



TRADE MATTERS

TRANSATLANTIC TRADE AND INVESTMENT PARTNERSHIP (TTIP)— IMPACTS ON FOOD AND FARMING

FEW PEOPLE REALIZE that trade agreements concretely affect their lives on a daily basis, down to the food they and their children eat. This bulletin focuses on how food and public health safety standards could be threatened by the Transatlantic Trade and Investment Partnership (TTIP) agreement currently under negotiation between the U.S. and the European Union (EU).

TRADE MATTERS reviews the following aspects: 1) the highly undemocratic, non-transparent TTIP negotiating process; 2) the influence giant corporations have in TTIP negotiations; 3) the powerful regulatory and enforcement tools the agreement may contain; 4) specific food safety standards and policies under threat; and 5) how TTIP goals of advancing hyper-trade and consumerism are completely counter to achieving critical environmental goals such as reducing greenhouse gas emissions.

Part One is a general primer on TTIP and recent trade pacts. Part Two focuses on specific food safety standards at risk under TTIP.

Part One

PRESENT-DAY TRADE agreements profoundly impact how food is produced and what we eat. Take the simple case of food miles.

A few decades ago most food was grown locally for, primarily, local consumption. But today, the average plate of food travels around 1,500 miles before landing on your dinner table. Why? Trade rules.

“Buy American” procurement policies, such as supplying local schools with locally grown food, may be threatened. Why? Trade rules.

European Union residents may be forced to accept genetically engineered (GE) crops and foods. Why? Trade rules.

In July 2013, the U.S. and the European Union (EU) governments began negotiations for the Transatlantic Trade and Investment Partnership (TTIP). Both sides believe that the stakes are high. EU Trade Commissioner Karel De Gucht claims: “This is about the weight of the western, free world in world economic and political affairs,” adding that “failing is not an option.”¹

THEY SAY BARRIERS; WE SAY SAFEGUARDS

TTIP follows trade agreement models of the past few decades, beginning with the North American Free Trade Agreement (NAFTA). (Prompting some civil society groups to refer to TTIP as the Transatlantic Free Trade Agreement—TAFTA.) Instead of continuing the traditional, old-school role of trade agreements, which set import quotas and tariffs (or taxes) to stimulate trade between nations, today’s trade pacts focus on “non-tariff” trade issues, or trade “barriers,” as referred to by trade negotiators and multinational corporations.

However, what corporations and trade officials refer to as trade barriers are often democratically constructed social, health, and environmental standards intended to safeguard citizens. Labels on packaged meat indicating

where it comes from? That’s a pesky trade barrier according to the meat industry.

Currently, the U.S. and EU account for almost half of global Gross Domestic Product (GDP), and one-third of the total global trade in goods and services.² Already tariffs between the two countries are low—averaging approximately 5.2 percent for the U.S. and 3.5 percent for the EU.³

TTIP negotiations cover a vast expanse of issues including finance and investment, data protection, public health, chemicals, the environment, labor, and more. But *many analysts believe that a central aim of the negotiations is to dismantle many food safety regulations that corporations view as impediments to trade and profitmaking.*

Trade pacts also dramatically impact farmer livelihoods and agriculture policy. For example, NAFTA opened the door to a flood of highly subsidized U.S. corn imports into Mexico and within a few years over one million Mexican farmers and 1.4 million other Mexicans dependent on the farm sector lost their livelihoods.⁴ Immigration rates spiked as Mexican farmers and laborers came to the U.S. in search of work. Meanwhile, some farm sectors in the U.S. were impacted by agricultural imports from Mexico.⁵

THE SHROUD OF SECRECY

Presently, TTIP negotiations are conducted behind closed doors and *negotiating texts are not made available to the public.* This is a disturbing practice for governments proclaiming to be open and democratic and which frequently chastise other nations for secrecy and corruption.

Even elected government officials have extremely limited access to TTIP negotiating texts, yet approximately 600 corporate advisors are able to view and comment on the texts. Much of the public knowledge about what is contained in TTIP comes from leaked documents.

TTIP negotiators and business advisors claim that negotiations must be kept private to protect sensitive matters such as intellectual property rights or national security. However, other agreements that discuss highly

sensitive areas—such as the World Intellectual Property Organization (WIPO) and all other United Nations pacts, and trade agreements such as the World Trade Organization (WTO)—disclose negotiating texts.

