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Position Paper of the German Trade Union Confederation (DGB) on the

Plurilateral Trade in Services Agreement (TiSA)

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I) Introduction

The German Trade Union Confederation (DGB) together with its member unions is advocating a reorientation of European Trade Policy. Free trade is not an end in itself! A just globalization needs economic, social and environmental boundaries. From the DGB's perspective, global trade of both goods and services has to be realized under fair conditions in order to guarantee the protection of labor rights and to enable the broad public to benefit from possible welfare gains.

In the context of the public debates around the agreements between the European Union (EU) and the US (TTIP) as well as Canada (CETA), the DGB has made its position and demands regarding free trade agreements very clear. For the service sectors, public services have to be excluded from the agreement and sensible rules that tie the provision of services to social and environmental conditions have to be maintained in order to guarantee universal access to services for the general public. These demands naturally not only apply to TTIP and CETA, but to all free trade agreements the EU is negotiating.

Together with TTIP and CETA, the EU has been negotiating a plurilateral agreement on trade in services (TiSA) since 2012. This agreement should be "comprehensive and ambitious" and will "apply in principal to all sectors and modes of supply".[1] At the beginning of 2013 the EU-Commission was granted with a negotiation mandate that aims at an extensive liberalization of these sectors. Together with 22 other states[2] 13 rounds of negotiations have been conducted so far, in total secrecy, in the Australian embassy in Geneva.

[1] See negotiation mandate: http://data.consilium.europa.eu/doc/document/ST-6891-2013-ADD-1-DCL-1/en/pdf, p.2.

[2] Apart from the EU, TiSA negotiation partners include: Australia, Canada, Chile, Chinese Taipei, Columbia, Costa Rica, Hong Kong, Iceland, Israel, Japan, Liechtenstein, Mexico, New Zealand, Norway, Pakistan, Panama, Paraguay, Peru, South Korea, Switzerland, Turkey and the US. Uruguay withdrew from the negotiations in September 2015.

The EU-Commission's negotiation mandate and a few recently leaked chapters of the agreement reveal that in the case of TiSA – similar to TTIP and CETA – from a unions' perspective it is necessary to redefine the negotiation mandate in order to embark on a new path towards a more just European trade policy. That is why we demand for the negotiations to be suspended and for TiSA to be based upon a close cooperation with social partners and civil society.

II) Negotiations Need Transparency

There is very little known about the negotiation topics. Recently leaked chapters of the agreement reveal that all negotiation documents shall be officially published only five years after negotiations have been concluded. Only Switzerland is legally bound to publish its negotiation positions.

On the European level, commissioner for trade Cecilia Malmström is praising her transparency initiative that has made questions of trade policy more transparent than ever before. But her transparency initiative does not seem to exceed beyond the realm of the hotly debated TTIP negotiations; the public still gets informed about TiSA quite hesitantly. Only two years after the start of the negotiations the EU Commission published its negotiation mandate. A proposal for the core text which constitutes the basic principles of the agreement and an early proposal for the EU's offers on liberalization have been published in early 2015.[3] However, without information about the developments and changes that have taken place during the 13 negotiation rounds, these document are of little use for critical observers.

Some chapters of the agreement that have recently been published by the platform Wikileaks[4] give a first impression of the scope and nature of the planned liberalization of various service sectors. With the publication of the TiSA core text in July 2015 several problematic parallels to TTIP and CETA became apparent. With this in mind it is especially important to carefully follow the TiSA negotiations in order to prevent possibly hard-earnt improvements in TTIP and CETA (e.g. if public services are excluded from TTIP) from being undermined by a recourse to TiSA. Liberalization must not affect the quality of services or the labor conditions under which they are provided.

III) TiSA Core Text

1) Basic Principles

TiSA is supposed to be modelled after the already existing GATS-Agreement (General Agreement on Trade in Services) of the World Trade Organization (WTO) that came into force in 1995 and aims at the continuous liberalization of services. According to some countries there has not been sufficient progress in the context of this agreement.

[3] http://trade.ec.europa.eu/doclib/docs/2014/july/tradoc_152687.pdf
[4] https://wikileaks.org/tisa/

Consequently, TiSA – other than the GATS – is not being negotiated in the context of the WTO, but by a fraction of WTO member states that call themselves the "really good friends of services" and together are responsible for approximately 70% of global trade in services. According to official statements, the long-term aim, however, is to integrate the TiSA agreement into the WTO which would make its rules binding for all WTO member states.

