



EU-US trade deal:

A bumper crop for 'big food'?

How fair and sustainable food and farming could be permanently damaged by a transatlantic trade deal

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Summary

The drive for 'regulatory coherence' in the transatlantic trade talks risks pushing food and farming standards down in the US and EU. Big food and biotech companies are pushing to eliminate EU restrictions on genetically modified (GM) foods and food additives, challenge food labelling laws which they think are barriers to trade, and undermine the EU's use of the 'precautionary principle' in setting food safety standards. The trade talks could also threaten local food schemes in the US and EU that seek to direct public spending towards healthier, sustainably produced school meals. Friends of the Earth Europe and the Institute for Agriculture and Trade Policy (IATP) reject any attempt to deregulate polluting industries, harmonise safety or product standards downwards, or limit future legislation at the national, state or local level to rebuild food and farming systems.

Introduction

Negotiations between the European Union (EU) and the United States (US) on a transatlantic trade deal – the Transatlantic Trade and Investment Partnership (TTIP, also known as the Trans Atlantic Free Trade Agreement, or TAFTA) – began in July 2013.¹ These trade talks could have significant negative impacts on food and farming on both sides of the Atlantic.

The EU and the US both have highly intensified farming and food sectors. While this may appear efficient, it actually ignores crucial social, cultural and environmental costs. Industrial agriculture, driven by powerful corporate actors, threatens the natural resources on which our life depends and undermines farmer and rural livelihoods all over the world. Any rules and agreements that keep this broken food system in place threaten progress on key issues such as loss of soil fertility, diminishing biodiversity, fresh water scarcity, contamination of food and water with fertilizers, manure, and adaptation to climate change.

The TTIP process threatens to create such rules. Decision-makers on both sides of the Atlantic have emphasised that 'regulatory convergence' should be the main focus of the TTIP negotiations. The US Trade Representative, Michael Froman, has suggested that to converge, the EU regulatory process

¹ For a timeline of TTIP negotiations see the website of Dutch MEP Marietje Schaake: <u>http://www.marietjeschaake.eu/2013/09/new-ttip-faq-the-negotiation-phase-events-updates-key-positions-and-docs/</u>

should become like the US industry-dominated regulatory process.² All the signs are that this will mean convergence around the lowest existing standards in both the EU and the US, treating democratically determined rules on food safety, local food systems and environmental protection as mere 'barriers to trade' to be removed or sidestepped. This could undo decades of progress with respect to specific food and environmental standards currently in place.

As in other sectors, big business in the food and farming sector is pushing for the TTIP to be used to weaken regulations and standards. This could well mean dismantling, sidestepping or freezing the EU's regulatory approach to food safety, genetic engineering, consumer labelling and toxic chemicals, purely in order to increase trade between EU and US food exporters.

As with other trade negotiations, the way in which the TTIP is being negotiated is also highly opaque. All negotiations happen behind closed doors. The public and civil society groups do not have access to negotiation texts ahead of the negotiations.

Intensive agriculture in the US and EU

The highly complex amalgamation of subsidies, tariffs and regulations underpinning existing farming systems in the EU and US does not deliver equitable access to healthy and sustainable food for all. Instead it puts pressure on farmers to grow as much as possible, as cheaply as possible, and to sell to agribusiness companies which seek ever-expanding export markets for meat, other foods and animal feeds. From this perspective food is just one more commodity, rather than the central element of healthier, more sustainable and equitable food systems.³

Instead of bowing to corporate pressure to expand cheap foods, governments should be exploring ways to strengthen local food production and marketing, making positive connections between consumers and farmers and supporting more sustainable agriculture.

However, in both Europe and the US small-scale farms and family farms are being driven out of business. In effect, the current economic approach and on-going trade talks, such as the TTIP, treat farmers simply as raw material producers. They effectively ignore the fact that farms produce food for people, are fundamental to local rural economies, and interact with ecosystems, playing a major role in protecting biodiversity and soil fertility.⁴ How we farm the land will also be a decisive factor in how successful we are in tackling climate change.