In response to public pressure for more transparency, the office of the U.S. Trade Representative (USTR) proposes to establish a Public Interest Trade Advisory Committee (PITAC) for TTIP. But the offer for a PITAC is inadequate in many ways, particularly given the special access to meetings and texts enjoyed by business representatives. As Rob Weismann, president of Public Citizen states: “There is no justification for this imbalanced access, and it makes a decisive difference. Because the meaning and impact of trade agreements depends on their precise language, those with access are able to comment most specifically and meaningfully, and most able to influence outcomes. The American public is shut out.”⁶

Given that this agreement is addressing food issues, chemicals, and many other critical issues, *civil society groups are calling for the negotiating texts to be made available after each round of talks so that transparent and public debate can be held at regular intervals.*

But for now, even though TTIP will directly impact almost one billion people in the U.S. and EU, and indirectly affect millions more in developing countries, sussurant negotiations continue.

SUPERSEDING NATIONAL GOVERNMENTS Investor-State Dispute Settlement (ISDS) and Regulatory Cooperation Council

In addition to reviewing specific sectors, TTIP negotiators are discussing two overarching regulatory and enforcement mechanisms—1) Investor-State Dispute Settlement (ISDS), and 2) Regulatory Cooperation Council.

Under ISDS, foreign corporations are granted extraordinary privileges including the right to bypass domestic court systems and directly sue a nation in an international tribunal. Corporations can sue a country for policies that could negatively impact corporate profits. The penalty for a losing country can result in substantive monetary fines. Such instances are not theoretical.

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Under NAFTA investor-state provisions, corporations have extracted more than USD\$400 million from NAFTA governments through challenges against bans on toxins, water and forestry policies, land-use rules, and more.⁷ (For more on ISDS, see *This Land Is Whose Land?*)

A leaked EU negotiating proposal reveals that *TTIP negotiators may establish a Regulatory Cooperation Council to “converge” regulatory measures, such as food labeling requirements or environmental standards.* The proposal is remarkably consistent with proposals offered by the U.S. Chamber of Commerce and Business-Europe, and other corporate interests.

The basic concept is that a body of administrators and business representatives from the U.S. and the EU would assess and advise on how proposed new domestic legislation would impact trade interests. Critics contend that such a system would enable corporations to dilute or block safety standards that could impede profits. *Essentially, the Council could supersede democratic decision-making for sovereign nations.*

Some analysts observe that creating a regulatory council may enable a TTIP agreement to be reached on broad principles while leaving the controversial, sticky issues—such as labeling products containing genetically engineered (or modified) organisms—to be worked out away from public scrutiny.

TTIP—FOCUS ON FOOD SAFETY AND PUBLIC HEALTH STANDARDS

TTIP negotiations are addressing a broad range of areas but *decisions on food and farming issues will impact all citizens on both sides of the pond every day.*

Key to the TTIP negotiations is the fundamental difference between the U.S. and the EU approach toward evaluating food safety. The *EU looks to the Precautionary Principle* as its regulatory foundation—essentially a “better safe than sorry” approach.

The U.S. employs a “risk assessment” approach linked to cost-benefit analyses when reviewing food safety standards. This approach looks primarily at costs for businesses versus potential harms to citizens and the environment.

As a result of these differing approaches, the EU generally has higher food safety standards than the U.S. However, in some areas the U.S. has advanced standards such as banning ruminant materials in livestock feed that can lead to mad cow disease (ironically, the U.S. applied the precautionary principle when setting this standard).

U.S. businesses openly disdain the precautionary principle. As a CropLife official stated at a 2013 forum sponsored by the U.S. Chamber of Commerce: “We (CropLife) fundamentally oppose the precautionary principle.”⁸ CropLife points to the EU’s suspension of the use of neonicotinoid insecticides, linked to bee colony collapse, as one example of “abuse of the precautionary principle.”⁹ *A lobbyist for the U.S. Council for International Business commented that TTIP is only worth doing if “getting rid of the precautionary principle” is achieved.*¹⁰ (For more information, see *Precautionary Principle*.)