The leaked core text[5] that depicts the overall rules of the agreement shows various parallels to the GATS agreement. With regard to some crucial issues, however, it differs from GATS and hence represents a new generation of free trade agreement similar to TTIP and CETA.

On the basis of GATS, the EU negotiation mandate wants to apply the principles of market access and national treatment horizontally to the entire TiSA agreement. Market access for foreign suppliers shall – as in GATS – be regulated through a positive list. In these country-specific lists explicitly those sectors shall be registered that are open to liberalization. All other sectors remain protected.

According to the national treatment principle, foreign service suppliers have to be treated the same way as national service suppliers. Other than in GATS (but in accordance with the service chapters in TTIP and CETA) exceptions from the national treatment can only be made on the basis of a negative list. On this list all sectors have to be registered in which national suppliers shall remain certain advantages over foreign suppliers (e.g. so that subsidies can still be paid to national suppliers without being obliged to also pay them to foreign suppliers). Otherwise a beneficial treatment to national service suppliers is no longer possible. The listed sectors are furthermore subject to standstill and ratchet clauses. The standstill clause (Art. II-2, Par. 2) guarantees that "discriminating" measures regarding market access, that can be maintained if listed on the positive list, cannot be expanded. Thereby the status of liberalization that is in place when the agreement is finalized will be stipulated for the future. The ratchet clause (Art. II-2, Par. 3) on the other hand defines for the principle of national treatment that liberalizations to be realized at a later point in time cannot be revoked. Future liberalizations therefore automatically stipulate a new level of commitment. Under these circumstances, once privatized services cannot be transferred back to the public hand.

It remains unclear whether TiSA will include a most-favored-nation clause. With this clause trade advantages that have been granted to one trading partner automatically have to be granted to every other partner as well. Every favorable rule in the service sector that a TiSA negotiating partner has agreed on in another agreement automatically has to be granted to all other TiSA partners.

[5] https://wikileaks.org/tisa/core/TiSA-Core-Text.pdf

This is especially worrisome if the most-favored-nation clause in TiSA opens up the possibility for TiSA partners to refer to investment protection rights – as these are discussed in the TTIP negotiations as well – even if investment protection itself is not included in TiSA, but in numerous bilateral investment treaties of the individual TiSA negotiating partners.

The TiSA core text for example shows that Columbia is trying to impede an inclusion of the most-favored-nation clause to prevent an expansion of the rules of its bilateral investment treaties (e.g. investor-state-dispute-settlement –ISDS) on all TiSA partners. In the case of the EU, one wonders whether states that so far have not had investment protection treaties with the EU under TiSA can refer to TTIP and CETA and therefore make use of the controversial ISDS mechanism possibly to be included in those agreements. Even without an own investment chapter in TiSA the ISDS mechanism could gain much more importance than before. That must not happen! Foreign investors are not to be equipped indirectly through TiSA with special rights to sue governments and therefore being treated better than national investors. It has to be avoided that investment protection rules of other agreements gain broader application through a most-favored-nation clause in TiSA.

2) TiSA's Scope of Application

Apart from the basic principles market access, national treatment and – if so – most-favored-nation clause, the core text also defines the scope of application of the TiSA agreement. Based on the GATS agreement there are four kinds of services (modes):[6]

Mode 1: Cross-border supply – covers services that are transferred from the home country of the provider to consumers abroad (e.g. e-banking, e-learning)

Mode 2: Consumption abroad – covers services that foreign consumers make use of in the home country of the service supplier (e.g. students abroad, tour ists)

Mode 3: Commercial presence – the service is being provided by a foreign supplier in the home country of the consumer (e.g. foreign hotel chains, branches of foreign banks, foreign direct investments)

Mode 4: Presence of natural persons – covers services that are provided by foreign employees in the home country of the consumer (e.g. seasonal farm workers, foreign consultants, services by industrial companies, e.g. con struction works)

TiSA shall apply to numerous measures that are supposed to regulate these four service modes. That includes laws, regulations, decrees, proceedings and any other kind of legal norm (Art. I-2, Par. a). Moreover, TiSA rules will apply to all aspects of the supply chain – from production and marketing to sale and delivery of the service.

[6] https://www.wto.org/english/tratop_e/serv_e/gatsqa_e.htm, point 4.