The trade deal's target: food & farming regulations

Tariffs on agricultural goods being traded between the US and the EU are already extremely low. Rather than focus on further small reductions, the aim of the TTIP is to focus on lowering or removing the rules and standards⁵ that govern what kind of food is being produced and how — even if those rules have been put in place democratically. In other words the focus is on deregulation, and negotiations are focused on what is termed 'regulatory coherence'. One way of achieving this is to establish a system in which substances or products that are deemed safe in one country or region are automatically accepted in the other. This means that imports are permitted even when they do not meet the specific standards in the importing country.

² "Froman calls on EU regulators to be more like their U.S. counterparts", *Inside U.S. Trade*, September 30, 2013.

³ For more information see: <u>http://www.foeeurope.org/agriculture</u>

⁴ A safe operating space for humanity, Rockström et al, 2009, Nature 461, 472-475,

http://www.nature.com/nature/journal/v461/n7263/full/461472a.html#a1

⁵ Study on EU-US High Level Working Group, Final Report, ECORYS, for the Dutch Ministry of Economic Affairs, Agriculture and Innovation, 22 October 2012, <u>http://www.ecorys.nl/contents/uploads/factsheets/350_1.pdf</u> (p51)

It is already clear that a wide range of companies in the agribusiness sector are looking to the TTIP to try and undo or workaround many of the EU's higher food and farming regulations in one fell swoop — even though these regulations have been painstakingly put in place through wellestablished democratic procedures in the EU.

EU food exporters are also targeting US standards and laws in other parts of the agreement.⁶ These include, for example, the US Marine Mammal Protection Act which establishes fisheries import restrictions; the issue of how effectively the EU can enforce its Geographical Indications (which protects products manufactured in and named after a specific location); and the Bioterrorism Act for its burdensome regulations relating to food imports.⁷

Trying to bypass the EU's GMO rules

The EU and the US are very different with respect to both the laws applying to genetically modified crops and products, and the markets that exist in each region. EU GMO safety standards are much stricter than in the US, and the US aims to use the TTIP to circumvent EU restrictions. The US biotech industry has already explicitly stated that this is its principal objective.⁸

As a result of public opposition⁹, there is very little cultivation of GM crops in the EU and virtually no GM food sold by supermarkets.¹⁰ In 2012 and 2013, first BASF¹¹ and then Monsanto¹² announced that they would withdraw their pending applications to grow GM crops in the EU. At the moment only one GM maize (MON810 from Monsanto¹³) and one GM potato (Amflora from BASF) can be legally grown in the EU. The only other use of GM material in Europe is GM maize and soybeans that have been imported as animal feed ingredients.

For ten years the EU has also had a law stipulating that all food containing GM ingredients must be labelled.¹⁴ Furthermore, if even minor traces¹⁵ of GM material are found in non-GM food or seeds, the product must be withdrawn immediately, and it will also be rejected at customs. For animal feeds the EU accepts, with certain requirements, a contamination level up to 0.1%.

In the US on the other hand, GM corn and soy are widely grown and used both as animal feed and in many processed foods. Recently approved GM crops include sweet corn, sugar beets and alfalfa. While there is no mandatory labelling there is a broad movement trying to introduce GM labelling rules at the state level, and this movement has succeeded in several states thus far.¹⁷ In general, the US Food and Drug Administration regards GM and non-GM foods as being equivalent, and GM crops are "generally recognised as safe" (unless the presence of a transgene results in the expression of foreign proteins).

¹¹ BASF to end GM crop production in the EU, European Voice, 16 January 2012,

http://www.telegraph.co.uk/earth/environment/10186932/Major-GM-food-company-Monsanto-pulls-out-of-Europe.html

⁶ Non-Tariff Measures in EU-US Trade and Investment – An Economic Analysis, Final Report, ECORYS, for European Commission, Directorate-General for Trade, http://trade.ec.europa.eu/doclib/docs/2009/december/tradoc 145613.pdf (p79 onwards)