PRECAUTIONARY PRINCIPLE

U.S. business and trade representatives look to TTIP as a tool to eliminate the precautionary principle. At a 2013 meeting of business representatives in Copenhagen, Shaun Donnelly, a former U.S. trade official now lobbying for the U.S. Council for International Business, remarked: “TTIP is only worth doing if the regulatory side is covered, such as getting rid of the precautionary principle.”¹

The precautionary principle was adopted by the United Nations General Assembly in 1982 and incorporated into a number of international conventions. The most widely cited is the 1992 Rio Declaration on Environment and Development.

Principle 15 of the Rio Declaration states: “In order to protect the environment, the precautionary approach shall be widely applied by States according to their capability. 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.”²

European countries included the precautionary principle into European environmental statements by the late 1980s. As *Reuters* reports: “U.S. policymakers have long been frustrated by what they consider the EU’s ‘non-scientific approach’ to food safety that has blocked imports of U.S. genetically modified crops, poultry treated with chlorine washes to kill pathogens and meat from animals fed the growth stimulant ractopamine.”³

U.S. industry and trade officials often characterize the precautionary principle as being unscientific, implying that no scientific analysis is performed. But this is not accurate. Common guidelines for the precautionary principle stress that “...the fullest possible scientific evaluation...” must be undertaken.⁴

Rigorous testing and reviews for food safety is guided by the EU’s European Food Safety Authority (EFSA). The EU’s rejection of artificial hormone-injected beef is an example of the application of the precautionary principle. Many EU countries banned the use of hormones in the ‘80s even though only a few scientific studies had indicated potential risk to humans.

However, in 1999, a committee of the EFSA thoroughly reviewed the six commonly used hormones and unanimously adopted an opinion that hormone residues posed a risk to human health. One of the hormones was considered to be a “complete” carcinogen.⁵ All six hormones contained risks of endocrine, developmental, immunological, neurobiological, immunotoxic, genotoxic and carcinogenic effects. Prepubertal children represented a particularly high-risk group. Based on the science and potential risk to human health, the EU continued its ban even though facing trade sanctions from the United States. (See *This Land Is Whose Land?*)

Harmony or Discord?

A central aspect of trade agreements of the last two decades, including TTIP, is to harmonize differing safety standards between countries. In trade speak, “*harmonization*”—represented by terms such as “regulatory coherence or convergence,” “mutual recognition,” and “substantial equivalency”—*results in a downward spiral of numerous safeguards for society and, perversely, constrains governments from setting safety standards higher than trade agreement rules.*

In practical terms, harmonization, in all of its forms, effectively changes a nation’s food safety standards by relying on regulatory and inspection systems of foreign governments. Often this means that imports are allowed into a country even though they do not meet specific standards of that country.

For example, when Australia adopted a privatized meat inspection system that lowered standards, the U.S. maintained the country’s “equivalency” status. This resulted in increasing incidents of Australian meat imports being contaminated with fecal material and digestive tract contents.¹¹

Trade harmonization can also have a “chilling” effect—governments are inhibited from implementing or setting standards that a trade tribunal may view to be a trade barrier. As only one example, the U.S. Fish and Wildlife Service has repeatedly delayed responding to a 2009 Petition to restrict amphibian import trade in order to prevent native amphibians from a deadly disease. Why? Agency officials have indicated that such a ban could be illegal under WTO trade rules.¹² In the meantime, the delay has resulted in further risks of amphibian extinctions and damage to ecosystems in the U.S.

Finally, *trade harmonization rules further entrench a massive industrial agriculture system, making it more difficult for small-scale, locally based, and agro-ecological approaches to compete.*

A Better Way To Protect Standards

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,priority of trade agreements is to ensure the flow of goods and services, and boost corporate profits.

Many critics contend that this is a backward approach. *Instead of limiting safeguards, trade agreements should set minimum safety standards* that countries must meet and then allow governments to go beyond baseline standards. This approach motivates governments to fulfill their obligations to protect citizens and safeguard natural resources instead of encouraging nations to compete in a race to the bottom in standard setting.

Part Two

WHAT’S AT STAKE?

TTIP IS OFTEN DISCUSSED in terms of impacts in the U.S. versus impacts in the EU. However, corporations from both sides of the Atlantic are working in tandem to influence TTIP negotiations as they share a common interest in reducing or eliminating as many non-tariff issues as possible to obtain greater profits.

