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containing the European Parliament's recommendations to the Commission on the negotiations for the Trade in Services Agreement (TiSA) (2015/2233(INI))

Committee on International Trade

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

containing the European Parliament's recommendations to the Commission on the negotiations for the Trade in Services Agreement (TiSA) (2015/2233(INI))

The European Parliament,

- having regard to the General Agreement on Trade in Services (GATS)¹, which entered into force in January 1995 as a result of the Uruguay Round negotiations in the framework of the WTO,
- having regard to the report of 21 April 2011 by the chair of the WTO's Council for Trade in Services, Ambassador Fernando de Mateo, to its Trade Negotiations Committee concerning the special session of negotiations on trade in services²,
- having regard to the statement issued by the 'Really Good Friends of Services' (RGF) group on 5 July 2012³,
- having regard to the EU directives for the negotiations for a Trade in Services Agreement (TiSA), adopted by the Council on 8 March 2013 and declassified and made public by the Council on 10 March 2015⁴,
- having regard to its resolution of 4 July 2013 on the opening of negotiations on a plurilateral agreement on services⁵,
- having regard to President Juncker's political guidelines of 15 July 2014, addressed to the new Commission and entitled 'A New Start for Europe: My Agenda for Jobs, Growth, Fairness and Democratic Change',
- having regard to the Commission Communication of 14 October 2015 entitled 'Trade for All: Towards a More Responsible Trade and Investment Policy' (COM(2015)0497),
- having regard to the Final Inception Report of 17 July 2014, drawn up for the Commission by Ecorys and entitled 'Trade Sustainable Impact Assessment in support of negotiations on a plurilateral Trade in Services Agreement (TiSA)'⁶,
- having regard to the negotiating documents tabled by all TiSA parties, in particular those declassified and made public by the Commission on 22 July 2014, including the EU's initial offer⁷,
- having regard to Commissioner Malmström's statement of 5 February 2015 on patient

¹ https://www.wto.org/english/docs_e/legal_e/26-gats_01_e.htm

² TN/S/36

³ http://eeas.europa.eu/delegations/wto/press_corner/all_news/news/2012/20120705_advancing_negotiations_services.htm

⁴ <http://www.consilium.europa.eu/en/press/press-releases/2015/03/150310-trade-services-agreement-negotiating-mandate-made-public/>

⁵ Texts adopted, P7_TA(2013)0325.

⁶ http://trade.ec.europa.eu/doclib/docs/2014/july/tradoc_152702.pdf

⁷ http://trade.ec.europa.eu/doclib/docs/2014/july/tradoc_152702.pdf

mobility in TiSA¹,

- having regard to the EU-US joint statement of 20 March 2015 on public services² in the context of the TiSA and TTIP negotiations,
 - having regard to Regulation (EC) No 1049/2001 of the European Parliament and of the Council of 30 May 2001 regarding public access to European Parliament, Council and Commission documents,
 - having regard to Article 39 of the Treaty on European Union, Article 8 of the Charter of Fundamental Rights of the European Union on the protection of personal data, and Article 12 of the Universal Declaration of Human Rights,
 - having regard to Articles 2 and 3 of Treaty on European Union and to Article 8 of Treaty on the Functioning of the European Union that promote equality between women and men as one of the underlying values of the EU,
 - having regard to Articles 14 and 106 of and Protocol 26 to the Treaty on the Functioning of the European Union on services of general interest,
 - having regard to its resolution of 12 March 2013 on the General Agreement on Trade in Services (GATS) within the WTO, including cultural diversity³,
 - having regard to Article 21 TEU,
 - having regard to Articles 207 and 218 of the Treaty on the Functioning of the European Union (TFEU);
 - having regard to the principle of coherence for development as stated in the Treaty on the Functioning of the European Union,
 - having regard to the opinion of the Committee of the Regions on the local and regional dimension of the Trade in Services Agreement (TiSA) (CDR 2700/2015),
 - having regard to Rules 108(4) and 52 of its Rules of Procedure,
 - having regard to the report of the Committee on International Trade and the opinions of the Committee on Development, the Committee on Economic and Monetary Affairs, the Committee on Employment and Social Affairs, the Committee on the Industry, Research and Energy, the Committee on Transport and Tourism, the Committee on Regional Development, the Committee on Civil Liberties and the Committee on Women's Rights and Gender Equality (A8-0009/2016),
- A. whereas the TiSA negotiations should achieve effective international regulation, not lower domestic regulation;
- B. whereas although TiSA in its current form and with its existing negotiating members is

¹ <http://trade.ec.europa.eu/doclib/press/index.cfm?id=1254>

² http://trade.ec.europa.eu/doclib/docs/2015/march/tradoc_153264.pdf

³ OJ C 61 E, 10.3.2004, p. 289.

a plurilateral agreement, the ambition should be that the concluded deal reach the critical mass to enable it to become a multilateral deal within the WTO framework;

- C. whereas any trade agreement must provide more rights and lower prices to European consumers, more jobs and protection to workers; whereas they must also contribute to promoting sustainable development, corporate social responsibility globally and level the playing field for European companies; whereas trade policy should contribute to and be fully coherent with the ILO Decent work Agenda and the UN 2030 Agenda for Sustainable Development;
- D. whereas any trade agreement must be a market opener for our companies abroad and a safety net for our citizens at home; whereas TiSA should increase access to foreign markets, promote best practices and shape globalisation with a view to ensuring that it reflects EU values, principles and interests and that it helps EU companies thrive in the era of global value chains; whereas consumer rights as well as social and environmental standards are not trade barriers but non-negotiable building blocks of the Europe 2020 strategy for smart, sustainable and inclusive growth; whereas the EU's trade policy must uphold the objectives of economic, social and territorial cohesion as set out in Article 174 of the TFEU; whereas the provision of services in the EU is based on the principles of universal access, quality, safety, affordability and equal treatment to be guaranteed at all times in all cities and regions; whereas the EU should promote gender equality at international level;
- E. whereas in the context of the globalisation, servicification and digitalisation both of our economies and of international trade, urgent policy action is needed to enhance international rules; whereas the EU has a vital interest in strengthening global trade rules to govern global-supply chains; whereas the multilateral trading system remains the most effective framework for achieving open and fair trade worldwide;
- F. whereas TiSA is an opportunity for the EU to consolidate its position as the world's largest exporter of services, representing 25 % of global exports of services, accounting for a trade surplus of EUR 170 billion in 2013; whereas the value of EU exports in services has doubled over the last 10 years reaching a value of EUR 728 billion in 2014; whereas services employ close to 70 % of the EU's labour force and represent 40 % of the value of goods exported from Europe; whereas 90 % of the new jobs that will be created in the EU between 2013 and 2025 will be driven by the services sectors; whereas this agreement has the potential to boost job creation in the EU;
- G. whereas trade in services is an engine for jobs and growth in the EU, which could be strengthened by TiSA;
- H. whereas many important markets, not least in emerging economies, are still closed to European companies; whereas unnecessary barriers to trade in services, which if translated into equivalent tariffs amount to 15 % for Canada, 16 % for Japan, 25 % for South Korea, 44 % for Turkey and 68 % for China, continue to prevent European companies from reaping the full benefits of their competitiveness; whereas the EU, where the tariff equivalent of services restrictions is only 6 %, is substantially more open than most of its partners; whereas the EU should use its position as the most important importer and exporter of services to secure a level playing field via reciprocal market access and fair competition;