⁷ Non-Tariff Measures in EU-US Trade and Investment – An Economic Analysis, Final Report, ECORYS, for European Commission, Directorate-General for Trade, http://trade.ec.europa.eu/doclib/docs/2009/december/tradoc_145613.pdf (p79 onwards)

⁸ BIO Comments on TTIP Negotiations, 19 June 2013, http://www.bio.org/advocacy/letters/bio-comments-ttip-negotiations ⁹ Biotechnology Report, Eurobarometer 73.1, European Commission, <u>http://ec.europa.eu/public_opinion/archives/ebs/ebs_341_en.pdf</u> 10 GM crops irrelevant in Europe- Greener farming eclipses GM, Factsheet, FoEE, February 2013,

http://www.europeanvoice.com/article/2012/january/basf-to-end-gm-crop-production-for-the-eu-/73218.aspx ¹² Major GM food company Monsanto 'pulls out of Europe', The Telegraph, 18 July 2013,

¹³ MON810 information page, GMO Compass, as accessed 30 September 2013, http://www.gmo-compass.org/eng/gmo/db/15.docu.html ¹⁴ Note that this only applies to food containing more than 0.9% GM ingredients though. GM food & feed – labelling page, Health and Consumers Directorate, EC, as accessed 30 September 2013, http://ec.europa.eu/food/food/biotechnology/gmfood/labelling_en.htm Furthermore, meat and dairy products produced from animals fed on GM feed does not have to be labelled. GM crops and foods in Britain and Europe, GeneWatch UK, as accessed 30 September 2013, http://www.genewatch.org/sub-568547

Rules on GMOs in the EU – Harmonisation of controls, Health and Consumers Directorate, EC, as accessed 30 September 2013, http://ec.europa.eu/food/food/biotechnology/harmonisation_of_controls_en.htm

¹⁶ Commission regulation 619/2011 laying down methods for official of feed as regards presence of GMOs.

¹⁷ With Recent Victories, Movement to Label GMOs Gains Steam, Food Safety News, 27 June 2013,

http://www.foodsafetynews.com/2013/06/movement-to-label-gmos-gaining-steam/#.UkgT7ygYJSo

US Regulation of Genetically Modified Crops, Federation of American Scientists, as accessed 30 September 2013, http://www.fas.org/biosecurity/education/dualuse-agriculture/2.-agricultural-biotechnology/us-regulation-of-genetically-engineeredcrops.html

Organic farmers using non-GM seeds are experiencing problems with pollen drift contaminating their crops.¹⁹ And biotech companies like Monsanto have sued farmers who have saved GM seeds for reuse — or if any patented genetic materials show up in their crops — for patent infringement.²⁰

US agribusiness is now targeting Europe's GMO safeguards. For example, the North American Export Grain Association wants **faster authorisation of GM product exports to Europe for food, feed and processing,** arguing that reductions in *"the gap between the authorization of a new biotechnology-enhanced events [sic] in the United States and their authorization or import and use in food, feed or processing (FFP) in Europe should be among the highest of priorities for TTIP."*²¹

Similarly the US Biotechnology Industry Organization (BIO) and the American Seed Trade Association (ASTA) want an **end to the EU's zero tolerance of GM contamination in seeds**. As ASTA has put it, they want the EU to extend the 'technical solution' that allows certain amounts (up to 0.1%) of GM in animal feeds to "...seed *in those cases where the seed has not yet been approved for cultivation in the EU*." It also wants a "commercially viable threshold based on science [...] for those circumstances when the seed has been approved for cultivation in the EU."

The US government is aiming to challenge the EU's mandatory GM labelling law through TTIP. This is a longrunning dispute between the two regions, and the US has already formally challenged the EU's GMO regulations under World Trade Organization (WTO) rules.²³ The US government has asserted that the EU approvals of GM food and feed are too slow, and that the *"impractically low threshold levels"* and anticontamination measures of several European countries contradict agreed WTO standards.²⁴

What agribusiness really wants

The agribusiness industry has already been very vocal about its specific objectives. Biotech companies, for example, want the EU to relax the restrictions on non-authorised GM crop imports, speed up GM authorisations, weaken safety tests for GM crops, and replace mandatory labelling of GM food and feed with voluntary rules.