The very broad definition of TiSA's scope is problematic as these rules limit governments' leeway to regulate service sectors. That way service sectors will be subordinated to unregulated market mechanisms that may endanger the quality of services. The only horizontal exception (that means applying to the entire agreement) referred to in the core text is the exception for services supplied in the exercise of governmental authority. These are defined as being provided neither on a commercial basis nor in competition with other service suppliers. The same wording has already been used in the EU negotiation mandate for TTIP and in the finalized CETA text. In the context of these agreements, the DGB and its member unions have already been pointing to the difficulties of this general exception. For these conditions do not apply to most of the services of general public interest (e.g. water supply, electricity supply, health services). Hence, foreign suppliers can access the market of services for the public which results in increased competitive and pricing pressure, quality problems and may endanger the universal access to existential services. Even if extensive exceptions for services of the public interest can be achieved in TTIP and CETA, there is a massive danger that through TiSA liberalization commitments get asserted through the back-door.

In the light of this insufficient exception, the hybrid approach of combining positive and negative lists for market access and national treatment is even more problematic, as the negative list approach only makes the definition of exceptions more complex. Service sectors and subsectors have to be listed in detail. The necessary administrative effort should pose a huge challenge to the participating industrialized countries, let alone to the participating emerging and developing economies whose administrative organization often is much more limited in its capacities.

Apart from that it is hard for interested citizens, civil society and unions to check whether all important sectors have been excluded from liberalization. Furthermore, a closed negative list always limits the capacities to react to changing political conditions.

That is why the DGB and its member unions demand also for TiSA the retention of the positive list approach not only for market access rules, but also for the national treatment principle. In addition, public services have to be excluded from the scope of the agreement. In doing so treaty partners have to be able to define themselves which services are part of this exception. In the case of the EU every member country has to have the right to define individually what public services are.

III) TiSA Chapters in Detail

The following section looks at sector-specific chapters that have recently been leaked and represent the most up-to-date version at this point. The analysis of these chapters does not imply that the DGB and its member unions do not formulate demands regarding the contents of other chapters. Due to the lack of transparency however it is not possible at the moment to assess whether the negotiations are heading into the wrong direction in other areas as much as in the areas focused at in the following sections.

1) Domestic Regulation

Regulations that determine the structure of service markets (e.g. rules regarding the size of a market – for example through a limit of the amount of service suppliers – or the type of suppliers – private or public) as well as regulations that only apply to national suppliers will already be restricted through TiSA's core text (market access and national treatment). These principles are a major focus of a new generation of free trade agreements such as TTIP and CETA. The chapter on domestic regulation[7] represents another level to limit governments' leeway to interfere in the service markets.

The leaked chapter on domestic regulation in its current form covers license and qualification requirements and processes that have to be complied to in order to be allowed to provide a certain service. That includes for example regulations on specific educational achievements or diploma that have to be obtained before a supplier can be admitted to the market. Rules on the licenses of laboratories or the accreditation of schools and universities are also part of the chapter. In the GATS agreement this chapter covers technical norms as well. There is no agreement about the inclusion of technical norms in the TiSA chapter yet.

The TiSA chapter is very much based on its counterpart in the GATS agreement (Article VI). According to this, domestic regulations shall not pose an unnecessary barrier to trade. Establishing such a "trade neutrality" in the long-term means to harmonize regulations on the international level. On the one hand, this approach comes with the danger harmonizing on a low level while on the other hand, progressive regulations are to be defined as trade barriers which makes it harder to establish them. Along the same lines, the US was taken to a WTO panel by Antigua and Barbuda 10 years ago because the US, through several laws, wanted to prohibit the participation in online gambling games. Antigua and Barbuda is an important player in granting licenses for the operation of internet-casinos and is an important operator of such casinos itself. In its complaint, Antigua referred to a breach of the GATS rules on domestic regulation (GATS Art. VI). The US lost the case on the grounds that it has violated its commitments under the GATS.[8] A from a consumer perspective meaningful regulation thus had been overridden and the state's right to regulate had been restricted.

While in the TiSA text from February 2014[9] (leaked February 2015) reference to the state's right to regulate had been included, in the current text (April 2015) this reference cannot be found anymore. In the earlier text it had already been considered to move the reference to the right to regulate from the domestic regulation chapter to the core text of the agreement. At the same time there were discussions to even move it from the core text to the preamble which would minimize its binding character even more.

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[7] https://wikileaks.org/tisa/domestic/04-2015/TiSA-Annex-on-Domestic-Regulation.pdf

[8] http://www.heise.de/newsticker/meldung/USA-fechten-WTO-Entscheidung-zum-Online-Gluecksspiel-an-126018.html

[9] https://wikileaks.org/tisa/domestic/TiSA%20Annex%20on%20Domestic%20Regulation.pdf

The right to regulate must not be endangered by TiSA! Therefore it should be included in the preamble as well as in the core text to become horizontally applicable.