For example, most industry groups in the EU support and work with U.S.-based biotech companies and other businesses calling for the EU to relax its rules on GE crops and products. FoodDrinkEurope, representing Europe’s food and drink manufacturers, states: “Facilitating EU imports from US through recognising the need to adopt a technical solution for low level presence of genetically engineered crops that have been approved in US but not yet in EU could also significantly contribute to a mutually beneficial trade deal.”¹³

Acknowledging that U.S. and EU business interests are largely aligned, and that a threat to EU standards also impacts U.S. regulations, and vice versa, this briefing paper categorizes food issues under “threats to the EU” and “threats to the U.S.” to provide an organizing structure.

FOOD SAFETY THREATS TO THE EU

GE Crops: Authorize and accept GE crops.

GE Labeling: Lower existing labeling requirements of GE products.

Livestock Antibiotics and Hormones: Accept U.S. meat imports of livestock treated with non-therapeutic antibiotics and growth-enhancing hormones.

Ractopamine: Accept pork that has been treated with ractopamine.

Chemically Washed Poultry: Accept U.S. chemically washed poultry.

Arsenic in Poultry: Accept poultry given arsenic-containing feed additives.

Animal Welfare: Lower or eliminate animal welfare standards that include production-method labeling, and regulating animal on-farm treatment.

Organic Standards: Potential threat to organic equivalency standards.

Nanotechnology: Lower or eliminate labeling standards of products with nanomaterials.

Geographical Indicators: Eliminate or ease geographical indicators.

Intellectual Property Rights: Change no-patents-on-life policy and intellectual property rights law that allows farmers to save and exchange seeds.

Agriculture Chemicals: Reduce stringent evaluation standards and legislation of toxic chemicals, including those used in farming.

FOOD SAFETY THREATS TO THE U.S.

Mad Cow Disease: Relax standards of feed ingredients that include ruminant materials known to transmit mad cow disease (or bovine spongiform encephalopathy—BSE).¹⁴

Listeria and E.coli: Eliminate the U.S. zero-tolerance policy for the presence of Listeria and E.coli.

Local Procurement: Replace “Buy American” procurement policies with “Buy Transatlantic.”

Dairy Standards: Recognize the European-wide milk standards as equivalent to the U.S. Grade A standard.

GE Labeling: GE labeling initiatives in the U.S. may be threatened if the EU lowers its labeling requirements.

THREATS TO EU STANDARDS

Genetically Engineered (GE) Crops and Genetically Modified Organisms (GMOs)

Due to scientific assessments in the EU and overwhelming demand by EU citizens, almost no GE crops are grown in EU countries. In contrast, more GE crops are grown in the U.S. than in any other country. U.S. farmers planted roughly 169 million acres of GE corn, cotton, and soybeans in 2013.¹⁵

Over 70 percent of all processed food in U.S. supermarkets contain GMOs.¹⁶ **No mandatory labeling is required of such products.** In contrast, the EU requires mandatory labeling of products containing GMOs (with the exception of meat that may have been produced with GE feed grains). Few GE products are sold in European countries.

The USTR is seeking to eliminate or minimize many of the EU’s policies on GMOs. In a 2013 report, the

USTR outlined its objections to GMO traceability and labeling laws in the EU; delays in approving GE traits and crops; country level bans on importation and cultivation of GE commodities; and EU co-existence requirements that the U.S. finds “unnecessary and burdensome.”¹⁷ The U.S. is also seeking to eliminate or reduce the EU’s tolerance policy regarding low levels of GE plant materials.

The USTR report, noted above, mimics many of the objectives expressed by Biotechnology Industry Organization (BIO), the U.S. biotech industry group, in its formal comments to the USTR. For instance, BIO advocates for “timely and consistent” approval of GE crops and products and promotes relaxation of EU standards on biopharmaceuticals.¹⁸

Antibiotic Use In Livestock

The EU and U.S. have different standards for the use of antibiotics in livestock. The EU bans antibiotic use as growth promoters but allows their use for disease

THIS LAND IS WHOSE LAND?—Investor-State Dispute Settlement (ISDS)

Woody Guthrie's iconic folk song *This Land Is Your Land* invokes Americans to claim their democratic heritage. But a proposed Investor-State Dispute Settlement (ISDS) mechanism threatens not only democratic rules and rights of Americans, but of Europeans as well.