The TTIP is also likely to facilitate a major corporate challenge to a wide range of the EU's other existing and imminent regulations, including on pesticide residues and chemical 'pathogen reduction treatments'; feed additives and growth hormones for meat and milk production; food additives and flavouring; food labelling; local food schemes; and biofuels standards.²⁵ It could also limit new efforts at the state level in the US to strengthen regulations for these practices.

This deregulatory process could have a dramatic impact on our food and farming system. For example, it could lead to:

• significantly reduced information for consumers about ingredients in their food and challenges to emerging EU and US rules on GMO labelling;

http://www.europarl.europa.eu/RegData/bibliotheque/briefing/2013/130518/LDM_BRI(2013)130518_REV1_EN.pdf

¹⁹ Organic farmers report increasing GMO contamination with corn, The Organic and Non-GMO Report, as accessed 30 September 2013, <u>http://www.non-gmoreport.com/articles/apr10/organicfarmers_gmocontamination.php</u>

²⁰ Why Does Monsanto Sue Farmers Who Save Seed? Monsanto, as accessed 30 September 2013,

http://www.monsanto.com/newsviews/Pages/why-does-monsanto-sue-farmers-who-save-seeds.aspx ²¹ Letter from US national Grain and Feed Association and the North American Export Grain Association, to Mr Douglas Bell, Office of the USTR, 10 May 2013, http://naega.org/wp-content/uploads/2012/05/NAEGA-NGFA-Joint-Comments-to-USTR-Trade-Policy-Staff-Committee-on-TTIP-May-10-2013.pdf ²² Persones to USTR request for comments on TTIP (2012.05.10). American Science Scie

 ²² Response to USTR request for comments on TTIP (2013-05-10), American Seed Trade Association,
 <u>www.regulations.gov/contentStreamer?objectId=09000064812d84f6&disposition=attachment&contentType=pdf</u>
 ²³ Principal EU-US Trade Disputes, Library of the European Parliament, 22 April 2013,

 ²⁴ USTR: 2013 Report on Sanitary and Phytosanitary Measures (2013-03), <u>http://www.ustr.gov/sites/default/files/2013%20SPS.pdf</u>
 ²⁵ This summary is drawn from industry comments submitted to USTR, which can be accessed here:

https://www.federalregister.gov/articles/2013/04/01/2013-07430/request-for-comments-concerning-proposed-transatlantic-trade-andinvestment-agreement and from a letter from multiple US food and farming organisations and associations to Ambassador Ron Kirk, March 4, 2013, http://www.nppc.org/wp-content/uploads/2013-03-04-Ag-Coalition-US-EU-FTA.pdf

- the presence of more toxic and potentially toxic substances, such as pesticides and genetically modified products, in our food;
- the relaxation of standards governing food production, including how meat can be treated;
- restrictions on 'buy local' public procurement programmes, e.g. for school meals
- the further concentration of control of the food chain amongst a handful of transnational corporations.

Challenging consumer information labels as trade barriers

Legal requirements ensuring detailed information about the contents of packaged food products are generally the result of pressure applied through consumers' groups. Food companies have typically been extremely resistant to providing such information.²⁶

The EU has many EU-wide mandatory food rules, including rules on the traceability and labelling of GM foods,²⁷ and the new EU Food Information for Consumers Regulation, which is being introduced gradually.^{28,29} There are also numerous voluntary national schemes, such as the British Traffic Light Signpost Labelling rules; these show how much of the maximum recommended daily intake of fat, saturated fat, salt, sugar and calories is present in a 100g portion of a product.³⁰ There is also an EU-wide animal welfare labelling scheme being considered;³¹ and there are EU animal welfare labelling schemes for specific foods, such as eggs (which show whether hens have been kept in cages or barns, or have been reared free range).

