

December 16th, 2013

Ambassador Michael Froman
ADDRESS

Commissioner Karel De Gucht
ADDRESS

Dear Ambassador Froman and Commissioner De Gucht:

The undersigned organizations are writing to express our opposition to the inclusion of investor-state dispute settlement (ISDS) in the Trans-Atlantic Trade and Investment Partnership (TTIP).

ISDS grants foreign corporations the right to go before private trade tribunals and directly challenge government policies and actions that corporations allege reduce the value of their investments. Even if a new policy applies equally to domestic and foreign investors, ISDS allows foreign corporations to demand compensation for the absence of a 'predictable regulatory environment.'

In recent years, the use of ISDS to challenge a diverse array of government policies has expanded dramatically. Inclusion of ISDS in free trade agreements and bilateral investment treaties has allowed corporations to file over 500 cases against 95 governments. Many of these cases directly attack public interest and environmental policies. For the following reasons, we strongly urge you to exclude ISDS from TTIP:

ISDS forces governments to use taxpayer funds to compensate corporations for public health, environmental, labor and other public interest policies and government actions: ISDS has been used to attack clean energy, mining, land use, health, labor, and other public interest policies. In fact, of the more than \$14 billion in the 16 claims now pending under just U.S. free trade agreements, all relate to environmental, energy, financial regulation, public health, land use and transportation policies – not traditional trade issues.

Increasingly, corporations are using ISDS to challenge non-discriminatory government measures. For example, EU investors have attacked Egypt's minimum-wage increase, and a U.S. corporation has attacked the Peruvian government's decision to regulate toxic waste and close a dangerously polluting smelter under deals with ISDS. In one of the most notorious cases, U.S. tobacco giant Philip Morris launched investor-state cases challenging anti-smoking laws in Uruguay and Australia after failing to undermine the health laws in domestic courts. Particularly because of the significant number of cross-registered companies in the United States and the EU, the number of ISDS attacks on public interest policies would likely increase dramatically if TTIP includes ISDS. Governments must have the flexibility to put in place public interest policies without fear of trade litigation launched by corporations.

ISDS undermines democratic decision-making: ISDS grants foreign corporations the right to directly challenge government policies and actions in private tribunals, bypassing

domestic courts and creating a new legal system that is exclusively available to foreign investors and multinational corporations. ISDS also offers corporations a venue through which to challenge domestic court decisions, further undermining domestic decision-making. In short, ISDS is a one-way street by which corporations can challenge government policies, but neither governments nor individuals are granted any comparable rights to hold corporations accountable.

European and U.S. legal systems are capable of handling investment disputes:

The United States and the EU have very strong domestic court systems and property rights protections. Inclusion of ISDS in TTIP would only provide corporations a new means to attack domestic policies deemed permissible by domestic courts. A state-to-state dispute settlement system is more than sufficient to handle investment disputes in TTIP.

These and other concerns underscore why our organizations are opposed to including investor-state in TTIP. We call on you to exclude investor-state dispute settlement from the agreement.

U.S. and EU or Global:

HYPERLINK

"https://www.google.com/url?q=http://350.org&sa=D&usg=ALhdy2_PbDkNZeARNczxK5S-gdnoUjXUBg" t "_blank" 350.org

Greenpeace

IBFAN

International Trade Union Confederation

Transnational Institute

United States

African Services Committee, U.S. and Ethiopia

American Federation of State, County and Municipal Employees (AFSME)

Americans for Democratic Action

Center for Digital Democracy

Center for Effective Government

Center for Food Safety

Center for International Environmental Law (CIEL)

Citizens Trade Campaign

Coalition for Sensible Safeguards

Communications Workers of America

Consumer Action

Consumer Federation of America

Earthjustice

Environmental Investigation Agency

Farmworker Association of Florida

Food & Water Watch

Friends of the Earth U.S.