- I. whereas non-tariff barriers, which on average represent more than 50 % of the cost of cross-border services, disproportionately affect small and medium-sized enterprises (SMEs), which make up one third of EU service export providers and which often lack the human and financial resources necessary to overcome those obstacles; whereas the elimination of unnecessary barriers would facilitate the internationalisation of SMEs as long as these barriers can be removed without jeopardising the fulfilment of the public policy objectives underpinning them; whereas the measures necessary to achieve legitimate public policy purposes should be maintained;
- J. whereas the globalisation of value chains increases the import content of both domestic output and exports; whereas trade in goods and trade in services are interlinked and global rules are needed to govern these supply chains; whereas in a context of global value chains binding core international standards become even more necessary in order to avoid a further race to the bottom, as well as social and environmental dumping;
- K. whereas citizens' trust in the EU's trade policy must be bolstered by ensuring not only beneficial outcomes in terms of employment and wealth creation for citizens and businesses, but also by guaranteeing the highest level of transparency, engagement and accountability, by maintaining constant dialogue with social partners, civil society, local and regional authorities and any other relevant stakeholders, and by setting clear guidelines in the negotiations;
- L. whereas most of the commitments in the EU schedule refer to Member States' national legislation; whereas the implementation of commitments particularly affects regional and local governments;
- M. whereas data protection is not an economic burden, but a source of economic growth; whereas restoring trust in the digital world is crucial; whereas data flows are indispensable to trade in services but should never compromise the EU's *acquis* on data protection and the right to privacy;
- N. whereas Parliament in its resolution of 26 June 2013 on the opening of negotiations on a plurilateral agreement on services¹ requested that the Commission 'follow up on its intention to prepare a sustainability impact assessment';
- O. whereas TiSA will involve movements of natural persons between the countries that are parties to the agreement and in this respect all European citizens must be treated equally regarding access to the parties' respective territories;
- P. whereas Parliament has the final say, by means of the consent procedure, on trade agreements and its Members will only decide on whether to approve or reject TiSA once the negotiations have been concluded; whereas ratification in certain Member States may require ratification by regional parliaments and/or parliamentary chambers representing the regional level;
- Q. whereas Parliament reserves the right to express its opinion after consulting any future text proposals and drafts of TiSA;

¹ Texts adopted, P7_TA(2013)0325.

1. Addresses, in the context of the ongoing negotiations on the Trade in Services Agreement, the following recommendations to the Commission:
 - (a) *regarding context and scope:*
 - i. to consider the TiSA negotiations as a stepping stone towards renewed ambitions at WTO level with the aim of relaunching negotiations for a reformed GATS;
 - ii. to reiterate its support for an ambitious, comprehensive and balanced negotiation, which should unleash the untapped potential of a more integrated global services market, while preventing social, environmental and economic dumping and fully guaranteeing compliance with the EU *acquis*; to shape and regulate globalisation and to strengthen international standards, while legally securing the right to regulate and to pursue legitimate public policy objectives such as public health, safety and environment; to secure increased market access for European services suppliers, including SMEs, in key sectors of interest, while accommodating specific carve-outs for sensitive sectors, including all public services; to ensure that these negotiations contribute fairly and significantly to job creation and inclusive growth, and set ambitious trade in services standards for the 21st century; to respect the EU's and Member States' political, social and cultural models as well as the fundamental principles enshrined in the EU Treaties, and those included in the Charter of Fundamental Rights of the EU, such as gender equality; to promote and protect human rights, democracy and the rule of law worldwide;
 - iii. to aim at multilateralisation and to oppose any provisions or annexes which would prevent it, which would be incompatible with the GATS and which would prevent future integration into the WTO system; to accept new parties on the condition that they accept the already agreed rules and level of ambitions; to incentivise wider participation in the negotiation talks; to note that both the highest barriers and the highest growth potential regarding trade in services are to be found in the BRICS and the MINT countries; to recognise the importance of those countries for the EU, as export destinations with a rising middle class, as sources of intermediate inputs and as key hubs in global value chains; to open the way for the participation of committed emerging and dynamic economies and to reiterate its support for China's request to join the negotiations; to secure the commitment of all TiSA participants to multilateralising the outcome of the negotiations; to ensure that special attention is paid to developing countries and to include in TiSA the provisions contained in Article IV of the GATS;
 - iv. to take note that, according to the United Nations Conference on Trade and Development (UNCTAD), the services sector accounts for approximately 51 % of GDP in developing countries and that service exports from African countries are increasing; to recognise that trade, including in services, could, under certain conditions, be a trigger for inclusive growth, sustainable development, poverty and inequality reduction and decent job creation, and could encourage innovation by facilitating exchanges of know-how, technology and investment in research and development, including through foreign investment; to maintain, consequently, that enabling developing countries to gain fair access to world

markets in services could bolster their economic integration and their adjustment to globalisation;

