DANGEROUS LIAISONS:
THE NEW TRADE TRIO

How the US and the EU are using TTIP, TPP and TiSA to outmanoeuvre other WTO members
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CONTENTS

3 Summary
4 Introduction
5 Geopolitical Scale of the Trade Trio
6 ‘New generation agreements’, new threats
8 Piecing together the jigsaw puzzle
10 Comparative table
14 Conclusions
15 Recommendations
16 References
Collectively, the Transatlantic Trade and Investment Partnership (TTIP), the Trans-Pacific Partnership (TPP) and the Trade in Services Agreement (TiSA) form a corporate blueprint for the global economy.

As well as opening up new export markets for transnational companies (based in the US and the EU in particular) they aim to deliver and lock-in rules that privatise public services and dismantle or prevent social and environmental regulations that might hinder trade. This neoliberal economic approach is a direct threat to democratic decision-making, both with respect to nationally and regionally determined decisions that have already been made, and in terms of the scope of decisions that can be taken by people and their representatives in the future.

By briefly comparing TTIP, TPP and TiSA this study shows how these proposed pacts are not just individual ‘mega-regional trade agreements’, but part of a broader global strategy driven primarily by the US and the EU, with potentially devastating consequences for people and the environment in many parts of the world.

However, the ‘free trade’ ideology is stalling in the World Trade Organization, where impacted countries are beginning to stand up for their rights. Hence the creation of these ‘new generation’ agreements which are effectively ‘invitation only’. This means that objections from non-member countries, which would have been voiced in the WTO, can be sidestepped. However, these new agreements, if agreed and implemented, could still chart a way forward that those other countries might ultimately be obliged to accept, like it or not.

The current trade and investment system—including TTIP, TPP and TiSA—needs to be challenged and fundamentally transformed in order to achieve a more just and sustainable world.

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**SUMMARY**

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As well as opening up new export markets for transnational companies (based in the US and the EU in particular) they aim to deliver and lock-in rules that privatise public services and dismantle or prevent social and environmental regulations that might hinder trade. This neoliberal economic approach is a direct threat to democratic decision-making, both with respect to nationally and regionally determined decisions that have already been made, and in terms of the scope of decisions that can be taken by people and their representatives in the future.

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The current trade and investment system—including TTIP, TPP and TiSA—needs to be challenged and fundamentally transformed in order to achieve a more just and sustainable world.
INTRODUCTION

Over the last few decades there has been a proliferation of international trade and investment agreements, based on the idea that countries should boost their economies by focusing on exports. This drive for ‘free trade’ got up to speed in 1995, when the World Trade Organization (WTO) was established to oversee global trade negotiations. There have also been many bilateral trade and investment agreements between specific countries and regions over the years.

However, these negotiations and deals have been extremely controversial. They are driven by the wealthiest countries, who have better negotiating expertise, and an avid interest in accessing new export markets and sources of raw materials. Negotiations also work in the interests of the largest companies, who are more likely to benefit from international trade opportunities that drive down wages and costs for raw materials. The neoliberal trade agenda has thus been fundamental to the emergence of companies with worldwide reach based on global production chains.

This unfolding dynamic has been at the expense of many, especially in developing countries where governments are increasingly finding themselves unable to pursue their own economic development strategies, or protect local food producers from cheap imports flooding into their countries.

As a direct result of growing resentment about this state of affairs, global trade negotiations in the World Trade Organization have moved at a pace that can at best be described as glacial, especially over the last decade. Those with the most to gain from trade and investment liberalisation have therefore sought new spaces to drive forward their trade agendas.

Their current focus is on a new generation of ‘mega-regional’ trade agreements, covering significant regions of the world. These agreements provide economic superpowers—especially the US and the EU—with a new way of jostling for economic power and access to raw materials for their manufacturing industries. The ‘invitation only’ nature of these negotiations also means that countries that might slow or prevent progress can be excluded.

For example, TTIP, TiSA and TPP are perceived to counteract the growing influence that China has in world markets. This is seen by many as a driving force behind these negotiations. China is notably absent from the TiSA negotiations (even though it requested participation) and from the TPP member group.