The US also has food labelling rules,³³ including new rules on Country of Origin Labelling of Meat (which has already been challenged at the WTO). But for the most part, mandatory US labels focus on nutrient content.^{34,35} Regulators insist that foods produced with GMOs or questionable food additives like Bovine Growth Hormone are no different from foods produced without those ingredients.³⁶ There is therefore a general presumption against labelling such practices. The only exception is for organic foods, which are not produced using synthetic hormones or antibiotics, and have labels stating that.³⁷ The new GMO labelling laws in Connecticut and Maine,³⁸ and the campaigns for similar laws in dozens of other states, are a direct challenge to that approach.

The American Soybean Association is demanding that "the EU's mandatory traceability and labelling policies for products containing biotech ingredients must be replaced with a non-discriminatory GMO free labelling

- Food Information Regulation, Food Standards Agency, as accessed 30 September 2013, http://www.food.gov.uk/enforcement/regulation/fir/#.UkgoNygYJSo
- Food Labelling EU rules, Health and Consumers Directorate, EC, as accessed 30 September 2013, http://ec.europa.eu/food/food/labellingnutrition/food/abelling/index_en.htm
- Front-of-pack Traffic light signpost labelling, Technical Guidance, Issue 2, November 2007, http://www.food.gov.uk/multimedia/pdfs/frontofpackguidance2.pdf

http://ec.europa.eu/food/animal/welfare/farm/docs/options animal welfare labelling summary en.pdf

³² EU egg labelling scheme, Labelling Matters, as accessed 30 September 2013, <u>http://www.labellingmatters.org/about-us/eu-egg-</u> labelling-scheme.html ³³ Guidance for Industry: a Food Labeling Guide, revised October 2009,

http://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/LabelingNutrition/ucm2006828.htm

See for example: 2013 report on Technical Barriers to Trade, USTR, http://www.ustr.gov/sites/default/files/2013%20TBT.pdf

³⁷ National Organic Program, USDA, as accessed 30 September 2013,

http://www.ams.usda.gov/AMSv1.0/NOPPetitionedSubstancesDatabase

²⁶ For example see: Why Biotech Food Labeling Is Met with Resistance, BIOtechNOW, 15 May 2012, <u>http://www.biotech-</u> now.org/food-and-agriculture/2012/05/why-biotech-food-labeling-is-met-with-resistance#

GM Food & Feed – Labelling, Health and Consumers Directorate, EC, as accessed 30 September 2013, http://ec.europa.eu/food/food/biotechnology/gmfood/labelling_en.htm

Options for animal welfare labelling and the establishment of a European Network of Reference Centres for the protection and welfare of animals, summary of the impact assessment report, European Commission staff working document, 2009,,

http://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/LabelingNutrition/ucm2006828.htm ³⁴ Non-Tariff Measures in EU-US Trade and Investment – An Economic Analysis, Final Report, ECORYS, for European Commission,

Directorate-General for Trade, http://trade.ec.europa.eu/doclib/docs/2009/december/tradoc 145613.pdf (p79 onwards) ³⁵ Guidance for Industry: a Food Labeling Guide, revised October 2009,

³ Connecticut and Maine Make History, Pass GMO Labeling Laws, Mother Earth News, 13 June 2013,

http://www.motherearthnews.com/real-food/connecticut-and-maine-pass-gmo-labeling-laws-zwfz1306zsal.aspx#axzz2gIHsRPWB

policy." ³⁹ Such a labelling policy would be voluntary and therefore unenforceable. The US Trade Representative has also complained that "EU policies restrict the importation and use of agricultural commodities derived from agricultural biotechnology [including by...] imposing commercially infeasible requirements on GE content in food products under EU Traceability and Labelling (T&L) regulations."⁴⁰ One can therefore expect these rules will be a key target during the TTIP negotiations.