- v. to acknowledge that, as the negotiations are carried out on a preferential basis, the benefits of the agreement will be limited to TiSA parties until it is multilateralised; to reject the application of a most-favoured-nation (MFN) treatment clause to non-TiSA parties until the agreement is multilateralised; to reject, as in the GATS, the inclusion of FTAs in the MFN clause;
 - vi. to reinvigorate the discussions on services in the Doha Development Round;
 - vii. to ensure synergies and consistency between the bilateral, plurilateral and multilateral agreements currently being negotiated, as well as with single market developments, especially with regard to the Digital Single Market; to ensure coherence between EU internal and external policies and to promote an integrated approach to foreign affairs; to respect the principle of Policy Coherence for Development and encourage the implementation of the Sustainable Development Goals adopted in September 2015;
 - viii. to propose specific safeguards for tourists, inter alia in order to make international roaming fees and fees applied to international calls and messages transparent, so as to limit the excessive fees charged to consumers using their credit cards outside Europe and to preserve the EU's and Member States' right to issue safety warnings about tourist destinations;
 - ix. to publish, without any further delay, the sustainability impact assessment and to update it accordingly once the negotiations are finalised, taking specific account of TiSA's impact on citizens, local and regional authorities and developing countries not participating in the negotiations, as well on the social and employment situation in the EU; to conduct a detailed and timely assessment of the effect of the GATS on the European economy since its entry into force; to involve social partners and civil society fully in finalising the sustainability impact assessment; to request that Parliament's research services publish a comprehensive and informative study on the scope and potential impact of the TiSA negotiations, including from a gender perspective and the need to tackle phenomena such as the glass ceiling and the gender pay gap; to carry out a fundamental rights check to enable Parliament to take an informed decision regarding giving its consent to TiSA or not;
 - x. to ensure that investor-state dispute settlement mechanisms cannot be 'imported' from other bilateral investment treaties by virtue of MFN clauses;
- (b) *regarding market access:*
- i. to exclude public services and audiovisual services from the scope of application of the agreement, and to take a cautious approach to cultural services without prejudice to the EU's commitments in the GATS; to seek ambitious commitments across parties, sectors, and levels of government, in particular the further opening of foreign markets as regards public procurement, telecommunications, transport and financial and professional services;

- ii. to ensure reciprocity at all levels; to support the use of horizontal commitment-related provisions as a means to set a common level of ambitions without prejudice to the rights and obligations under GATS Articles XVI and XVII, and to take note that such minimum requirements would set clear parameters for countries interested in participating; in line with GATS Article IV, to provide flexibility for developing and least developed countries when subscribing to the level of ambition of the agreement; to ensure that the agreement seeks to create a level playing field in the services sector and to open new markets to EU service providers;
- iii. to exclude from the EU's commitments the provision of new services not classified in the relevant classification system, while retaining the ability to include them at a later stage;
- iv. to reject the application of standstill and ratchet clauses to market access commitments and to reject their application to sensitive sectors, such as public and cultural services, public procurement, Mode 4, transport, and financial services; to allow for enough flexibility to bring services of general economic interest back into public control; to maintain the right of the EU and Member States to modify their schedule of commitments in accordance with the GATS;
- v. to undertake limited commitments in Mode 1, in particular in the fields of digital services, financial services and road transport, so as to avoid regulatory arbitrage and social dumping; to undertake ambitious commitments, however, and to recognise offensive interests in the field of satellite telecommunications services, maritime services and reinsurance; to acknowledge that such commitments can only be fruitful in an appropriately regulated environment; to ensure that EU law is fully respected and enforced on foreign providers when a company provides a service from abroad to EU consumers, and to include provisions guaranteeing easy access to redress for consumers; to identify, in parallel, the challenges that consumers face when they deal with service providers located in third countries, to provide guidance to consumers about their right to redress in such circumstances and to propose concrete measures if need be;
- vi. to take an ambitious approach in Mode 3 by seeking the removal of third-country barriers to commercial presence and establishment, such as foreign equity caps and joint venture requirements, which is of crucial relevance in terms of increasing the growth of services delivered through Modes 1 and 4, while maintaining the current level of EU-wide reservations;
- vii. to bear in mind that the EU has an offensive interest in the outward mobility of highly skilled professionals; to refrain from undertaking new commitments beyond the GATS with regard to inward mobility until the other parties substantially improve their offers; to acknowledge that the labour clause maintains the legal obligation of foreign service providers to comply with EU and Member State social and labour legislation, as well as with collective agreements; to enter into ambitious Mode 4 commitments for those cases which underpin Mode 3 commitments; to preserve the ability to conduct economic needs and labour market tests on contractual service suppliers and independent professionals;

- viii. to respect Member States' sovereign right to choose which sectors to open to foreign competition and to what extent by means of limitations and exemptions; to refrain from pressuring Member States not to exercise this right in full;
 - ix. to exclude, in line with Articles 14 and 106 TFEU and Protocol 26 to the TFEU, current and future services of general interest and services of general economic interest from the scope of application of the agreement (including, but not limited to, water, health, social services, social security systems and education, waste management and public transport); to ensure that EU, national and local authorities retain the full right to introduce, adopt, maintain or repeal any measures with regard to the commissioning, organisation, funding and provision of public services; to apply this exclusion irrespective of how the public services are provided and funded; to ensure that social security systems are excluded from the scope of application of the agreement; to reject the proposal on a patient mobility annex, which is opposed by the majority of TiSA participants; to recognise the great importance attached by European citizens to high-quality public services that contribute to social and territorial cohesion;
 - x. to oppose restrictions on cross-subsidisation of undertakings under the same local authority where they exceed the restrictions existing under EU and national law;
 - xi. to seek to introduce, without prejudice to the GATS, an unequivocal 'gold standard' clause, which could be included in all trade agreements and would ensure that the public utilities clause applies to all modes of supply and to any services considered to be public services by European, national or regional authorities, in any sector and irrespective of the service's monopoly status;
 - xii. to ensure, in line with Article 167(4) TFEU and with the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions 2005, by means of a horizontal and legally binding clause applicable to the whole agreement, that the parties preserve their right to adopt or maintain any measure with respect to the protection or promotion of cultural and linguistic diversity, irrespective of the technology or distribution platform used both online and offline;
- (c) *regarding rules on the digital economy:*
- i. to ensure cross-border data flows in compliance with the universal right to privacy;
 - ii. to take a cautious approach to the negotiation of chapters concerning data and privacy protection;
 - iii. to acknowledge that data protection and the right to privacy are not a trade barrier, but fundamental rights, which are enshrined in Article 39 TEU and Articles 7 and 8 of the Charter of Fundamental Rights of the European Union, as well as in Article 12 of the Universal Declaration of Human Rights; to acknowledge that a high level of trust is essential to develop a data-driven economy; to guarantee full respect of this fundamental right, taking due account of recent developments in the digital economy and in full compliance with the European Court of Justice's