ISDS bestows foreign investors and corporations many privileges, including the right to leap frog over domestic governmental judicial systems and directly sue a sovereign nation in private international tribunals. Sometimes referred to as a slow *coup d'etat*, **corporations can claim monetary compensation for laws and policies that they believe reduce the value of their investment and/or could affect future profit.**

Dispute settlement tribunals are comprised of three attorneys; many rotate between acting as judges and bringing cases against governments on behalf of corporations. The deliberations take place behind closed doors and no amicus briefs or other traditional adjudication tools are allowed. A central criterion outlined within trade agreements stipulates that judges must maintain adherence to the rules of the trade agreement that will maximize trade and investment flows. Given this, it is perhaps not surprising that rulings to date often favor investor rights over national sovereignty.

Corporations claim that investor-state systems are needed to protect investors in countries that have weak or inefficient domestic courts. However, such reasoning seems particularly disingenuous when applied to TTIP as both the U.S. and the EU have strong judicial systems with adequate legal means to address corporate disputes.

Already, trade agreement investment provisions have resulted in numerous legal challenges to domestic environmental, food safety, climate and energy policies, bans on toxic chemicals, and more. Corporations have been awarded approximately USD\$400 million from NAFTA governments.⁶

Here are a few examples of specific investor-state challenges under NAFTA:

In 1997, **U.S.-based Ethyl Corporation sued Canada for banning a known neurotoxin gasoline additive, MMT.** Ethyl Corporation argued that the ban, intended to protect Canadian citizens from a known toxin, “expropriated” its profit potential. Advised by attorneys that

NAFTA laws would uphold Ethyl's claim, the Canadian government settled the case. Canada repealed the ban against MMT, issued a public apology to Ethyl Corporation and paid USD\$13 million in compensation to the company. (Ethyl claimed USD\$251 million in its NAFTA dispute claim.)

“It wouldn't matter if a substance was liquid plutonium destined for a child's breakfast cereal. If the government bans a product and a U.S.-based company loses profits, the company can claim damages under NAFTA,” a lawyer for Ethyl Corporation said at the time of the settlement.⁷

In perhaps an even more perverted use of ISDS, a **Canadian paper company, AbitibiBowater, successfully sued its own government via a U.S. subsidiary for loss of profits.** Canada was sued because it removed the company's water and timber rights after the paper mill shut down its operations (putting over 800 workers out of work). Canada argued that rights to the water and timber were contingent upon the operation of the paper mill. But a NAFTA tribunal disagreed and ordered Canada to pay USD\$122 million to the company.

The WTO dispute resolution system, allowing only for country versus country legal challenges, also demonstrates a bias against high levels of food safety and public health protections. For example, **the U.S. challenged the European ban on hormone-injected beef and won its case.** The WTO ruled in favor of the U.S. even though the EU conducted vigorous scientific reviews concluding that the hormones posed a significant threat to human health. (See *Precautionary Principle*) As a result, the EU was faced with two choices: 1) remove its ban against hormone-injected beef, or 2) pay retaliatory penalties to the U.S.

The EU refused to lift its ban. Thus, the U.S. imposed a penalty of 100 percent tariffs totaling USD\$116.8 million annually on a variety of important EU exports such as cheeses, mustards, and other key products. Such penalties can have serious consequences for national economies. Developing countries in particular often cannot afford to pay such penalties or engage in international legal challenges. **In effect, investor-state and dispute resolution systems often discourage countries from establishing high safety and public health standards.**

prevention. The U.S. allows non-therapeutic antibiotic use. (The U.S. ban on enrofloxacin use in poultry production is one exception.)

A startling 30 million pounds of antibiotics are sold annually for animal agriculture, making up 80 percent of all antibiotic use in the U.S.¹⁹ The Centers for Disease Control and Prevention estimates that 23,000 people a year die from antibiotic resistant infections. Antibiotic resistant non-typhoidal Salmonella strains are infecting more and more people largely because of overuse of antibiotics in poultry and cattle and pig production.²⁰

Artificial Hormone-Injected Beef

Based on the recommendation of the EU's Scientific Committee for Veterinary Measures, six commonly used hormones injected into beef cattle were banned in 1999. ***The Committee found that one of the hormones was a "complete" carcinogen and all six hormones contained considerable health risks, notably to prepubertal***