Over the years there has also been a clear and gradual expansion from supposedly commercial negotiations relating mainly to ‘tariffs’ on goods, to deals that encompass all regulatory disciplines that might be considered as barriers to trade by business. This accelerating attack on domestically agreed social and environmental standards is particularly evident in the negotiations underway in these new generation agreements.
THE GEOPOLITICAL SCALE OF THE TRADE TRIO

**TTIP**
- Global GDP: 46%
- Global Trade: 33%
- Population (100 million people)

**TPP**
- Global GDP: 36%
- Global Trade: 25%
- Population (100 million people)

**TiSA**
- Global GDP: 66%
- Global Services Trade: 71%
- Population (100 million people)
There are currently three new and particularly far-reaching inter-regional trade agreements that are being driven forward by the US, EU and big business. These are the Transatlantic Trade and Investment Partnership (TTIP), the Trans-Pacific Partnership (TPP) and the Trade in Services Agreement (TiSA). Together these ‘new generation agreements’ aim to write the rules for the global economy for the 21st century. The three agreements are at different stages of negotiation or ratification, but collectively they are likely to affect the lives of over 1.5 billion people across the globe.

Key features of new generation agreements

According to the United Nations Economic Commission for Latin America and the Caribbean new generation agreements include three main features. First of all, the number and size of the economies involved in these agreements are significant in terms of population and the trade and investment flows they cover. Secondly, they aim at creating far-reaching integrated economic spaces. Thirdly, while the contents are not new, their depth and scope make them substantially more complex and intrusive on national sovereignty.

TTIP

The EU and the US have been negotiating the Transatlantic Trade and Investment Partnership or TTIP since 2013. If agreed the deal will be the biggest bilateral free trade agreement in history. Officially, the aim of the talks is to reach an agreement to make trade easier and boost jobs. But whether the deal will have any positive economic impacts is highly questionable. The potential for significant environment and social impacts is also being overlooked.

The talks cover a huge range of issues and sectors, many related to the environment and health. For example, rules about toxic chemicals, highly polluting fuels, food safety including genetically modified products, and data protection are all up for discussion.

TTIP has been particularly controversial in Europe, and there are signs that some European politicians may be moving to distance themselves from it, especially as elections approach. However, it has also been suggested that this may be a tactical move designed to shore up support for other trade and investment agreements that are less well known, such as the Comprehensive Economic and Trade Agreement (EU-Canada).

TPP

The Trans-Pacific Partnership is set to be another vast regional trade agreement involving Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, United States, and Vietnam.

The TPP includes protections for foreign investment, the reduction of labour and environmental standards, restrictions on public procurement policies, and strengthening international intellectual property laws.

The first step towards the TPP was taken in 2005, with the signing of the Trans-Pacific Strategic Economic Partnership Agreement (known as P4) between Brunei Darussalam, Chile, New Zealand and Singapore. However, in 2008 when the US became involved in the negotiations, the overall objective shifted. In 2010 an ambitious negotiation agenda was established, with the clear goal of extending obligations already in place under the WTO and various free trade agreements already in force.

US President Barack Obama has explicitly stated that the US aims to use the TPP to write the rules of global trade, extending and deepening the conditions already imposed in various free trade agreements that the US has with its trading partners: “With this Trans-Pacific Partnership, we are writing the rules for the global economy. America is leading in the 21st Century.”

On 4 February 2016, negotiators signed the TPP agreement in New Zealand, triggering a two-year ratification period. This means that TPP is more advanced than the other negotiations considered in this briefing. It is now at the stage of being considered and potentially ratified by various parliaments, which is the last step before implementation.
The Trade in Services Agreement (TiSA) seeks the extreme liberalisation of services and reduction of regulations and national legislation concerning them. It has been described as “TTIP on steroids”. It involves 23 countries including the US and the EU (which is counted as just one country). Negotiations have mostly been highly secretive although detailed information has now been leaked via WikiLeaks.

