



## EP vote: CETA is not ready for approval

Dear Member of the European Parliament,

The Austrian Trade Union Federation (Österreichischer Gewerkschaftsbund, ÖGB) and the Austrian Federal Chamber of Labour (Bundesarbeitskammer, BAK) feel that the text of the CETA treaty is **not ready for approval** in its current form. The attempts to make improvements using the joint interpretative instrument and 38 unilateral declarations from the Council, the Commission and Member States are to be welcomed. Ultimately, however, they are not sufficient and **do not change the content of the CETA treaty**.

The multiple declarations themselves raise many legal questions. The content of the **interpretative instrument** contradicts the treaty text in some areas (e.g. investment protection, governments' right to regulate). In the case of any doubt, the interpretative instrument merely has an **interpretative support function**.

Furthermore, the effect of **the unilateral declarations** on the Council minutes is also questionable (e.g. democratic reference to the positions in the mixed CETA committee, precautionary principle in accordance with TFEU Article 191, unilateral right of termination of provisional application). These 38 declarations were made without Canada's consent and the EU Commission also only deems those declarations made by the Council and the Commission to be binding. Those of the member states are therefore largely irrelevant.

This also generates enormous levels of **legal uncertainty** as it remains an open question what effects the different declarations and statements will have individually as well as on one another.

The compatibility of CETA, particularly ISDS/ICS, with EU law must also be a prerequisite for a vote in the European Parliament.

Since the **content of the treaty highlighted as problematic** by the BAK and the ÖGB with regard to investment protection/investor-state dispute resolution (ISDS/ICS), public services, regulatory cooperation and employment and environmental standards remains **unchanged, we ask that you do not give your consent to the proposal for a Council decision to conclude the CETA treaty**. We see the following areas as requiring improvement:

- In democratic constitutional states no special rights are required for private investors, and therefore there is no need for a separate investment court (ICS).

- Public services should generally be defined more broadly and be completely excluded from the scope of application of CETA. In particular, they should be removed from the investment protection obligations set out in CETA. Furthermore, a model clause which reliably ensures that public services are fully exempted from deregulation and liberalization is still required.
- It is necessary to expressly rule out social, employment and environmental standards being interpreted as barriers to trade.
- There must be a legal sanction mechanism which punishes infringements of employment law and environmental standards.
- The European precautionary principle (the harmlessness of products must be demonstrated before they are approved) is not ensured in either the treaty text or in the additional explanation. This precautionary principle must take priority over the regulations in CETA.
- All resolutions within the scope of regulatory cooperation require sufficient democratic accountability.

In principle, BAK and ÖGB support trade relations provided that they occur under fair framework conditions. This is not the case with CETA. It is an agreement that goes well beyond classic trade agreements as it is a comprehensive liberalization agreement which aims to achieve deregulation without exceptions. Correspondingly high standards must be set for trade and investment agreements with such scope.

We advocate fair trade which does not merely serve the interests of large corporations and efforts by the European Commission to liberalize, but which also benefits employees and consumers. Under no circumstances should the democratic structures of the contracting parties be undermined by trade agreements.

Yours sincerely



Erich Foglar  
President



Rudi Kaske  
President