THE LAW OF THE LAND ON A FAST TRACK

Upon ratification by the U.S. Congress, a trade agreement becomes the law of the land and applies to federal, state, and municipal legislation and policies. Unlike United Nations' treaties, trade agreements are binding and contain enforceable mechanisms such as investor-state dispute settlement panels. (See *This Land is Whose Land?*)

The Obama Administration is seeking "Fast Track," also known as trade promotion authority, for TTIP. Essentially, **Fast Track enables trade agreements to become law by removing a democratic step of lawmaking.** Instead of allowing full Congressional review, debate, and amendment procedures, Fast Track limits debate and bans the ability to add any amendments. Currently, it appears that Congress is not inclined to grant Fast Track authority to the Administration, but the debate continues and corporate lobbyists are working to ensure approval of a TTIP agreement, preferably through Fast Track authority.

children. However, the U.S. still allows use of these hormones and is pressing the EU to lift its ban on beef imports that have been treated with these drugs.

In February 2014, European Commissioner for Trade Karl De Gucht insisted, "There will be no hormone beef on the European market."²¹ Yet only days later, USDA Secretary Tom Vilsack told a gathering of the U.S. Cattlemen's Association that there will be no TTIP unless there is some easing of trade restrictions on U.S. hormone-treated beef.²²

Bovine Growth Hormone

Over 90 percent of U.S. beef is produced with the use of bovine growth hormones, linked to cancers and other diseases in humans.²³ The EU restricts imports of such beef based on its human health assessments.

Ractopamine

Ractopamine is a beta-agonist that is used as a feed additive primarily for pigs, but also for turkeys and cattle, to accelerate growth and produce leaner meat. The drug is banned in 160 countries, including the EU, because it is linked with serious health and behavioral problems in animals and can potentially adversely impact humans.²⁴ ***Fed to an estimated 60 to 80 percent of pigs in the U.S., ractopamine has resulted in more reports of sickened or dead pigs than any other livestock drug on the market.***²⁵

Studies on effects on humans are limited but evoke concerns. A recent Consumer Reports investigation of 240 U.S. pork products found that one in five products tested positive for ractopamine residues.²⁶ The U.S. Food and Drug Administration (FDA) has an abysmal track record on testing pork, cattle, and turkey products for ractopamine. In 2010, the U.S. conducted zero tests on 22 billion pounds of pork, and took only 712 samples from 26 billion pounds of beef.²⁷ The FDA has not yet released the results of these tests.

Nevertheless, the U.S. meat industry is adamant that the EU lift its ban on imported meat produced with ractopamine. The National Pork Producers Council says, "U.S. pork producers will not accept any outcome other than the elimination of the EU ban on the use of ractopamine in the production process..."²⁸

Chlorine and Chemical Poultry Washes

Instead of producing poultry with more comprehensive and stringent sanitary practices, *American chicken producers routinely treat the carcasses of their birds with hyper-chlorine and other chemical washes* to prevent salmonella and other pathogens that cause food poisoning. The National Chicken Council claims that TTIP will not be in the interests of the poultry industry unless the EU allows imports of poultry that has been rinsed with hyper-chlorinated water.²⁹

Across the ocean, chlorine-rinsed chicken and use of other antimicrobial rinses are banned. *The European Food Safety Authority (EFSA) maintains that hyper-chlorinated and other chemical rinses simply mask the presence of salmonella and other germs.*

Seeking a compromise, the USDA requested that the EU accept chicken treated with peroxyacetic acid solutions (currently used in the U.S.) instead of chlorine washes. However, the scientific review by an EU food safety panel raised concerns with some components of peroxyacetic acid solutions, including risks posed to water systems via production facility effluents.

According to U.S. media reports, federal meat inspectors and workers at poultry plants claim that chlorine and peroxyacetic acid washes are causing health problems.³⁰ The EU panel did not address occupational safety in its review of peroxyacetic acid solutions.

The EU Commission is currently considering whether to approve use of peroxyacetic acid solutions despite the concerns noted in the EFSA review.

