty before its entry into force, subject to the consent of the European Parliament.

⁷⁷ More information on secondary legislation can be found in House of Commons Background Paper, [Statutory Instruments](#)

treaty is debated thereafter (*Constitutional Reform and Governance Act 2010*).

Treaties and the Constitutional Reform and Governance Act 2010

Under part 2 of the [Constitutional Reform and Governance Act 2010](#), which came into force on 11 November 2010, the Government has a general statutory requirement to publish a treaty that is subject to ratification or its equivalent, and lay it before Parliament for 21 sitting days. The procedure is as follows:

- 1 During the 21 sitting days, both Houses have the opportunity to pass a resolution that the treaty should not be ratified. If neither does so, the government can go ahead and ratify the treaty (see below for wording).
- 2 If either the Commons or the Lords votes against ratification, the government cannot immediately ratify the treaty, but must instead lay a statement giving the reasons why it wants to proceed with ratification.
- 3 If the Commons has voted against ratification, laying this statement triggers a further 21 sitting day period before ratification. The Commons can then vote against ratification during this subsequent 21 sitting days, in which case the government can lay its statement again – and the process can be repeated, potentially blocking a treaty indefinitely.
- 4 If the House of Lords votes against ratification, but the Commons do not, then a ministerial statement must be laid before Parliament explaining why the treaty should nevertheless be ratified, but the additional 21 sitting day periods are not triggered. The Lords therefore does not have the power to block ratification on its own.

The 2010 Act provides that the Minister can extend the sitting period by up to 21 sitting days (and votes against ratification will continue to have legal effect in this period).

No requirement for a debate

The procedures in the 2010 Act put on a statutory footing Parliament's opportunity to scrutinise a treaty. However, the Act does not specify how Parliament should do so. It does not state how a debate and vote on ratification of a treaty would be triggered; nor does it require either House to debate the treaty or to scrutinise it in Committee. The previous Government said that this would be left to the "usual channels" and for "people to make a noise".

The Government undertook in the earlier, non-statutory *Ponsonby Rule* to submit "important Treaties" to the House for discussion within the 21 sitting days for which they are laid. A few treaties are debated in this way. It has also undertaken since 2000 to provide the opportunity for the debate of any treaty involving major political, military or diplomatic issues, if the relevant select committee and the Liaison Committee so request.

However, the Government has said on several occasions that there would be a debate in both Houses, if, as expected, TTIP covers areas of

both EU and member state competence. This issue was raised in a PQ in 2013:

David T. C. Davies: To ask the Secretary of State for Business, Innovation and Skills what plans his Department has to ensure that Parliament is able to consider the proposed Transatlantic Trade and Investment Partnership. [178321]

Michael Fallon: The Government are committed to keeping Parliament up to date throughout the negotiations for the Transatlantic Trade and Investment Partnership (TTIP). The Minister of State for Trade and Investment, my noble Friend Lord Green of Hurstpierpoint, writes to the European Scrutiny Committee Chairs of both Houses and the chair of the All-Party Parliamentary Group on EU-US trade and investment to update on significant developments. We will also consider statements and other steps to keep Parliament informed of developments as the negotiations progress.

If, as is expected, the final agreement of the TTIP contains areas of both EU and member state competence each member state will be party to the agreement and therefore ratify the agreement according to their own domestic processes. As part of the UK ratification process the agreement would need to be laid before Parliament for 21 days prior to ratification. In addition, it would need to be considered by the Joint Committee on Statutory Instruments and the Lords Committee on Secondary Legislation, before being debated in both Houses.⁷⁸

In July 2014, the UK Government said "Parliament will receive the complete draft text of the agreement in good time and have an opportunity to scrutinise it through debates in both Houses".⁷⁹

A need for primary legislation?

If the UK needs to change its domestic legislation in order to ratify a treaty, the debates on that legislation provide another avenue for debating the treaty itself. Alternatively, Members can use any of the usual mechanisms for securing a debate, such as (in the Commons) adjournment debates, opposition day debates, Westminster Hall debates, topical questions, Backbench Business Committee debates, EDMs and ten-minute rule bills.