- ruling with respect to Safe Harbour; to incorporate a comprehensive, unambiguous, horizontal, self-standing and legally binding provision based on GATS Article XIV which fully exempts the existing and future EU legal framework for the protection of personal data from the scope of this agreement, without any conditions that it must be consistent with other parts of the TiSA; to apply such provisions to all other TiSA annexes; to immediately and formally support such proposals in the TiSA e-commerce annex; to support proposals aimed at ensuring that domestic legal frameworks for the protection of personal information of users are applied on a non-discriminatory basis; to apply the data protection provisions enshrined in the annex on e-commerce to all other TiSA annexes, including on financial services;
- iv. to ensure that European citizens' personal data flow globally in full compliance with the data protection and security rules in force in Europe; to ensure that citizens remain in control of their own data; to reject, therefore, any 'catch-all' provisions on data flows which are disconnected from any reference to the necessary compliance with data protection standards;
 - v. to immediately and formally oppose the US proposals on movement of information;
 - vi. to consider that a clearly defined and mutually agreed legal framework guarantees swift exchanges of information when necessary to address security threats; to ensure that GATS Article XIV bis is replicated in TiSA's core text; to ensure that national security clauses are grounded in appropriate necessity criteria; to firmly reject, however, any extension of the scope of the national security exemption enshrined in GATS Article XIV bis and any backdoors in technologies; to immediately and formally oppose such proposals in TiSA;
 - vii. to recognise that digital innovation is a driver of economic growth and productivity in the entire economy; to recognise that data flows are a crucial driver of the services economy, an essential element of the global value chain of traditional manufacturing companies and critical for the development of the Digital Single Market; to seek, therefore, a comprehensive prohibition of forced data localisation requirements and to ensure that TiSA contains future-proof rules and prevents fragmentation of the digital world; to consider that forced localisation requirements, i.e. forcing service suppliers to use local infrastructure or establish a local presence as a condition of supplying services, deter foreign direct investment from and to a party; to strive, therefore, to curb such practices to the extent possible within and outside Europe, while accommodating necessary exemptions based on legitimate public purposes such as consumer protection and the protection of fundamental rights;
 - viii. to ensure that the provisions of the final agreement are consistent with existing and future legislation at EU level, including the Regulation on a European single market in electronic communications, the General Data Protection Regulation, the E-Privacy Directive (Directive on privacy and electronic communications) and the 16 measures included in the communication on the Digital Single Market; to safeguard net neutrality and an open internet; to ensure that personal data can be

transferred outside the Union only if the provisions on third-country transfers in EU data protection laws are complied with; to guarantee, in particular, that the EU retains its ability to suspend the transfer of personal data from the EU to third countries where the rules of the third party do not meet EU adequacy standards, where alternative avenues, such as binding corporate rules or standard contractual clauses, are not used by companies and where the derogations listed in Article 26(1) of Directive 95/46/EC do not hold; to prevent geoblocking practices and to uphold the principle of open governance of the internet; to cooperate with parties in the appropriate settings with a view to adopting sufficiently high standards of data protection;

- ix. to promote rule-based competition in the telecommunications sector for the benefit of service providers and consumers; to address persistent regulatory asymmetries in the telecommunications sector, by preventing parties from imposing foreign equity caps, by laying down pro-competitive wholesale access rules for incumbent operators' networks, by providing clear and non-discriminatory rules for licensing, by securing genuine access to last-mile infrastructures in export markets for EU telecom providers, by guaranteeing the independence of regulators, and by supporting an extensive definition of telecommunications services covering all types of network; to ensure a level playing field for all operators and that non-EU companies from oligopolistic markets do not take advantage of the fragmentation of the EU market; to guarantee that TiSA parties respect the principle of open and non-discriminatory internet access for service providers and consumers; to guarantee that EU operators in TiSA participating countries have fair and symmetrical market access in telecom services, free from any non-tariff and behind-the-border barriers, including regulatory requirements, asymmetry in standards, technological impositions or restrictions;
- x. to strongly support provisions on international mobile roaming and to extend them to international calls and messages; to increase publicly available information regarding retail rates in the short run and to support caps in the long run with a view to decreasing prices; to ensure that TiSA does not create any obstacle to bilateral agreements in this field; to push for online consumer protection, in particular vis-à-vis unsolicited commercial electronic messages;
- xi. to provide for effective cooperation on taxation of the digital economy, on the basis of the work of the Commission's Platform for Tax Good Governance, and to guarantee, in particular, the link between taxation and the real economic activity of companies in the sector; (d) *regarding rules on mobility:*
 - i. to ensure that nothing will prevent the EU and its Member States from maintaining, improving and applying labour and social regulations, collective agreements and legislation on the entry of natural persons into, or temporary stay in, the EU's or a Member State's territory, including those measures necessary to ensure the orderly movements of natural persons across its borders such as, inter alia, admission or conditions for admission for entry; to guarantee, in line with Directive 96/71/EC on the posting of workers, that the minimum terms and conditions of employment of the host country are applicable to any service

suppliers accessing the EU, today and in the future; to ensure that all workers coming into Europe, irrespective of their home country, enjoy the same labour rights as nationals in their host country and that the principle of equal pay for equal work is respected; to ensure that the eight fundamental International Labour Organisation (ILO) Conventions are respected by TiSA parties; to call on all parties to ratify and implement the principal ILO standards and to promote other relevant ILO Conventions and UN resolutions; to ensure that the EU's and Member States' labour laws and collective agreements are respected within the EU's territory; to strengthen the EU monitoring and enforcement mechanism in order to deter infringements; to urge Member States to increase the resources available to labour inspectorates; to urgently collate and present detailed information on the number and type of service providers currently operating in the EU under Mode 4, including the duration of their stay; to ensure much more efficient cross-border access to data within the EU in the future; to include a safety clause preventing companies from circumventing or undermining the right to take industrial action through the use of workers from third countries during negotiations on collective agreements and labour disputes, and to allow TiSA participants to apply any necessary safeguards should pressure be put on domestic wages, should the right of domestic workers be endangered or should other agreed standards be infringed, in line with the limitations set out in Article X of the GATS; to urge all contracting parties to comply with OECD guidelines for multinationals;

- ii. to recall that Mode 4 commitments must only apply to the movement of highly skilled professionals, such as persons holding a university or equivalent Master's degree or employed in a senior managerial role, for a specific purpose, for a limited period of time and under precise conditions stipulated by the domestic legislation of the country where the service is performed and by a contract respecting such domestic legislation; calls in this context for Article 16 of the Services Directive (2006/123/EC) to be heeded and implemented; to reject substantial changes to the Mode 4 rules as defined in the GATS and to consider a revision of Directive 2014/66/EU on the conditions of entry and residency of third country nationals in the framework of an intra-corporate transferee;
- iii. to recognise the annex on Mode 4 as an offensive interest for Europe, given that EU professionals are well-educated and mobile and that EU companies increasingly require the specific skills of foreign professionals inside Europe and their personnel outside Europe, in order to support the establishment of new business activities; to ensure that this mobility is advantageous not only for European companies but also for European workers;
- iv. to oppose any provisions regarding visas and other entry procedures except those aimed at increasing transparency and streamlining administrative procedures; to ensure that TiSA does not apply to measures affecting natural persons seeking access to the employment market of a party, nor to measures regarding citizenship, residence or employment on a permanent basis; to set adequate safeguards to ensure that temporary service providers return home;
- v. to seek to horizontally prohibit the requirement of establishing a commercial

presence, or of being a resident, as a condition for providing professional services; to limit the scope of the annex on professional services to the list of commitments made by each party;