States' leeway to define requirements regarding service suppliers and the provision of services is additionally limited by the fact that regulations have to comply with certain conditions defined by TiSA. They have to be "objective" and "transparent", impartial to all possible suppliers (i.e. rules that privilege welfare-oriented or local small enterprises would be vulnerable) and "reasonable", i.e. not more burdensome than necessary for the suppliers. Regarding this last point, it is unclear who decides whether a government could have implemented a less trade restricting or discriminating measure. Depending on the type of the decision panel there is the danger that aspects of trade policy will outweigh possible welfare effects that result e.g. from the consideration of social and environmental aspects.

But from the point of view of the DGB and its member unions the quality of services must not be influenced by free-market and competitive considerations alone. The right of the state to regulate the supply of services in consideration of social and environmental criteria and in the interest of the public has to be maintained and must not be undermined by TiSA.

This aspect is especially important on the European level. In numerous areas where TiSA wants to set liberalization standards the EU is currently working on and implementing new decrees and regulations. Just to mention a few: the EU directives on public procurement, the EU reform agenda on financial market regulations and the data protection regulation. The parallelism of these processes poses the question how far the EU laws will be affected – and in the worst case undermined - by TiSA regulations. Would the TiSA chapter on e-commerce for example result in the data protection regulation, that is supposed to include consumer-friendly rules like strengthened rights of objection against the use of personal data or the right to be forgotten, to be eroded even before its coming into force? On some critical issues consensus could not even be reached among the EU member states yet, e.g. on data transfer to third countries. With this in mind, the danger that the EU cannot appropriately act on behalf of the European consumers in the TiSA negotiations becomes very real.

2) Transparency

Other than its name might suggest, the transparency chapter[10] does not cover the publication of negotiation positions and documents, but the mutual disclosure of future laws, regulations etc. that could affect the areas covered by TiSA in any form. Negotiating partners have to inform all TiSA parties and interested parties (e.g. industrial lobbyists) about planned changes or renewals of laws and have to give everybody the opportunity to check whether these measures would affect them.

[10] https://wikileaks.org/tisa/transparency/04-2015/TiSA-Transparency-Negotiating-Text.pdf

The parallels to regulatory cooperation as it has been criticized in the context of TTIP and CETA are highly visible. TiSA rules on "transparency" depict another challenge to state regulation. Lobbyists will have the possibility to influence the law making process – even before democratically elected parliaments can deal with the issues. In addition the whole decision making process is on the verge of being prolonged due to the additional bureaucratic barriers that are thus established.

Regulations that are passed for the proper implementation of laws are furthermore subject to special rules that define rigid deadlines that have to be considered when informing about future changes and reacting to any comments from the parties. There is an obligation to react to the comments of "interested parties" and to account for any changes in the draft law (Art. I, Par. 3d).

While the EU and some other negotiating partners want to establish these rules on a voluntary basis, a majority is pushing for binding rules. The ability of the state to quickly react to emergency situations would be limited dramatically. Would for example the EU reform on financial market regulation as a reaction to the financial crisis be a trade barrier and thus breach the treaty commitments under TiSA? Furthermore it is not yet clear if only regulations that are passed on the national level will be covered or if the rules also apply to subnational legislative processes (in the case of Germany the level of Bundesländer and/or municipalities).

From the DGB's perspective it is unacceptable to add a procedure to the legislative process that lacks any democratic legitimacy, but that restricts the capability of the state and the parliaments to regulate and whose decisions could massively affect the day-to-day life of each and every citizen.

3) Mode 4

The mobility of workers increases with the ongoing globalization. It is thus important for this area not to be subject to the rules of the free market alone. Increasing mobility has to be accompanied by high and binding social and labor standards so that workers are protected against exploitation and social dumping. That is why the cross-border deployment of workers must not be regulated by free trade agreements.

TiSA however does have a chapter on the deployment of natural persons.[11] It does explicitly not cover measures regarding permanent employment, but only temporary work stays. Every negotiating partner defines in an annex which rules apply to which group of natural persons. These include rules on market access and national treatment, e.g. maximal length of deployment, quantitative restrictions, and economic needs tests.