Arsenic in Poultry

Until recently, the majority of turkeys and 70 percent of all U.S. broiler chickens were fed arsenic-containing compounds.³¹ The additive was used to promote weight gain, improve feed efficiency, change meat pigmentation and for disease prevention and control.³²

In October 2013, in response to a lawsuit filed by the Center for Food Safety and other consumer groups, the FDA agreed to the immediate withdrawal of the vast majority of feed additives containing arsenic compounds. The FDA acknowledged that organic arsenic,

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which was previously believed to be safe in the form of animal feed, can easily convert to inorganic arsenic, a known human carcinogen. Even low exposure levels currently found in contaminated food, drinking water, and the broader environment can cause cancers.³³

Animal Welfare

As part of TTIP negotiations, the U.S. is challenging numerous aspects of EU animal welfare standards. This includes the EU standards for on-farm treatment of animals, which include outlawing overcrowding in poultry and livestock facilities, and for animal welfare production labeling standards.

Organic Standards

In 2012, the U.S. and EU came to an agreement on organic equivalency standards (U.S.-EU Organic Equivalency Arrangement). As a result, products certified as organic in the EU can be sold in the U.S. and vice versa. However, certain products were excluded from this agreement. For example, the EU has an organic aquaculture standard but the U.S. does not. Various constituencies are concerned that the integrity of organic standards for foods not covered in the equivalency agreement may be compromised under a TTIP framework.

Nanotechnology

Currently the EU requires labeling of nanomaterials in cosmetics and sunscreen. Beginning in December 2014, foods containing nanomaterials will have to be labeled. The U.S. does not require any form of nano labeling.

Both the Grocery Manufacturers Association and the Personal Care Products Association have pushed USTR to challenge the EU labeling requirements for nanomaterials in food and cosmetics.³⁴

Geographical Indicators

A product's reputation or status can often be linked to its geographical origin. Geographical Indicators (GI) are distinct signs used to identify a product as originat-

In contrast to the EU, the U.S. grants broad seed patent rights to corporations. This has resulted in corporate concentration of seed ownership.

ing in the territory of a particular country, region, or locality. Examples include Roquefort and Parmigiano Reggiano cheese, wines, and other spirits indicating growing and production regions.

Under the WTO dispute resolution system, the U.S. claimed that European GI legislation violated the Trade Related Intellectual Property (TRIPs) Agreement. The EU has since made some changes to comply with the ruling; however, the U.S. continues to claim that GIs discriminate against U.S. goods. Many in the EU staunchly believe that GI legislation is an important device that protects local farming communities, diversity, and high quality foods.

Intellectual Property Rights—Seed and Gene Patents

BIO, a coalition of biotech corporations, is leading the U.S. effort to broaden the rights of corporations to obtain intellectual property rights (IPRs) for seeds and other life-based materials including gene-based “inventions,” and plant or animal inventions. BIO advocates that the EU’s exemption of patent rights for the purpose of plant breeding is too broad. The exemption is one tool that protects a farmer’s right to breed or save seeds.

In contrast to the EU, the U.S. grants broad seed patent rights to corporations. This has resulted in corporate concentration of seed ownership. Already 65 percent of the global commercial seed market for major crops is owned by only ten companies.³⁵ U.S. seed and chemical companies regularly sue U.S. farmers for seed patent “violations.” (See *Seed Giants* report, Center for Food Safety)

Agricultural Chemicals

Introduced in 2007, the EU’s Regulation on Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) established regulations to protect human health and the environment from risks posed by chemicals. The regulation applies to all chemicals, including those used in farming and nano-scale chemicals.

Based on the precautionary principle, REACH requires industry to prove that a chemical is safe before it can be commercialized. In contrast, the U.S. 1976 Toxic Substances Control Act (TSCA) requires the federal regulator to prove that a chemical is unsafe before it can restrict or ban usage.

As a result of REACH, *many pesticides that are permitted in the U.S. are now banned in the EU*. For example, atrazine, a widely used herbicide in the U.S. has been banned throughout the EU since 2004. As another example, there is a two-year EU moratorium on neonicotinoid pesticides, believed to contribute to plummeting bee populations.

While the EU Commission acknowledges this fundamentally different approach, it still seeks potential “regulatory convergence and recognition in the chemicals sector.”³⁶ Many European chemical corporations are working with U.S. business to support a weakened REACH.

THREATS TO U.S. STANDARDS

Mad Cows

The U.S. prohibits the import of beef from the EU (and all countries) raised on feed ingredients that include ruminant materials, which are known to transmit bovine spongiform encephalopathy (BSE), commonly known as mad cow disease.