Services account for over 60% of GDP in most developed countries. They “are not directly associated with the manufacturing of goods, agriculture or mining” and “typically involve the provision of human value added in the form of labour, advice, managerial skill, entertainment, training, intermediation and the like”. Yet the dividing line between ‘manufacturing’ and ‘services’ is getting increasingly blurred in a production system consisting of geographically decentralised global value chains.

The idea for an agreement on trade in services outside the WTO was originally proposed by a group of WTO member countries calling themselves the ‘Really Good Friends of Services’. It was deliberately designed to create a services agreement that sidesteps opposition from other WTO members, but gains so much momentum that other countries ultimately have to join it.

To this end it has been very carefully crafted. It includes language based on that of the WTO’s General Agreement on Trade in Services (GATS), to make it easier to re-integrate it into the WTO at a later date. But it eliminates most of the flexibilities available for poorer countries in the WTO’s current GATS agreement.

Key service sectors that TiSA is secretly negotiating include electronic commerce, financial services, telecommunications, energy services and environmental services, and services related to health. However, even though TiSA focuses more on trade in services than the other two agreements considered here, it still has a broad-brush cross-sectoral approach, including with respect to government procurement, deregulation and corporate access to decision-making processes (referred to as ‘transparency’).

Overall, TiSA’s focus on services could have serious consequences in new areas like labour rights, banking regulation and the privatisation of utilities such as electricity and water. Stringent clauses relating to deregulation and the operation of State Owned Enterprises are also being discussed.

As with TPP, it seems that TiSA is also designed to counteract the influence of China and the ‘BRICS’ countries. In fact TiSA excludes all five of them—Brazil, Russia, India, China and South Africa—as well as the ASEAN countries, and China’s interest in joining TiSA was rejected by the US. However, TiSA’s rapidly developing constraints on State Owned Enterprises could have a significant impact on China should it join at a later date. (It seems that this text was introduced just two days after the US ensured that similar text made its way into TPP.)

China is in the process of negotiating the Regional Comprehensive Economic Partnership (RCEP), which includes Association of Southeast Asian Nations (ASEAN) members and other key trading nations in the Asian region, such as Australia, South Korea, Japan and India. If realised, this agreement would become the largest in the world in terms of numbers of people involved, since over 50% of the world’s population live in the negotiating countries. As with other trade agreements, these negotiations include a focus on trade liberalisation and addressing different regulatory disciplines. It also aims to agree rules that would facilitate production in ‘Factory Asia’.

While this agreement would be vast in terms of the size of the economies that it involves, and in terms of its ambitions with respect to liberalisation and regulatory convergence, it is more flexible than other new generation agreements. However, like TPP it also includes an Investor-State arbitration mechanism (ISDS), which enables corporations to sue governments in private and often secret tribunals if they deem their profits are affected by new laws or changes in policy.
To assess the collective impact that these three ‘new generation agreements’ might have, it is illuminating to delve into some of the detail of what is being planned and negotiated. For example, what do they have in common, and are there any significant differences between them?

### Changing relative influence of governments and corporations

In general, all three new generation agreements are designed to create institutional and regulatory frameworks that optimise conditions for transnational companies. Whether focused on goods or services they are all-comprehensive in their approach and apply to multiple sectors, with all three aiming to reduce ‘tariffs’ (taxes) on goods and/or domestic regulations on goods and services crossing national borders. This includes so called ‘trade-friendly’ rules for cross-cutting areas as diverse as government procurement, competition, regulatory cooperation, investment, and intellectual property, which are common to all.

In particular, the agreements seek to shift the balance of decision-making away from governments and into the hands of corporations, by reducing governments’ ability to maintain or introduce strict new regulations. They also shrink governments’ ability to use their ‘public procurement’ funds to promote local economies or beneficial environmental or social outcomes. The TiSA agreement is also developing new proposals relating to State Owned Enterprises which would force them to operate in the same way as private sector companies, seemingly without regard for their social objectives.