The Precautionary Principle in practice: building scientific uncertainty into political decision-making

The importance of the precautionary principle was clearly and definitively recognised in 1992, at the UN Conference on Environment and Development (UNCED) in Rio de Janeiro. Principle 15 of the Rio Declaration states that "In order to protect the environment, the precautionary approach shall be widely applied by States according to their capabilities. Where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation." 4

The 'precautionary principle' is now an important legal cornerstone of European policy, having been explicitly enshrined in the Treaty on the Functioning of the European Union.⁴² EU food safety and other public health standards are based on the Precautionary Principle, which means that those introducing new foods are responsible for proving that they are safe before they enter the market. In complete contrast, US rules on food safety are put in place based on 'scientific' proof provided voluntarily by industry. So, for example, GMO corn and soy are used throughout the US food system, and processes are underway to allow for other GM goods, as well as emerging technologies, such as the inclusion of engineered nanoparticles in food.

A March 2013 joint letter from around 60 US agricultural export and food marketing organisation to US Trade Representative Ron Kirk specifically focuses on the High Level Working Group's recommendation to negotiate "an ambitious 'SPS-plus' chapter based on science and international standards." This is a direct challenge to the EU's use of the Precautionary Principle, which is based on decision-making in the absence of full scientific certainty.⁴³ In general, under free trade rules 'non-scientific' trade barriers can be more easily challenged by third parties.

The inclusion of such an approach would be a hugely significant step backwards. The precautionary principle is not unscientific. It recognises the uncertainty of technological developments and innovations, and allows societies to avoid the consequences of risks being underestimated, thereby helping to drive innovation forward in a desirable and sustainable direction.⁴⁵ An attack on the precautionary principle as part of the TTIP could result in a major weakening of the EU's laws to protect the environment. It could also stop the EU introducing stringent and effective laws in the future.

Businesses could be allowed to take states to court

One TTIP issue that cuts across all sectors is investment, especially provisions relating to the rights that companies do or do not have to challenge the decisions of governments. The US and EU governments have said that they intend to include an Investor-State Dispute Settlement (ISDS) in the TTIP.⁴⁶

³⁹ American Soybean Association: Response to USTR request for comments on TTIP (2013-05-10), www.regulations.gov/contentStreamer?objectId=09000064812cb0c1&disposition=attachment&contentType=pdf and www.regulations.gov/contentStreamer?objectId=09000064812d83b5&disposition=attachment&contentType=pdf

⁴⁰ 2013 Report on Sanitary and Phyotsanitary Measures, USTR, http://www.ustr.gov/sites/default/files/2013%20SPS.pdf ⁴¹ Rio Declaration on Environment and Development, 12 August 1992, http://www.un.org/documents/ga/conf151/aconf15126-

<u>lannex1.htm</u>
⁴² Consolidated Version of the Treaty of the Functioning of the European Union, Article 191.2, <u>http://eur-</u> lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2010:083:0047:0200:en:PDF

⁴³ Letter from multiple US food and farming organisations and associations to Ambassador Ron Kirk, March 4, 2013, http://www.nppc.org/wp-content/uploads/2013-03-04-Ag-Coalition-US-EU-FTA.pdf

⁴⁴ Understanding the WTO Agreement on Sanitary and Phytosanitary Measures: Introduction, WTO, as accessed 30 September 2013, http://www.wto.org/english/tratop_e/sps_e/spsund_e.htm

For a more detailed argument on this topic please see: Why the Precautionary Principle Matters, Andy Stirling, The Guardian, 8 July 2013, http://www.theguardian.com/science/political-science/2013/jul/08/precautionary-principle-science-policy

⁴⁶ For a full explanation of ISDS and the potential consequences if it is included in the TTIP please see: FoEE fact sheet on ISDS, the TTIP of the Anti-Democraticy Iceberg - the risks of including investor-to-state dispute settlement in transatlantic trade talks

This highly controversial proposal would give companies the right to sue governments in an international court, such as the International Court for the Settlement of Investment Disputes (ICSID), for compensation over rules that undermine their expected profits.

For example, under other trade agreements, the ISDS option has been used by business to challenge national laws on toxic waste dumps, labelling on cigarette packages, and limits on imports of High Fructose Corn Syrup. Including it in this trade deal would give corporations even more power to challenge any proposed improvements in food and public health standards in both the US and EU.

It would also expand the precedent for this harmful provision being introduced into global trade talks in the future.

Food and feed additives: what kind of food do we want on our plates?