[11] https://wikileaks.org/tisa/natural-persons/04-2015/TiSA-Annex-on-Movement-of-Natural-Persons.pdf

In principle these rules should "at least" apply to the following groups of natural persons (Art. V, Par.1):

- intra-corporate transfers -> employees of a company that has an office in another country where the employee is to work temporarily to supply a certain service
- business visitors
- contractual service suppliers -> employees that work for a company that does not have an office in the country where the employee is to provide the service
- independent professionals - > freelancer and independent workers that do not have an office in the country where they are supplying the service.

In the case that it is not possible to exclude Mode 4 rules from TiSA, the place-of-work principle has to apply from the first day on. All workers, irrespective of their home country, have to have the same rights and salaries as nationals in the same place of work. Wages and working conditions of mode-4-migrants at least have to comply with sector-specific collective labor agreements. If however the conditions for workers are more beneficial in their home country than in the country of destination the conditions of their home country should be applied. A strikebreaker clause shall prevent the use of foreign workers during bargaining processes and labor disputes to weaken the unions' bargaining powers.

Mode-4-rules should only apply to people who have achieved a graduate degree comparable to the German Master degree and who gained at least ten years of work experience and special knowledge that is indispensable for the supply of the service. TiSA must not result in deploying skilled workers within the company, as contractual service suppliers or as independent professionals.

Due to the short duration of mode-4-deployments it is often difficult to check the conditions under which mode-4-workers work and to implement the labor standards of the country of destination. Furthermore, deployed workers are often more willing to accept worse working conditions as their employment only extends over a short period of time. Thus the pressure on wages and labor conditions in the country of destination rises and threatens to replace ordinary work contracts by foreign workers. In its current form the TiSA chapter however does not include any protection clauses for deployed workers which is especially problematic due to the very different understandings of social and labor standards in the TiSA negotiating countries. That is why in TiSA all negotiating partners should have to commit to ratifying and effectively implementing the core labor standards of the International Labor Organization (ILO). Mode-4 migrants have to have the right to join a union and labor disputes also during their stay abroad.

The liberalization of the international labor market for deployment results in legal uncertainty with regard to the application of labor and social rights on mode-4-migrants. Public authorities in the home and countries of destination will consequently have higher costs for the control and the implementation of the existing labor and social rights. TiSA will thus lead to higher costs and bureaucracy.

In conclusion, the DGB and its member unions demand for the liberalization of workers' migration not to be part of TiSA.

4) Public Procurement

TiSA shall also cover the supply of services for public authorities.[12] Public procurement is often one of the main sources of income for small and medium enterprises (SME). In industrialized, but especially in emerging and developing countries, public procurement can have a substantial part in the national gross domestic product (GDP) and promote social and economic development as well as local supply chains.

There already exists a plurilateral agreement on public procurement within the scope of the WTO (Agreement on Government Procurement – GPA). Only a few WTO-members however have committed to this agreement. Some of these countries are now also TiSA negotiating partners.[13]

In principle every government has the right – irrespective of its participation in international agreements – to open biddings of public authorities to foreign suppliers. This unilateral opening does not result in any commitment for the future and can be withdrawn at any time. With agreements like TiSA this cancellation would be prohibited.

TiSA rules on public procurement in some parts go far beyond the existing WTO rules. Exceptions of servicesectors or subsectors can only be defined on a negative list. In all other areas TiSA covers every governmental authority; there is no sign of chapter-specific exceptions.[14] However, it is not clear yet whether government authorities on all levels (national, sub-national, municipal level) are covered and how biddings of state-owned enterprises will be dealt with. From a unions' perspective it is absolutely crucial to exclude public biddings on the municipal level and on the level of the German Bundesländer. Furthermore, the scope of this TiSA chapter should be defined using the positive list approach where selected EU and national authorities can be listed whose biddings can be opened to foreign suppliers.

In addition, the lack of threshold values above which biddings have to be opened up to foreign suppliers is problematic. TiSA rules thus apply to all biddings, no matter which value. This is especially critical for national SMEs who so far at least had an advantage and were protected from foreign competition in biddings of smaller values. That is why the DGB and its member unions want the definition of high threshold values so that not all biddings have to be opened up internationally.

In the area of public procurement it is furthermore important from a unions' perspective to award the contracts in consideration of fair and social conditions.

The upcoming implementation of the EU-directives on public procurement into national law has to be complied with.

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[12] https://wikileaks.org/tisa/procurement/TiSA-Annex-on-Government-Procurement.pdf

[13] TiSA negotiating members that have already signed the GPA are: Canada, EU, Hong Kong, Israel, Japan, Liechtenstein, Norway, Switzerland, Chinese Taipei and the US. See: https://www.wto.org/english/tratop_e/gproc_e/memobs_e.htm.