- vi. to strive to create a framework for the mutual recognition of training, academic levels and professional qualifications, in particular in the architectural, accounting and legal sectors, while ensuring the competence of the supplier and thus the quality of the services provided in line with the EU's Professional Qualifications Directives, and while avoiding the automatic and quantitative recognition of university degrees;
- vii. to ask for a clear definition of the workers covered by the annex on Mode 4;

(e) *regarding rules on financial services:*

- i. to achieve an agreement that contains an ambitious yet balanced annex covering the provision of all types of financial services, in particular banking and insurance, that goes beyond the GATS annex on Financial Services and that fosters long-term sustainable growth in line with Europe 2020 Strategy goals; to aim at reinforcing the stability of the financial system and single financial institutions, guaranteeing full consistency with the post-crisis regulatory environment, and guaranteeing fair competition between financial services providers; to achieve an agreement that brings value and protection to European consumers in the form of upward convergence in financial regulation and of a broader choice of financial services; to aim at ensuring adequate protection for consumers, including data protection and right to privacy as well as the provision of understandable and correct information, which are indispensable to reduce the asymmetry of information;
- ii. to commit TiSA parties to the implementation and application of international standards for the regulation and supervision of the financial sector, such as those endorsed by the G20, the Basel Committee on Banking Supervision, the Financial Stability Board, the International Organisation of Securities Commissions and the International Association of Insurance Supervisors; to take action to ensure that the key elements of the WTO Understanding on Financial Services are taken over in TiSA, while improving the drafting of the Understanding to bring it into line with the exact current policy lines of the EU in these areas; to ensure that TiSA helps mitigate double taxation and in no way facilitates or opens loopholes for tax fraud, tax evasion, aggressive tax planning or money-laundering; to pursue in-depth commitments, in particular on market access, from countries that currently have no bilateral trade deals with the EU, such as Australia, New Zealand, Hong Kong and Taiwan, very limited commitments at WTO level, such as Chile and Turkey, or very limited bilateral commitments on financial services, such as Mexico;
- iii. to include in TiSA a prudential carve-out building on that contained in the EU-Canada Comprehensive Economic and Trade Agreement (CETA), preserving the sovereign right of a party to deviate from its trade commitments and adopt any measure it deems necessary to regulate its financial and banking sectors for prudential and supervisory reasons with a view to ensuring the stability and

integrity of a party's financial system;

- iv. to ensure that, in the area of financial services, no new commitment will be made that could jeopardise EU financial regulation by forcing the EU to turn back on its enhanced regulatory framework for the financial sector or by preventing the EU from using the law to tackle excessive risk-taking by financial institutions; to ensure that nothing in this agreement will limit the EU regulators' ability to authorise or deny any current or new financial products in line with the EU's regulatory framework;
 - v. while stressing the need to increase worldwide access to financial services given their importance for growth and the economy, to exclude cross-border financial services from the EU's commitments, including portfolio management, until there is convergence in financial regulation at the highest level, except in very limited and duly justified cases, such as those reinsurance services provided in a business-to-business context; to consider, in particular, that clear and sound rules and procedures for authorising companies established in third countries to provide such services in the EU and, where appropriate, the explicit recognition by the EU that these companies' country of origin have an enforceable regulatory and supervisory framework equivalent to the EU's are indispensable to ensure that no unsupervised entity is able to act in the Union and that a level-playing field between European and foreign companies, irrespective of their jurisdiction of establishment, is achieved; to take immediate action, in parallel to TiSA, to narrow the gap between the different ways in which countries currently recognise the equivalence of regulatory and supervisory regimes of other jurisdictions, which is currently causing fragmentation of global financial services markets, by achieving a common understanding that an equivalence decision should be the result of a transparent assessment of whether each jurisdiction's rules achieve the same objectives and understanding that, though such a decision should follow early and frequent bilateral dialogues, it can be unilateral when mutual recognition is not possible;
 - vi. to request a thorough ex-ante independent impact assessment to evaluate the economic and social effects of further financial liberalisation under TiSA;
 - vii. to acknowledge that the re-regulatory action following the financial crisis is not yet over, including requirements on certain legal forms, splits (e.g. bank separation), changes of business or downsizing;
- (f) *regarding rules on logistics:*
- i. to seek an ambitious but balanced outcome for the transport sector, which is critical to the sustainable development of global value chains; to increase the speed, reliability, security and interoperability of transport services, to the benefit of business customers and individual users and workers; to ensure consistency with the EU's climate policy; to keep in mind the importance of transport and delivery services for the European economy and employment given that European ship owners control 40 % of the world's merchant fleet, that the aviation industry supports over 5 million jobs, that the European rail industry accounts for over half of the worldwide production of rail equipment and services and that road transport

maintain its importance for EU logistics; to recognise therefore the potential of transport services to reduce the level of unemployment in Europe; to ensure that negotiations are mindful of the rapidly evolving nature of the transport sector and the growing importance of collaborative economy transport modes in Europeans' everyday lives; to require that foreign companies fully comply with existing EU regulatory standards when providing their transport or delivery services within the EU's territory;

- ii. to seek improved access to foreign markets and a reduction in anti-competitive regulatory practices, most importantly those which are harmful to the environment and reduce the efficiency of transport services and those restrictions imposed by non-EU countries regarding foreign ownership, while legally securing public authorities' right to regulate over transport and guarantee public transportation; to address restrictions in the cabotage sector and to avoid carriers returning empty from their host countries, in particular in the annexes on maritime and air transport;
- iii. to put forward provisions aimed at strengthening passenger rights, in particular in the annex on air transport, and also in relation to all means of transport so that the agreement also benefits consumers;
- iv. to preserve Member States' rights regarding existing or future national regulations and bilateral or multilateral road transport agreements, including transit permit requirements; to exclude any provisions facilitating the entry and stay of professional drivers from the scope of the annex on road transport; to reject any requests to undertake any Mode 4 commitments in the road transport sector;
- v. to ensure consistency with international standards, such as those endorsed by the International Maritime Organisation and the International Civil Aviation Organisation, and to consider them as minimum standards and to oppose any lowering of these international benchmarks; to pursue, as a long-term objective, binding international trade rules for the maritime and air transport sectors; to ensure the application of ILO Conventions relevant to the logistics and transport sectors, such as the Maritime Labour Convention; to stress that EU and Member State legislation provides benefits for workers, including safety and security, consumers and the environment; to underline that all those who provide services within the EU, whether foreign or domestic, are to comply with this legislation; to acknowledge that the quality of services is intrinsically linked to the quality of employment and the regulatory frameworks in place;
- vi. to strike the right balance between the liberalisation of the competitive postal sector, which is key for the further development of services and the digital economy, and the protection of universal postal services, which play a vital role in promoting social, economic and territorial cohesion; to prevent therefore anti-competitive cross-subsidisation and increase access to non-EU countries' markets, while ensuring the fulfilment of universal service obligations as defined by each party;
- vii. to recall the crucial role maritime transport plays in the world economy, both as an industry in itself and as a facilitator for international trade; to promote a clear

text with strong commitments on ensuring access to ports, as well as market access and national treatment for international maritime transport services;