Intensive livestock production on both sides of the Atlantic focuses on increasing animals' growth rates. This can involve using different additives and substances, and there are different rules in force in each region, governing what is and what is not permissible. This led to an extremely long-running dispute over the US use of beef cattle growth hormones banned in EU member states. The dispute has only recently been resolved, by the EU maintaining its bans but granting the US preferential access for its non-growth hormone raised beef.⁴⁷

Another feed additive causing similar concerns is ractopamine, which is authorised for use only in the US and in 26 other major meat-producing countries.⁴⁸ Ractopamine leads to accelerated growth and leaner meat, but research indicates that it also affects animal behaviour and health.^{49,50} The drug mimics stress hormones, making animals more hyperactive and aggressive. It also increases the rate at which feed is converted into muscle. Available studies raise concerns about heart, muscle, and reproductive problems.⁵¹ Other studies also draw preliminary conclusions indicating that human health may also be affected (with the failed asthma drug being thought to elevate heart rates and cause poisoning).⁵² For these reasons, numerous countries including the EU, Russia and China, have banned imports of meat from animals fed with ractopamine. Following four years of deadlocked negotiations — which was brought to an end with a highly unusual and controversial vote - the UN Codex Alimentarius (the international food standard setting body) adopted Minimum Residue Levels for ractopamine in cattle and pig tissue in 2012. Now that the Codex standard has been agreed, a trade war seems to be looming, and the US may bring a World Trade Organisation dispute against Russia.⁵³ The US meat industry has also started complaining that the EU ban is a trade barrier and this issue may well be a subject for negotiation (or trade-offs) in TTIP.54

⁴⁷ Win-win ending to the "hormone beef trade war", European Parliament News, 14 March 2012,

http://www.europarl.europa.eu/news/en/news-room/content/20120314IPR40752/html/Win-win-ending-to-the-hormone-beef-trade-war Ractopamine Factsheet, Food & Water Watch, April 2013, http://documents.foodandwaterwatch.org/doc/RactopamineFS.pdf ⁴⁹ Ractopamine Factsheet, Center for Food Safety, February 2013,

http://www.centerforfoodsafety.org/files/ractopamine_factsheet_02211.pdf ⁵⁰ Ractopamine Factsheet, Food & Water Watch, April 2013, <u>http://documents.foodandwaterwatch.org/doc/RactopamineFS.pdf</u>

⁵¹ Safety evaluation of ractopamine, EFSA, April 2009, http://www.efsa.europa.eu/en/efsajournal/pub/1041.htm

⁵² Safety evaluation of ractopamine, EFSA, April 2009, http://www.efsa.europa.eu/en/efsajournal/pub/1041.htm and Ractopamine

Factsheet, Center for Food Safety, February 2013, http://www.centerforfoodsafety.org/files/ractopamine_factsheet_02211.pdf Aaron Cosbey on Codex, ractopamine and pork - a twisted tail, International Economic Law and Policy Blog, posted 24 February 2013, http://worldtradelaw.typepad.com/ielpblog/2013/02/aaron-cosbey-on-codex-ractopamine-and-pork-a-twisted-tail.html and http://documents.foodandwaterwatch.org/doc/RactopamineFS.pdf ⁵⁴ National Pork Producers Council: Response to USTR request for comments on TTIP (2013-05-10),

http://www.regulations.gov/contentStreamer?objectId=09000064812e5e67&disposition=attachment&contentType=pdf

New public procurement rules in the TTIP could limit local foods programmes

In the US, numerous local communities are working hard to regain control over their food, with a particular focus on eating locally grown food. This includes encouraging school lunch programmes and other publicly-funded food programmes to prioritise locally produced, healthier and sustainable foods. The US Farm to School Program also helps to connect schools and local farms.⁵⁵

The Los Angeles Food Policy Council takes the idea a step further, by including local consumers, farmers, restaurants and school systems, in an effort to prioritize healthier, locally grown foods. It explicitly challenges the global and industrialised food system.⁵⁶

Some countries are taking similar steps. For example, Italy has taken advantage of flexibility in the EU's procurement rules to make school lunch programmes that include cultural criteria in local food purchasing.