### Deregulation

There is a particular focus on deregulation—challenging regulation and policies that are seen to interfere with international trade. For example, TPP and TiSA both introduce a form of ‘necessity test’. This means that governments introducing standards are obliged to prove, to the relevant trade department, that planned standards are necessary. TTIP goes a step further, institutionalising business lobbying by including a process that allows business itself (even from the trading partner) to vet proposed public interest regulations. This deregulation-behind-closed-doors approach threatens democratic standard-setting processes, and could have far-reaching impacts on all aspects of our daily lives, from rules to ensure we eat safe food through to the ability to regulate toxic chemicals and phase out dirty energies.

### Dispute resolution

Both TTIP and TPP propose an Investor-State arbitration mechanism, which would enable corporations to sue governments in private and often secret tribunals if they deem their profits are affected by new laws or changes in policy (as already happens in most bilateral investment treaties (BITs)).

In TTIP for example, this is known as the Investment Court System (ICS) – a slightly reformed but equally dangerous version of the hugely controversial Investor-State Dispute Settlement System or ISDS. The inclusion of special rights for foreign investors in the proposed TTIP was one of the reasons why more than 3 million Europeans called for the deal to be rejected. Some notable ISDS cases include the Canadian government being sued for CAN$250m after the province of Québec introduced a moratorium on fracking; and Argentina being ordered to pay US$405m to French company Suez for cancelling its contract and taking back water provision into public hands.

TiSA, TPP and TTIP all contain some version of state-state dispute resolution as well. These are similar to that of the World Trade Organization, where only governments may challenge each other in relation to the perceived violation of trade agreements.
Farming and Agriculture

TPP and TTIP in particular are predicted to lead to the further intensification and corporate concentration of agriculture. Under TTIP consumer and environmental protection would suffer. For example the US Department for Agriculture sees a number of food safety rules as trade barriers, including bans on chemical meat rinses and hormone treated beef.

Similarly the TPP increases the burden of scientific evidence required for food safety standards. This means big agribusiness companies could more easily challenge countries that ban imports of genetically modified organisms (GMOs), fail to approve new GMO crops promptly, or require GMO labelling.

TiSA and the liberalisation of service sectors generally undermines the right to food, by encouraging and enforcing the profit-driven commercialisation and privatisation of water supply and distribution, which may be classified as an ‘environmental service’.

Secrecy

Intense secrecy is another common feature, although it does vary slightly between the different sets of negotiations. In general however, negotiations tend to take place as far away from public scrutiny as negotiators think they can get away with, and this position is typically defended on the basis that negotiating positions will be weakened if revealed.

TiSA is the most extreme example of this. The TiSA negotiating texts were not only meant to be kept secret during negotiations, but also for five years after the deal is finalised. However, this ambition was thwarted via Wikileaks, which published leaked texts.

Corporate involvement

As with other trade and investment liberalisation agreements including the WTO, corporate lobby groups have been instrumental in driving the agreements and even proposing and shaping language.

In the case of TiSA, the global Coalition of Services Industries (CSI) has been clear that it sees the agreement as driving an ongoing process of privatisation and deregulation. Walmart is a good example: A member of CSI, it has been similarly outspoken about its desire to use TiSA to free itself of local government restrictions on zoning and store size. It also wants to use TiSA to end health-related restrictions on the sale of alcohol and tobacco. Meanwhile information released under freedom of information requests has revealed that the preparation and initial phases of the TTIP negotiations have largely been driven by the influence of major corporate lobby groups such as BusinessEurope or the Trans-Atlantic Business Council (TABC) and powerful industry players ranging from the agribusiness to chemicals industries.
### COMPARATIVE TABLE

**Field of application**

This is an all-encompassing goods and services agreement that involves a wide range of issues including investments, state regulation and public policies, public procurement, rules of origin, public services, intellectual property, energy and environment, agriculture, sanitary and phytosanitary measures. One sector explicitly excluded from the negotiations is audiovisual services. TTIP is still under negotiation and analysis is based on draft texts.