(g) *regarding rules on domestic regulation and transparency:*

- i. to legally secure European, national and local authorities' right to regulate in the public interest in a way that is not more restrictive than the GATS, and not subject to necessity tests; to ensure that the annexes' provisions are not more restrictive than those principles enshrined in GATS Article VI or in EU law;
- ii. to recognise that the parties to the negotiations subscribe to the rule of law and have independent judicial systems, with provision for remedies to guarantee the rights of investors and citizens;
- iii. to promote good governance and transparency and to foster good practice in administrative, regulatory and legislative processes, by encouraging the wide take-up of measures that strengthen the independence of decision-makers, increase the transparency and democratic accountability of decisions, and reduce red tape; to stress that consumer, health and environmental protection and safety and labour rights must be at the centre of regulatory endeavours; to make sure that any change to EU levels of regulatory protection can only be upwards, never downwards;
- iv. to recognise that in accordance with the GATS provisions, an annex on domestic regulation should prevent parties from implementing disguised trade barriers and imposing unnecessary burdens on foreign companies, in particular when they apply for different types of permits; to ensure that domestic regulation continues to satisfy public policy goals;
- v. to ensure that agreed rules apply only to trade-related measures, such as qualifications and licensing requirements and procedures, and only in sectors where a party has undertaken commitments;
- vi. to request and publish a legal opinion prior to Parliament's vote on the final agreement, with a view to thoroughly assessing the two annexes on domestic regulation and transparency in light of EU law, and to assess whether the legal obligations set in these annexes are already respected in the EU;
- vii. to clearly define the law-making principles of transparency and objectivity so as to ensure that these concepts do not turn into catch-all provisions;
- viii. to make information on trade-related regulations and how they are administered, including regulations applicable at sub-federal level, publicly available online; to place the emphasis on rules governing licensing and authorisations; to specifically push for the creation of a web-based one-stop shop information mechanism for SMEs and to include SMEs in its conception;
- ix. to ensure that administrative fees charged to foreign companies are fair and non-discriminatory, that sufficient remedies making it possible to file a complaint in national courts are equally accessible to foreign and domestic providers, and that

rulings are delivered in a reasonable period of time;

- x. to maintain the EU practice of carrying out public consultations prior to legislative proposals; to ensure that the outcomes of these consultations will be observed closely during the negotiations;
 - xi. to oppose any proposals calling for the mandatory submission of legislative proposals to third parties prior to their publication; to bear in mind that stakeholders have different access to resources and expertise, and to ensure that the introduction of a voluntary stakeholder consultation process in TiSA does not create a bias towards the better funded organisations;
- (h) *regarding rules contained in other regulatory disciplines:*
- i. to acknowledge that TiSA is an opportunity to ensure competition by the rules, not for the rules;
 - ii. to make sure mutually-agreed commitments will be respected in practice, to allow for effective retaliation and to provide disincentives to breaches of commitments; to include therefore a state-to-state dispute settlement mechanism in the agreement to be used until the agreement is multilateralised and the WTO Dispute Settlement becomes available; to revise Regulation (EU) No 654/2014 concerning the exercise of the Union's rights for the application and enforcement of international trade rules in order to ensure that the EU can take retaliatory measures in the services sectors;
 - iii. to defend the inclusion of a regulatory annex on government procurement with a view to maximising the participation of European companies in foreign tenders, while maintaining EU criteria, including social and environmental criteria, and procedures in European tenders, notably regarding SMEs' access to public contracts, the eligibility criteria based on the best 'quality-price' ratio and the thresholds below which commitments do not apply; to overcome the lack of transparency and market entry barriers regarding non-European calls for tenders and to denounce the lack of reciprocity in this area at all levels of government, as illustrated by the preferential treatment granted to domestic companies in several countries, while allowing for the possibility of opting for market access and national treatment commitments for the sake of multilateralisation; to encourage the ratification and implementation by those parties who have not yet done so of the WTO Government Procurement Agreement and its 2011 revision; to call on the European Union to introduce a 'European Business Act', modelled on the 'American Business Act' and supporting the economic development of SMEs and European industry;
 - iv. to ensure protection of EU small and medium-sized service providers from unfair trading practices from services providers from outside the EU;
 - v. to lower unnecessary barriers to trade in energy- and environment-related services, particularly those relating to the development and promotion of renewable energy and environmentally sound technologies, while maintaining the possibility of making reservations on market access and national treatment in all

modes of supply in this field, given that an increasing number of services, such as installation, management and repairs, are sold together with products in these two areas; to acknowledge the explicit recognition of each party's sovereignty over energy resources in line with Treaty provisions and to legally secure through an improvement of GATS-equivalent provisions the EU's right to regulate, in particular so as to meet the European objectives as regards sustainability, climate policy, security and affordability;

- vi. to ensure that upcoming procurement commitments do not overcome any local or national law of any party;
- (i) *regarding public and political outreach:*
- i. to ensure the highest level of transparency, dialogue and accountability;
 - ii. to keep the European Parliament fully and immediately informed at all stages of the negotiations; to ensure that all Members of the European Parliament receive all the negotiating documents related to TiSA, as well as the European Commission internal documents, such as detailed summaries of negotiating rounds and thorough assessments of TiSA parties' offers, provided that due confidentiality is ensured; in line with WTO policy, ECJ case law on classified documents and the limitations enshrined in the EU's *acquis*, in particular in Regulation (EC) No 1049/2001 on access to documents, to make negotiating documents public with the exception of those which are to be classified with clear justification on a case-by-case basis;
 - iii. to welcome the substantial push for transparency towards the public since the 2014 European elections, including the publication of EU market access offers and the mandate granted by the Council; to further these efforts by providing fact sheets explaining each part of the agreement in a clear and comprehensible way and by publishing factual round-by-round feedback reports on the Europa website; to encourage our negotiating partners to increase transparency so that TiSA is not negotiated under more opaque conditions than those arranged under the aegis of the WTO;
 - iv. to ensure the serious and continuous engagement of the EU institutions with all relevant stakeholders throughout the negotiation process; to call for this engagement to be intensified as the negotiations progress, so that the expectations of European civil society, social partners and other stakeholders are adequately taken into account, including within the framework of the Civil Society Dialogue; to stress that Member States, which set out the negotiating directives, have a fundamental role to play in this regard;
 - v. to encourage the Member States to involve and consult their national parliaments as well as local and regional authorities and to keep them adequately informed about the ongoing negotiations;
 - vi. to invite representatives of local and regional authorities, which are represented at EU level by the Committee of the Regions, to the dialogues organised by the Commission at the beginning and end of each round of negotiations;