Unfortunately, these experiments in food democracy could be at risk in the TTIP trade talks. The EU's internal negotiating mandate stresses that it wants new rules on public procurement on all goods, in all sectors and at all levels of government. It is especially concerned about Buy America programmes, which use taxpayer money to support purchases for government programmes so that they support local job creation. ⁵⁷ The US has also been explicit about its intention to use the TTIP to tackle the *"increasing use of localization measures as barriers to trade."* ⁵⁸ So those local foods criteria, in both the US and the EU, could all be considered as non-tariff barriers to trade, and therefore outlawed under the TTIP.

Conclusions

Friends of the Earth Europe and IATP call on the European Commission, the European Parliament, the EU's member states and the US government to prioritise the interests of people and the environment. To this end, they should not pursue transatlantic trade negotiations that compromise democracy, safety, or environmental well-being. This includes key pillars of EU regulations – such as the polluter-pays and precautionary principles – that are enshrined in the Treaty on the Functioning of the European Union (TFEU) and in other international treaties.

Friends of the Earth Europe and IATP reject any attempt to de-regulate polluting industries, harmonise safety or product standards downwards, or limit future legislation to protect people or the environment. Specifically the TTIP trade negotiations **should not**:

- include an investor-to-state dispute settlement mechanism, which would give companies new rights to sue governments over laws protecting public health and the environment;
- introduce new commitments on 'sanitary and phyto-sanitary' (SPS) measures i.e. any areas dealing with food safety, animal or plant health;
- create rules that would limit local decision-making on public procurement, especially with respect to farm-to-school programmes and other local efforts to improve food systems;
- put the brakes on labelling laws that give consumers more information about their food.

Friends of the Earth Europe and IATP therefore call for a real trade deal that builds a better future for people and the planet through supporting local food economies, agro-ecological farming and vibrant rural communities. Such a deal should aim at:

⁵⁵ National Farm to School Network, <u>http://www.farmtoschool.org/</u>

⁵⁶ Objectives, Los Angeles Food Policy Council, as accessed 30 September 2013, <u>http://goodfoodla.org/objectives/good-food-priorities/</u>

⁵⁷ Directives for the negotiation on the Transatlantic Trade and Investment Partnership between the European Union and the United States of America, 17 June 2013, <u>http://www.s2bnetwork.org/fileadmin/dateien/downloads/EU-TTIP-Mandate-from-bfmtv-June17-2013.pdf</u>

⁵⁸ Transcript: Briefing by USTR Ambassador Ron Kirk and Deputy National Security Advisor Michael Froman on US-EU Trade Negotiations, 13 February 2013, <u>http://www.ustr.gov/about-us/press-office/press-releases/2013/february/transcript-briefing-us-eu</u>

- <u>Building new economies and improving lives</u>: protect and support local food economies, develop quality, fulfilling and stable jobs in the food and farm sector
- <u>Improving life for future generations</u>: identify environmental and social best practice as the basis for joint minimum standards for food and farming, phase-out environmentally harmful subsidies and reduce the resource-use and climate-changing emissions from agriculture of the EU and US to sustainable and equitable levels.
- <u>Promoting trading conditions in favour of people and environment</u>: the interests of citizens and the environment should be central in an agreement, not the vested interests of investors and multinationals.
- <u>Bringing transparency and accountability</u>: the public and civil society organisations need to be able to follow and respond to what is being discussed and agreed; investors and companies need to be held accountable for their impacts on people and the environment.

These steps are absolutely essential to protect people and nature. Health and safety standards should be maintained and improved, not dismantled, and local economies and rural livelihoods should be promoted and protected. Authorities need to continue to take a precautionary approach when there is insufficient scientific evidence to make decisions, especially with respect to controversial technologies such as genetic modification. Nothing less than the future of our food, farm and environment is at stake.

Prepared by Mute Schimpf, Karen Hansen-Kuhn, edited by Ronnie Hall, Francesca Gather, Adrian Bebb, Steve Suppan | October 2013

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