<table>
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<th>Field of application</th>
<th>Geo-political scale</th>
<th>State regulation/public policies</th>
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| Transatlantic Trade and Investment Partnership | Global GDP 46% | Public policies are covered by several aspects of the TTIP chapters under negotiation. At the horizontal level, the planned chapter on permanent regulatory cooperation illustrates the risks that a future agreement will have on the ability of decision-makers on both sides of the Atlantic to regulate as they see fit. Plans for regulatory cooperation at the sectoral level have also appeared in documents relating to chemical regulation and sanitary and phytosanitary measures. They show that the European Commission’s claims that standards will not be lowered by a future trade agreement are likely to be wrong. By means of so-called cooperation, the EU and the US seek to bring rules on both sides of the Atlantic in line with each other, effectively threatening to lower levels of protection to the lowest common denominator. This part of the talks involves dismantling existing ‘regulatory barriers’ and preventing new ones from emerging through lengthy procedures for regulation making, including vetting by business for possible impacts on trade. Leaked documents have on several occasions showed that ‘mutual recognition,’ ‘harmonisation’ or simplification of regulations will lead to the weakening, scrapping or delaying of social and environmental standards.
|                              | Global Trade 33%    | This means public interest regulations such as the introduction of bans on toxic chemicals could be made much harder and longer under the current proposal for regulatory cooperation – with industry lobby groups on both sides being given privileged access in the process. |
|                              | Population 820 million |                                                                                                  |
Trans-Pacific Partnership

This is a goods and services trade agreement that involves a widerange of issues including investments, state regulation and public policies, public procurement, intellectual property, electronic trade, internet governance, telecommunications, dispute resolution, state owned companies, competitiveness, development, environment, anti-corruption and ‘transparency’. TPP has been agreed and governments are in the process of deciding whether to ratify it.

Global GDP 36%
Global Trade 25%
Population 810 million

Public policies are impacted by several aspects of the completed TPP agreement, especially as it is not simply about trade in goods and services, but includes ‘behind the border’ regulatory regimes.

There is a specific Chapter on ‘Regulatory Coherence’, which addresses state regulation directly, and will increase corporate sector access to policy-setting, and administrative burdens on governments. It establishes criteria that measures must be objective, efficient, impartial and transparent; these are conditions that the states must comply with when passing laws. While these terms sound reasonable enough, they place the burden of proof on the states in question and the right to object rests with trade interests, with resulting legal implications. This may result in corporations challenging and hampering almost any state policy to protect the public good.

TPP’s Chapter on Sanitary and Phytosanitary (SPS) measures undermines the precautionary principle, by increasing the burden of scientific evidence required for food safety standards. This means big agribusiness companies can potentially challenge countries that ban GMO imports, do not promptly approve new GMO crops or even require GMO labelling.

Trade in Services Agreement

This is a services trade agreement that involves a wide range of issues including state regulation and public policies, public procurement, dispute resolution, public services and state owned companies, internet governance, and movement of peoples. TiSA is still under negotiation and analysis is based on draft texts.

Global GDP 66%
Global Services Trade 71%
Population 1.569 billion

Public policies are covered by several aspects of the TiSA chapters under negotiation and could have profound effects on the decision-making space for public policies.

TiSA provisions on ‘Domestic Regulation’ may enable challenges to government regulation deemed ‘unnecessarily’ burdensome (Article 4) on a board range of issues ‘related’ to service delivery. International trade panels would have the power to impose a necessity test and judge whether national governments should have used other means less onerous to business.

This may have far reaching implications for education, health and environmental services policy. For example it could undermine laws to make university education affordable or mandate power companies to provide a certain amount of renewable energy. TiSA could be a public policy straitjacket, constraining the right to regulate.

A similar ‘necessity test’ was removed from draft WTO services negotiations because of opposition from a number of countries.
The TTIP deal under negotiation has an Investment Chapter that would give more rights to foreign companies through a proposal to include a mechanism for resolution of disputes between foreign investors and states outside of existing national court systems. The latest proposal put on the table by the EU – the proposal for an Investment Court System (ICS) – is a mere rebranding exercise of the investor-state dispute settlement mechanism (or ISDS) – already present in thousands of bilateral investment treaties and also decried in other agreements such as TPP.