[14] In the WTO-GPA governmental authorities whose bidding were open to foreign suppliers could be listed on a positive list. Biddings of all other authorities were not opened up.

It obliges member states to the compliance with national environmental, social and labor standards in the process of awarding a contract. These EU-directives have helped to enhance the status of social criteria in the public procurement processes. This paradigm change on the European level must not be undone by TiSA.

Collective agreements, compliance with the core labor standards of the ILO and social and environmental standards as binding criteria for the awarding of a contract have to apply to all other TiSA negotiating partners. This is especially important in the light of the very different stages social and environmental standards are in in the different countries.

Thus compliance with social (e.g. payment of living wages, the right to join a union etc.) and environmental standards (e.g. compliance with emission limits, use of sustainable materials) as criteria for the awarding has to be binding. The decision must not be made on the basis of price criteria alone. Quality and fair working conditions have to be the basis of the competition instead of a dumping price battle that is carried out on the backs of workers.

For in the light of the wide spectrum of TiSA negotiating partners with labor standards that differ in strength there is a danger of increased pressure in high wages and fair working conditions in order to stay competitive. On the other hand, it becomes even harder for countries of the global south to build up local and regional economic structures if indigenous suppliers for example have to compete with international companies. It is furthermore unclear if equalization claims will be possible, e.g. to oblige foreign suppliers to use local inputs.

In the light of the massive importance of public procurement for the national economy and thus for the development of the labor market, its overall liberalization is not acceptable.

5) Financial Services

Financial services play an important role in cross-border trade of services. While many states still struggle with the consequences of the financial crisis, paradoxically negotiations about deregulating the financial service sector even more are under way behind closed doors.

The finance chapter[15] in TiSA is based on the GATS agreement that goes back to the deregulatory era of the 1990s and whose rules contributed heavily to the most recent financial crisis. TiSA would further expand the problematic GATS model of deregulation and would block preventative re-regulation of the financial sector.

TiSA's finance chapter has a broad scope – it covers derivates, stocks, and bonds as well as (life) insurances, the processing of financial data and other services (Art. X.2). The principles of the core text alone (market access and national treatment) in combination with financial services can already have far-reaching consequences.

[15] https://wikileaks.org/tisa/financial/04-2015/TiSA-Financial-Services-Negotiating-Text.pdf

State measure like the prohibition of risky financial products (e.g. those that sparked the crisis at the beginning of the 2000s) could be challenged as being discriminatory. Due to the commitment to allow market access it would be impossible, for example, to limit the size of banks to prevent them from becoming "too big to fail". The horizontal application of the standstill clause would prevent the state from regulating new, potentially risky financial products in order to hamper future risks (Art. X.3, Par.2).

While slowly but steadily lessons of the most recent financial crisis are being learnt and the financial sectors become more and more re-regulated (e.g. via the EU reform agenda on financial market regulation) to prevent a new crisis, there is the danger that TiSA will negate these achievements.

Re-regulation of the financial service sector by the state however must be possible and shall not be limited by any free trade agreement! The dangers that an unrestricted financial system can pose to states, entire economies and their citizens can still be observed in some south European countries. TiSA must not spark such a development again.

IV) Conclusion

The texts and information of the TiSA agreement published so far already adumbrate that the TiSA agreement in many areas does not correspond to the demands of the German unions. These include:

- Negotiations have to be transparent. Any negotiating documents and information on negotiation rounds have to be made accessible for the parliaments of the EU member states, the EU Parliament and the general public in order to enable a serious and intensive participation of the parliaments, social partners and civil society.
- Public services must not be put under pressure for further privatization or deregulation and thus should not be part of free trade agreements. In addition, ratchet and standstill clauses that stipulate the status quo and prevent a future return of service sectors to the public hand should not be applied.
- In any case TiSA must not result in an opening of service sectors for foreign suppliers at the cost of high labor, environmental and consumer standards. Neither must future EU data protection standards be undermined by TiSA.
- There must be no further deregulation of the financial markets through TiSA. Reforms of financial markets whose necessity became apparent in the aftermath of the international financial crisis must not be marked as trade barrier.
- TiSA must not include rules on the deployment of workers (Mode 4). Questions of temporary workers' migration must not be treated in trade agreements that aim at enhancing free trade.

With the currently available information it is already foreseeable that the TiSA negotiations go in the wrong direction in many areas. That is why the unions demand to suspend the negotiations in order to achieve a fundamental reorientation of the negotiations. For a fair globalization needs a just trade policy!