Listeria and *E.coli* Thresholds

The U.S. currently has a zero-tolerance policy for the presence of *Listeria*, a bacteria that can lead to Listeriosis, a potentially deadly food poisoning. Older persons and others with impaired immune systems are the most vulnerable.

Similarly, the U.S. has a zero-tolerance policy for the presence of *E.coli*.³⁷ Cheesemakers in the EU have been particularly offended by this policy. The U.S. limits imports of many French raw milk cheeses, and farm fresh cheeses, arguing that *L. monocytogenes* contaminate the cheese. “*Incroyable*,” claim French cheesemakers, who believe the U.S. simply does not understand good cheese.

TRADE IMPACTS ON CLIMATE CHANGE AND THE NATURAL WORLD

Today's trade agreements promote hyper consumerism and economic growth, which further intensify major environmental crises of our time, notably global warming. The latest report by the Intergovernmental Panel on Climate Change (IPCC) provides a stark assessment: "There is a clear message from science: To avoid dangerous interference with the climate system, we need to move away from business as usual."⁸

TTIP not only promotes business as usual but intensifies business as usual. Here are just a few of the adverse ecological impacts intrinsic to economic activity based on massive trade: 1) Increased ship, train, truck, and plane transport and accompanying massive transportation infrastructure such as wider, deeper ports and larger airports; 2) Increased fossil fuel usage; 3) Increased production and waste generated from packaging and refrigeration of transported items; 4) Increased bioinvasion, which is now the second leading cause of species extinction after habitat destruction (also spurred by rising trade and economic activity); 5) Increased mining for raw materials; and 6) Increased use of already scarce water resources for factory production and processing facilities, industrial agriculture, and more.

Intensive expansion of economic globalization over the past few decades has increased greenhouse

gas (GHG) emissions. The IPCC report concludes that economic growth, serviced by use of fossil fuels and other non-renewable energy sources, is one of the major drivers increasing carbon dioxide (CO₂) emissions.⁹ Even a report from the EU Commission, largely supportive of TTIP, acknowledges that the agreement will increase CO₂ emissions.¹⁰

There is a proper role for trade. Historically, trade facilitated the movement of specialty goods and items such as bananas, which can only be produced in certain geographies and climates. But today, ships pass in the night with like goods. Apples from New Zealand are sold in apple-growing Washington state while Washington apples hitch a ride to New Zealand grocery markets. Trade officials often talk about how TTIP and other trade agreements stimulate economic "efficiencies," but from an environmental perspective, trade in like goods is hardly efficient.

Given the state of the planet and the urgent need to reduce GHG emissions, economic imperatives should aim to bolster local production mainly for local consumption, localize energy sources as much as possible, and root capital primarily in local or regional economies. Such measures provide stable jobs and better ensure viable economies, democratic participation, public health, and environmental integrity.

"Buy American" Procurement Programs

Leaked documents of the EU's internal negotiating mandate reveal that it is seeking new rules on public procurement on all goods, in all sectors, and at all levels of the U.S. government. EU documents specifically cite 13 U.S. states and 23 cities that it is targeting for rolling back Buy Local policies.³⁸ In particular, the EU seeks to "obtain exemptions from the rules under the 'Buy American Act.'"³⁹ Numerous other local and state initiatives, such as *school lunch programs that encourage buying from local farmers could be at risk as well*. The U.S. has also revealed its intention to engage the TTIP to address "increasing use of localization measures as barriers to trade."⁴⁰

Dairy Standards

The European Association of Dairy Trade views U.S. safety standards for Grade A milk to be "both highly

cumbersome and expensive"⁴¹ because each dairy in the U.S. is required to be individually certified. The EU would like the U.S. to recognize the European-wide milk standards as equivalent to the U.S. Grade A standard.⁴²

GE Labeling

As noted earlier, the USTR seeks to lower or eliminate GE labeling requirements in the EU. However, *what is little known, is that efforts to quell labeling requirements in the EU could also adversely impact GE labeling initiatives in the U.S.* Any measure in TTIP that restricts labeling standards in the EU will apply equally in the U.S. Currently, Maine, Connecticut, and Vermont have approved mandatory labeling bills. GE labeling bills are also being introduced in approximately 26 other states.

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