The establishment of the ICS would not prevent egregious corporate claims against governments for public interest regulations – such as precautionary moratoriums on fracking, ambitious anti-tobacco regulations or the phase-out of nuclear energy – from being filed.

Environmental aspects are covered by several parts of the negotiations on TTIP, and they could be at risk in numerous ways (including through the energy chapter, the proposals for regulatory cooperation, the plan to grant special rights to foreign investors, and proposals relating to chemical regulation.)

This is particularly critical for the EU, where environmental regulations are based on the precautionary principle. This approach is being attacked by the business lobby (as is the US risk-based approach). In general planned TTIP provisions would reduce the ability of decision-makers to regulate as they see fit – which includes taking precautionary measures to protect the environment and the health of surrounding communities.

In addition, it is clear from the negotiating texts released that the EU is seeking to use TTIP to lift current restrictions on the export of US natural gas (mostly derived from carbon intensive fracked shale gas). Increased transport of fossil fuels will also contribute to more carbon emissions. Meanwhile, the proposed chapter on sustainable development is full of vague and non-binding language.

Public procurement is one of the hot topics of the TTIP negotiations. Both the EU and the US are criticising each other’s current level of openness and are aiming to make the most of increased market access for their companies at local, national and regional levels.

The EU has made TTIP one of its key offensive interests, in particular aiming at circumventing the ‘buy American’ laws and ‘buy local’ provisions that currently fully or partially bar access to US national contracts for European companies.

Overall essential aspects of citizens’ daily lives are at stake on both sides of the Atlantic. For example, in the US the ‘farm to school’ programmes give preference to locally grown foods for the food supplies of school canteens. This is beneficial for local agriculture, local farmers and the health of students, but it could be threatened if access to public procurement is opened to multinational companies.
TPP has an extensive definition of investment that also includes intangible, future or even potential or virtual investments. It also repeats many of the parameters of BITs and FTAs promoted by the US.

It includes an Investor-State Dispute Settlement mechanism (ISDS), which enables corporations to sue governments in private and often secret tribunals if they deem their profits, under this broad definition of investment, are affected by new laws or changes in policy. Some notable ISDS cases include the Canadian government being sued for CAN$250m after the province of Québec introduced a moratorium on fracking; and Argentina being ordered to pay US$405m to French company Suez for cancelling its contract and taking back water provision into public hands.

Sustainability and the environment are impacted by several parts of the TPP agreement. There is a specific Environment Chapter, which has a strong declarative tone on the commitments of the parties to the fulfilment of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). There are also multiple references and language addressing illegal logging, marine conservation, voluntary protection mechanisms and corporate social responsibility.

Yet overall the environmental protection wording is weak and largely unenforceable, leaving open concerns that TPP would lead to a downgrading of standards identified as ‘barriers to trade’. Even very simple consumer sustainability measures like efficiency rating and food labelling on imported goods could be challenged. This also threatens regulators’ ability to protect human health and the environment by regulating the roughly 85,000 chemicals used in commerce.

There is a strong emphasis on avoiding environmental regulations that could be used to hinder trade, and overall the TPP is expected to drive a race to the bottom in environmental protection.

TPP would lead to extensive liberalisation of public procurement of goods and services in countries party to the agreement. Sectors are included on the basis of a positive list approach (countries determine what entities or what goods or services are to be included). It establishes price thresholds that determine the procurement covered, regulates public procurement bidding, and makes it impossible to discriminate in favour of national or regional suppliers.

This means government procurement policies that are intended to foster sustainable local food systems or local production of clean energy are at risk. The award of public contracts would have to be based on market indicators rather than social or environmental ones. For example, this could restrict requirements for products to be made with recycled or local organic materials.

TPP establishes certain special transition conditions for developing countries: reference prices, compensation measures, and the gradual incorporation of entities. TPP does not at this point cover public procurement by sub-national governments. A process will be put in place to extend TPP procurement rules to the sub-national level in the future.