On 11 June 2014 Lord Livingston [replied to questions](#) concerning ratification of TTIP in evidence to the European Scrutiny Committee. The Minister did not know whether this treaty would require primary legislation in order to be ratified in the UK:

Lord Livingston of Parkhead: Yes. There would be a ratification. It is certainly our belief that there would be a proper ratification and there would be a debate on it in the two Houses.

Q24 Jacob Rees-Mogg: Do you think the ratification would require an Act of Parliament?

Edward Barker: I do not know.

Lord Livingston of Parkhead: I think it may depend if there is some enabling. Can I check with some experts?

⁷⁸ [HC Deb 11 December 2013 c242W](#)

⁷⁹ [PQ 206925](#) on EU External Trade: USA, 22 July 2014.

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Q25 Jacob Rees-Mogg: Okay, I understand that it would require an Order in Council under the European Communities Act. I was going to ask if there were any bits of it that might trigger any part of 2011 Act, which obviously require specific exercise of the competence to be ratified in different ways.

Lord Livingston of Parkhead: I think it depends what we get in the end. We are so early on in what it is that it will certainly come, so the question is if there is anything and any question about competence we and, I have to say, a large number of member states will push very clearly to insist on member state competence.

Q26 Chair: You have indicated that you thought there was some information you could make available to us. Perhaps you could give us an assessment of what we are discussing now in writing after this is over. I think that would be helpful.

Lord Livingston of Parkhead: Yes, I am very happy to, and the process that it goes through. We actually did for the House of Lords a single page on what you have to go through to get it through, on the assumption it is what we expect and it is substantial in terms of what is in it. We will happily give that briefing.

Q27 Chair: I would like to ask one simple wrap-up question on this. Is it going to be unanimity or qualified majority vote in the Council?

Lord Livingston of Parkhead: For the Council, it will have to be unanimous. That is my understanding, because each country has to approve it.

Edward Barker: That is our expectation, but we cannot be sure until we see the final agreement.

Lord Livingston of Parkhead: Assuming there is competence that is outside the EU, it would have to be. We are working on the basis of an ambitious agreement, and if there is an ambitious agreement, I believe it would require unanimity.

Q28 Chair: So any one of the 28 member states could veto?

Lord Livingston of Parkhead: Yes. They effectively could refuse to ratify. If they refused to put it forward for ratification, then it does not go through.⁸⁰

In July 2015, the Government said that it did not know for certain whether any implementing legislation will be necessary until the agreement is closer to completion.⁸¹

In November 2015, the Government reiterated that agreements will be laid before Parliament for scrutiny before they are ratified by the UK and that, procedures for Parliamentary approval will be confirmed after political agreement is reached on the text of TTIP and it has been established that it will be a mixed agreement.⁸²

⁸⁰ European Scrutiny Committee, [Oral evidence: Transatlantic Trade and Investment Partnership](#), 11 June 2014, HC 292, Qq25-28

⁸¹ [PQ HL1134](#) 14 July 2015

⁸² [PQ 15441 16 November 2015](#)

5.3 Ratification in the EU and US

EU

Once negotiations are completed, the deal is presented to the European Council and the European Parliament, both of which must agree the outcome. This paves the way for the signature and formal ratification of the deal. Under 'provisional application' procedures, however, if Member States agree to it (via the Council), parts of the agreement can enter force before it is ratified by national parliaments. Any changes to EU laws, rules or regulations resulting from the Agreement would have to be separately approved by the EU's Member States in the Council, and by the European Parliament.

US

In the US, the agreement must be approved by Congress. In June 2015, the US Congress passed legislation granting President Obama Trade Promotion Authority (TPA, also called 'fast track negotiating authority'). This allows the President to present trade agreements to Congress for a simple 'yes-no' vote and prevents Congress from amending an agreement. TPA is widely seen as highly important for the successful conclusion of trade deals, such as TPP and TTIP. The Congressional vote on TPA covers trade agreements reached before 1 July 2018 with the possibility of extension to 1 July 2021.