Health GAP (Global Access Project)

Indiana Toxics Action Project

Institute for Policy Studies, Global Economy Project
International Brotherhood of Teamsters
International Fund for Animal Welfare
Institute for Agriculture and Trade Policy
Knowledge Ecology International
National Association of Consumer Advocates
National Legislative Association on Prescription Drug Prices
Pesticide Action Network North America
Portland Area Global AIDS Coalition-Global South
Public Citizen
Sierra Club
Sisters of Notre Dame de Namur Justice and Peace Network
Sustainable Energy & Economy Network
Women's Voices for the Earth

Europe:

11.11.11, Belgium
Act Up, France
Africa Europe Faith and Justice Network (AEFJN) Belgium
AITEC, France
Alliance for Cancer Prevention, UK
Arbeitskreis Heckenschutz, Germany
Arbeiterkammer Wien (Chamber of Labour Vienna), Austria
ATTAC Austria
ATTAC France
ATTAC Germany
ATTAC Stuttgart, Germany
ATTAC Darmstadt, Germany
Attac Wuppertal (Agrargruppe), Germany
Afrika Kontakt, Denmark
Aquattac, Europe
Baby Milk Action, UK
Berliner Wassertisch (Berlin Watertable), Germany
BUND e.V. - Friends of the Earth Germany
Initiative für Netzfreiheit, Austria
Center for Encounter and Active Non-violence, Austria
CEE Bankwatch Network, Europe
Chaos Computer Club e.V., Germany
ClientEarth, UK, Belgium, Poland
Climate Action Network Europe
CNCD-11.11.11, Belgium
Corporate Europe Observatory
Décroissance Bern, Switzerland
Deutscher Naturschutzring (DNR), Germany
DIVaN e.V., Germany
Earth Watch Media, Netherlands
Ecologistas en Acción, Spain
European Attac Network, Europe

European Environmental Bureau (EEB)
European Public Health Alliance
Fairwatch, Italy
Forschungs- und Dokumentationszentrum Chile-Lateinamerika e.V., Germany
Friends of the Earth Europe
Gemeingut in BürgerInnenhand (GiB), Germany
Health Care Without Harm, Europe
Health and Environment Alliance (HEAL), Belgium
Health Poverty Action, UK
Ibfan Italia, Italy
initiativ Liewensufank, Luxemburg
Institut za trajnostni razvoj(Institute for Sustainable Development), Slovenia
John Mordaunt Trust, UK
Keep Our NHS Public, United Kingdom
KEPKA (Consumers Protection Center), Greece
Lambeth Keep Our NHS Public, UK
Les Verts du Golfe, France
National Union of Teachers, UK
Naturefriends International (NFI)
Occupy London Economics Working Group, UK
Occupy London - Real Democracy Working Group, UK
One World Week-UK
Patients4nhs, UK
PELLETIER, Rhone-Alpes
Pesticide Action Network Europe
PEGAH - Verein für regionale und globale Kunst und Kultur / Iranischer Kunst- und Kulturverein, Germany
PowerShift e.V., Germany
Quercus – ANCN, Portugal
Reseau Environment Sante, France
R.I.S.K. Consultancy, Belgium
SOMO, Netherlands
Slovene Consumers Association, Slovenia
StopTTIP, UK
Student Stop AIDS Campaign, UK
Therapeutikum Wuppertal e. V., Germany
The Berne Declaration, Switzerland
The Cancer Prevention & Education Society, England
The Energy, Equity and Environment Group of Occupy London
Tower Hamlets Keep Our NHS Public, UK
Trade Justice Movement,UK
Traidcraft Exchange, UK
Transition Town Brixton, UK
Transport & Environment
UNISON, UK
Umweltdachverband, Austria
UK National Hazards Campaign, UK
Vrijschrift, Netherlands

War on Want, UK
Wasser in Bürgerhand (WIB), Germany
Women and Development (KULU), Denmark
Women in Europe for a Common Future
World Economy, Ecology & Development (WEED), Germany
WWF European Policy Office

Africa

Girls-Awake Foundation (GAF), Uganda
Treatment Action Campaign, South Africa
Center for Health Human Rights and Development, Uganda
AIDSCARE WATCH ORG, Kenya

Asia

IBFAN-ICDC, Malaysia

Latin America

Democracy Center, Bolivia
LATINDADD