Investments are covered by the obligations of the treaty since they are considered as services provided through ‘Mode 3’ (commercial presence in the territory where the service is provided). Yet TiSA does not contain an Investment specific chapter at this stage that is known about publicly.

TiSA includes a specific chapter on Environmental Services that relates to sewage water treatment services, sanitation and “other environmental protection services”. In addition to that there are a number of services with effects on the environment, including energy services, real-estate, transportation, fishing support services and hunting. Discriminating in favour of local suppliers, even for environmental reasons, is forbidden. In addition, TiSA aims to establish the principle of ‘technological neutrality’, which would deny and limit governments’ ability to prioritise clean energy such as wind and solar energy over fossil fuels such as coal or oil. This could undermine global efforts to stop dangerous climate change.

TiSA draft texts outline a possible extreme liberalisation of government procurement that includes a wide range of public entities and services, according to analysis by Third World Network. It does not allow the establishment of price thresholds, and also includes the purchase of goods, when they are the smaller part of the contract. Obligations are established through a negative list approach, i.e. the principle is of full liberalisation and only those entities explicitly listed are exempted from the obligations under the agreement. TiSA seeks to make it impossible to discriminate in favour of national or regional suppliers and it regulates bidding proceedings.
This comparative analysis shows that TTIP, TPP and TiSA are separate but complementary tools with a common objective—they are designed to promote an economic ideology that reduces the role of the state as a regulator, and strengthens the power and influence of already large transnational corporations.

Our analysis demonstrates that the three agreements have a great deal in common. For example, they would act to constrain the right to regulate, restrict government procurement and undermine environmental standards, while protecting investments at all costs and increasing market liberalisation across sectors.

These mega-agreements are being driven by the US and the EU in particular, as a means of side-stepping objections from members of the WTO and advancing the interests of EU and US-based transnational corporation. They are effectively ‘invitation only’ spaces where trade agreements might be created, that other countries, who have not been involved in their negotiation, may eventually have to adhere to. TiSA is a clear example of this, with much of its text being based on WTO text with a view to the eventual ‘multilateralisation’ of TiSA.57

The agreements are also a means of securing export markets and raw materials in the light of increasing competition from the BRICS countries, especially China. These countries are all notably absent from all three sets of negotiations.

These so-called ‘free trade’ agreements also pose a threat to developing countries because they kick away the means that governments usually use to foster infant domestic industries and shield them from unfair competition by large foreign companies. Developing countries risk being left as suppliers of raw materials and cheap labour, with little ‘value added’ services and industrial activity of their own.

They all demonstrate an intense focus on deregulation, which threatens to undermine the standards that have been or might be put in place in the future to protect citizens’ rights and the environment in many countries across the world.

All three agreements face increasing public opposition and political challenge. There is a very real chance they could be stopped, especially given the fact that there are now signs that some US and European politicians are distancing themselves from the TPP and TTIP agreements in particular.58
Friends of the Earth International calls on the governments who are party to the TPP, TTIP and/or TiSA agreements to halt the negotiations and/or ratification processes.

In October 2015 two countries—Uruguay and Paraguay—formally withdrew from the TiSA negotiations, because of massive public opposition. We encourage other countries to follow this example and reject these harmful new generation agreements.

Friends of the Earth International calls on governments to work together to build a new trade and investment regime that helps us to develop sustainable societies, by supporting local economies and sustainable jobs, renewable energy, public services and food sovereignty. Some key components of alternative trade regimes are that they:

- support direct fair trade networks between producers and consumers that prioritise local and regional systems;
- enforce strong binding social and environmental regulations, including binding rules for business with respect for human rights;
- enable governments to control exports, imports and investment flows to create sustainable societies;
- allow countries, regions and communities to regulate the production, distribution and consumption of goods and services;
- support equitable South-South trade partnerships which contribute to people-centred regional integration; and
- affirm the hierarchical superiority of human rights international law over corporate commercial rights and trade and investment treaties.