6. Appendix 1: Links to further information

- [TTIP: Vince Cable's detailed response to 'TTIP: no public benefits, but major costs'](#), 12 November 2014
- [UK Government collection of resources on TTIP](#)
- [European Commission TTIP website](#)
- European Commission, [The top 10 myths about TTIP](#), 2015
- European Commission: [Inside TTIP: Overview and chapter by chapter guide in plain English](#)
- [The Transatlantic Trade and Investment Partnership](#), by John Hilary, War on Want, February 2015
- [StopTTIP.net](#)
- [38 degrees](#)
- [TTIP: Why the EU-US trade deal matters BBC website, 13 May 2015](#)
- Martin Wolf, "The embattled future of global trade policy", *Financial Times*, 13 May 2015
- European Parliamentary Research Service, [EU-US negotiations on TTIP – A survey of current issues](#), June 2015
- European Parliament, Directorate-General for External Policies, [The Transatlantic Trade and Investment Partnership \(TTIP\): The sluggish state of negotiations](#), October 2015
- For Parliamentary Committee reports and debates, see section 5.1 above

7. Appendix 2: Timeline

14 June 2013: meeting of the EU Foreign Affairs Council, at which Member States approved the Commission's negotiating mandate, allowing it to formally commence talks with the US.⁸³

17 June 2013: negotiations 'launched' at the G8 summit at Lough Erne.

8-12-July 2013: first negotiating round, at which 24 working groups, each representing a policy or trade area that might be included in the agreement, were established.

11-15 November 2013: second TTIP negotiating round (postponed from early October due to US Government shutdown). Talks focussed on investment, services, regulatory issues, and energy and raw materials.

16-20 December 2013: third TTIP negotiating round. The submission of an impact assessment by the US International Trade Commission meant deliberations on tariff elimination could take place for the first time at this meeting. Other areas of discussion included regulatory co-operation and public procurement.

21 January 2014: European Commission announces freeze of negotiations over the investment chapter of the TTIP, pending the outcome of a three-month consultation, beginning in early March.

17-18 February 2014: stock-taking exercise with then EU Commissioner Karel De Gucht and US Trade representative Michael Froman. Mr De Gucht noted that the 'marked-out' areas of difference between the parties were 'still larger than the common ground'.⁸⁴

28 February 2014: informal meeting of Foreign Affairs Council (EU trade ministers) in the presence of trade commissioner Karel De Gucht

10-14 March 2014: fourth TTIP negotiating round

26 March 2014: President Obama visits Brussels for an EU-US summit

19-23 May 2014: fifth TTIP negotiating round, Arlington Virginia

14-18 July 2014: sixth TTIP negotiating round in Brussels. The European Commission published a [document](#) in July 2014 outlining the state of play of the TTIP negotiations after the sixth round of negotiations.

29 September - 3 October 2014: seventh negotiating round, Maryland, US. The Commission published a [report](#) on this round of negotiations.

13 January 2015: publication of [European Commission's analysis of responses to its consultation on ISDS](#)

2 – 6 February 2015: eighth formal negotiating round in Brussels⁸⁵

⁸³ The approval by the Council followed a vote on 25 April 2013 of the International Trade Committee of the European Parliament, which voted to begin formal talks on the TTIP by 23 votes to 5. The formal resolution was debated and put to vote of the European Parliament on 23 May.

⁸⁴ Speech by Karel De Gucht [Towards the TTIP: stepping up a gear](#), 18 February 2014

⁸⁵ European Commission, [Commissioner Malmstrom visits Washington DC](#), 8 December 2014

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20 – 24 April 2015: ninth round of negotiations, New York. The Commission published a [report](#) on this round of negotiations.

13 – 17 July 2015: tenth negotiating round, Brussels. The European Commission's report is [here](#).

19-23 October, Florida, US: eleventh negotiating round. The Commission's report is [here](#).

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