

German Confederation of Trade Unions

Executive Board

DGB Bundesvorstand | Henriette-Herz-Platz 2 | 10178 Berlin

To
Mr. Jean-Claude Juncker, President of the European Commission
Ms Cecilia Malmström, Commissioner for Trade

Reiner Hoffmann
President

Stefan Körzell
Member of the Executive Board

Resolution of the German Confederation of Trade Unions (DGB) Executive Board on the Comprehensive Economic and Trade Agreement (CETA)

4. Oktober 2016

Dear President Juncker, dear Commissioner Malmström,

We would like to inform you that the Executive Board of the German Confederation of Trade Unions (DGB), which is comprised of the Presidents of all eight DGB member unions, has again discussed in detail the free trade agreement between the EU and Canada (CETA).

From early on in the negotiations, the DGB has brought forward its position with regard to the agreement and has pointed to the potential problems resulting from its implementation for workers on both sides of the Atlantic. In the context of the upcoming decisions taken at the EU level and the EU-Canada-Summit in October, we would like to inform you about the result of our most recent debate in the executive board.

At their last meeting on October 4, 2016 the DGB Executive Board adopted a resolution that calls on the European Commission and the Canadian government to make sure when designing bilateral clarifications that the problems in CETA need effective and legally binding solutions.

These include:

1) a limitation of investment protection provisions on national treatment and thus on the non-discrimination of foreign and domestic investors. Special rights for foreign investors are not necessary, thus rights that go beyond a national treatment – i.e. fair and equitable treatment and protection against direct and indirect expropriation – have to be suspended. In case that an international investment court system is still envisaged, it is important to ensure the independence of the members of the tribunal from investors' interests. Members' fees must not depend on the number of cases covered.

2) Public services have to be excluded from the agreement. Here, we call for a broad definition of public services in order to cover the different systems of providing public services

prevailing in the EU member states. A review of regulations and remunicipalisation have to remain possible without resulting in claims by investors.

3) Social and environmental criteria in public procurement tenders must not be interpreted as barriers to trade and thus must not be subject of investor-to-state claims.

4) The precautionary principle in the EU must prevail over any rules in CETA. Consequently, the science-based approach must not be promoted at the cost of the precautionary principle. This has also be respected in the context of the CETA rules on regulatory cooperation.

5) The implementation of the chapters on trade and labour, sustainable development and environment has to be monitored effectively. In order to achieve this, the envisaged monitoring mechanism has to be reformed and in addition, a new sanction mechanism that takes effect in case of violations of workers' rights or breaches of environmental standards has to be established. Concrete steps concerning the design of these mechanisms must be outlined already in the bilateral clarifications.

We inform you about our resolution in order for you to come to legally binding, unambiguous solutions that have to be signed together with the core agreement in order to achieve legal equality.

The DGB Executive still sees several problems that have to be resolved before signing the agreement. We call on you to consider our suggestions.

Yours sincerely,



Reiner Hoffmann



Stefan Körzell