2. Requests that the Commission take this resolution fully into account and respond within six months of its adoption;
3. Instructs its President to forward this resolution containing the European Parliament's recommendations to the Commission and, for information, to the Council, the governments and parliaments of the Member States and the administrations and parliaments of all TiSA parties.

EXPLANATORY STATEMENT

The European Parliament plays a decisive role in EU's trade policy. Pursuant to Article 218 of the Treaty on the Functioning of the European Union, not only its Members have the final say on trade agreements, they also have to be immediately and fully informed at all stages of the procedure of negotiating and concluding trade agreements, in order to exercise a continued oversight over trade negotiations.

With the view to shape their course, this House is entitled to express its position throughout the process. Accordingly, by means of a report based on Rule of Procedures 108(4), your Rapporteur would like to assess the first two years and half and thirteen rounds of negotiations on the Trade in Services Agreements (TiSA) and to draw up clear and solid recommendations to the European Commission.

According to the Rapporteur, TiSA negotiations must ensure more reciprocity in market access, create a global level playing field, provide tangible benefits to consumers and grant access to the talks to interested parties so as to facilitate future multilateralisation. However, public and cultural services, fundamental rights to data privacy and fair working conditions, and the right to regulate are non-negotiable and should be unequivocally excluded from the scope of the agreement.

TiSA cannot be labelled as cure or curse before it is finalised. Instead, the European Parliament must work constructively and pragmatically to positivise, demystify and prioritise TiSA negotiations so as to ensure that a good agreement is reached, in the interest of European companies and consumers alike. TiSA will be balanced, or it will simply not be.

7.12.2015

OPINION OF THE COMMITTEE ON DEVELOPMENT

for the Committee on International Trade

on recommendations to the European Commission on the negotiations for the Trade in Services Agreement (TiSA)
(2015/2233(INI))

Rapporteur: Lola Sánchez Caldentey

SUGGESTIONS

The Committee on Development calls on the Committee on International Trade, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Stresses that EU trade and investment policies are interlinked with EU development policies and have an impact on developing countries; calls for the Commission to respect the principle of Policy Coherence for Development and to incorporate the principles of aid for trade in all trade negotiations; stresses the need to focus on the effective implementation and monitoring of the recently adopted Sustainable Development Goals; calls the Commission to guarantee the highest global standards on human rights, ILO standards, social protection, social dialogue, gender equality, public and universal health coverage, universal access to medicines, and food security in all trade agreements;
2. Acknowledges the recent steps by the EU to increment transparency in its trade agreements; urges the Commission to continue to increase transparency and democratic accountability in the Trade in Services Agreement (TiSA) negotiation process; recognises the EU institutions' ongoing engagement with a wide range of stakeholders throughout the process; encourages the Commission to continue, and possibly enhance, this proactive approach to transparency in the EU's trade policies; stresses the need to take into account concerns expressed by trade unions and civil society organisations, including the CSOs of developing countries; urges the Commission to increase the accessibility of all public consolidated negotiation documents, as these are the only democratic means by which concerned civil society organisations and citizens can be informed about and become involved in the process; encourages the Commission to commission an independent study on TiSA's impact on developing countries as regards the achievement of the Sustainable Development Goals in third countries and to give careful consideration to its outcomes;
3. Points out that, according to UNCTAD, the service sector accounts for approximately 51 % of GDP in developing countries; notes also that service exports from African

countries are increasing; recognises that trade, including in services, could, under certain conditions be a trigger for inclusive growth, sustainable development, poverty and inequality reduction and decent job creation, and can encourage innovation by facilitating exchanges of know-how, technology and investment in research and development, including through foreign investment; maintains, consequently, that enabling developing countries to gain fair access to world markets in services can bolster their economic integration and their adjustment to globalisation;

4. Notes that only a limited number of developing countries participate in the TiSA negotiations; reiterates the need for a strengthened multilateral approach to global trade, to be achieved by means of intensified cooperation between the EU and democratic international bodies, such as the UN and the WTO, in which developing countries are properly represented; notes that TiSA should be based on the WTO General Agreement on Trade in Services (GATS), to which all WTO members are parties; recalls, however, its rejection of any provision that would be incompatible with GATS and that would prevent future integration into the WTO system; calls on the Commission to take into account the impact of TiSA on countries that are not part of the negotiations, especially developing countries, and to include in TiSA the provisions contained in GATS Article IV;
5. Urges the Commission to make efforts in order to avoid imbalances in international trade relations; recalls that SDG target 17.15 acknowledges the need to respect each country's policy space and leadership to establish and implement policies for poverty eradication and sustainable development; insists that the right of national and local authorities to regulate is preserved throughout the TiSA negotiations; stresses that, in order to mitigate any potentially negative effects for developing countries, whose priorities are to develop their service sectors, including services of general economic interests, and their regulatory frameworks, the EU should intensify its actions to include developing countries in global value chains in services, and consider a more flexible approach for developing countries when subscribing to the level of ambition of the agreement;
6. Calls on the Commission explicitly to exclude from the TiSA negotiations public services and cultural and audiovisual services – and to ensure specifically that developing countries are able to preserve their cultural assets – as these represent fundamental tools for sustainable development and for ensuring respect for people's dignity; recalls that TiSA, like any other international agreement, must comply with internationally agreed standards on labour, the environment and human rights; invites the Commission to support and monitor the capacity-building efforts of developing countries in providing sustainable public services;
7. Recalls that the 2008 crisis of the financial system demonstrated the need to define strong prudential regulations on the liberalisation of financial services in order to maintain the soundness and stability of financial markets; calls on the Commission, therefore, to ensure that the financial service aspects of TiSA safeguard the highest transparency and accountability standards, ensure debt sustainability, guarantee the principle of the common responsibility of lenders and borrowers and do not increase economic volatility or instability;
8. Calls on the Commission to mainstream gender equality and women's empowerment in its trade policy, in light of existing concerns, and to monitor closely the impact of EU trade

agreements on gender equality; points out, in this connection, that the gender dimension of trade in services in Africa, where the proportion of women employed by the service sector exceeds female employment in manufacturing, might be an opportunity for the development of women's entrepreneurship and decent employment;

9. Recalls that TiSA must not undermine EU law and respect for the Charter of Fundamental Rights of the European Union, which is binding upon the EU institutions and bodies and applies to national governments when they implement EU law; recalls that the EU is based on a strong commitment to promote and protect human rights, democracy and the rule of law worldwide; insists, in this connection, that human rights are at the very heart of EU relations with other countries and regions;
10. Invites the Commission to reflect on the recent withdrawal of Uruguay from the TiSA negotiations and to draw the necessary conclusions by paying more attention to the needs of developing countries that sign up to TiSA.

RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

Date adopted	1.12.2015
Result of final vote	+: 21 -: 0 0: 0
Members present for the final vote	Beatriz Becerra Basterrechea, Doru-Claudian Frunzuliță, Maria Heubuch, Teresa Jiménez-Becerril Barrio, Stelios Kouloglou, Arne Lietz, Linda McAvan, Norbert Neuser, Maurice Ponga, Cristian Dan Preda, Lola Sánchez Caldentey, Elly Schlein, György Schöpflin, Pedro Silva Pereira, Davor Ivo Stier, Bogdan Brunon Wentz, Rainer Wieland
Substitutes present for the final vote	Jordi Sebastià
Substitutes under Rule 200(2) present for the final vote	Pál Csáky, José Inácio Faria, Inmaculada Rodríguez-Piñero Fernández

2.12.2015

OPINION OF THE COMMITTEE ON ECONOMIC AND MONETARY AFFAIRS

for the Committee on International Trade

on Recommendations to the European Commission on the negotiations for the Trade in Services Agreement (TiSA)
(2015/2233(INI))

Rapporteur: Alessia Maria Mosca

SUGGESTIONS

The Committee on Economic and Monetary Affairs calls on the Committee on International Trade, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Addresses the following recommendations to the Commission:
 - a. to make financial services one of the EU's priorities in the TiSA negotiations, as the EU's own market for those services is already comparatively open; to achieve an agreement that contains ambitious yet balanced disciplines and provisions covering the provision of all types of financial services, in particular banking and insurance, across all modes of supply, paying particular attention to the new disciplines on new services; to achieve an agreement that brings value to European consumers in the form of upward convergence in financial regulation, a broader choice of financial services and enhanced consumer protection (understandable and correct information is fundamental for striking a better balance in the asymmetry of information) and that fosters long-term growth, in line with the Europe 2020 Strategy goals;
 - b. to propose that, in the area of financial services, TiSA supports the implementation and application of international standards, that no new commitments will be taken on that would jeopardise EU financial regulation by forcing the EU to turn back on its enhanced regulatory framework for the financial sector or by preventing the EU from using the law to tackle excessive risk-taking by financial institutions, and that EU regulators retain the ability to authorise or deny any current or new financial product for prudential reasons after a thorough assessment of the risks and benefits that the introduction of such products or services would generate in the Union; to list market access commitments on a positive-list basis;
 - c. given the importance of financial services for growth and the economy, to allow in TiSA, in appropriate subsectors and subject to limited and duly justified reservations,

the cross-border supply of financial services in the EU (for a limited number of subsectors, such as reinsurance) by entities established in third countries, on the basis of clear rules and procedures for authorising these entities to provide such services in the EU and, where appropriate, after recognition by the EU that these entities' country of origin have an enforceable regulatory and supervisory framework equivalent to the EU's, in order to ensure that no unsupervised entity is able to act in the Union and that a level-playing field between entities, irrespective of their jurisdiction of establishment, is achieved;

- d. to ensure that TiSA parties have the right to exclude sensitive sectors from the ratchet clause, in particular for cross border commitments in financial services, and thereby defend the position that market openness will not prevent the introduction of new measures and the modification of existing domestic rules for prudential reasons and consumer protection, or the potential extra-territorial application of these rules;
- e. to take into account the specific obstacles to trade and investment by SMEs; to help the mobility and the development of larger companies but, above all, of SMEs and self-employed entrepreneurs via enhanced provisions on Mode IV supply of financial services, which allows for the temporary movement of highly-qualified professionals across borders for a specific purpose, for a limited period of time, and under the conditions stipulated by a contract and domestic legislation;
- f. to put stronger pressure on other negotiating parties to continue offering BRICS countries, in particular India and Brazil, to join the negotiations and to accept China's request, provided that China is prepared to match the ambition of the parties, in particular at the level of its offer of commitments on market access and national treatment, and not to re-open talks over the structure of the agreement and the key provisions of the regulatory chapters, which are already agreed;
- g. to encourage new parties to join the TiSA negotiations, even if the talks already include countries such as the EU, USA and Japan, which are responsible for the bulk of world trade in financial services; to pursue, in order to deliver very substantial results for the EU, in-depth commitments (in particular on market access) from countries that currently have no bilateral trade deals with the EU, such as Australia, New Zealand, Hong Kong and Taiwan, a very limited commitment at multilateral level, for example Chile and Turkey, or very limited bilateral commitments on financial services, such as Mexico;
- h. to ensure that the TiSA in no way hinders the negotiating agenda of the WTO, but rather fosters a valuable discussion on how best to tackle undue trade obstacles to financial services and to develop regulatory best practices for financial services that promote economic and sustainability objectives, and also prepares the ground for its possible adoption at multilateral level, by building on rules already existing at multilateral level;
- i. to urge the negotiating parties to establish regulatory disciplines in the area of financial services going beyond the WTO's GATS Annex on Financial Services, which already covers all TiSA parties as WTO members, as well as deeper commitments going beyond the sui generis Understanding on Commitments in Financial Services, which is not mandatory for WTO members and therefore only

covers a very limited set of TiSA parties; to aim at including in the chapter of TiSA on financial services a prudential carve-out building on the version agreed in the Canada-EU Trade Agreement which steps up the carve-out laid down in Article 2(a) of the GATS Annex on Financial Services, which preserves the sovereign right of parties to adopt measures for prudential reasons, to the extent that these measures do not aim at escaping other commitments, with a view to ensuring that governments retain the ability to take necessary actions to maintain the stability and integrity of the financial system; to take action in order for the key elements of the Understanding, such as the specific provisions on data transfer and non-discriminatory access to clearing systems, to be taken over in TiSA, while improving the drafting of the Understanding to bring it in line with the exact current policy lines of the EU in these areas;

- j. to lay down in the regulatory chapter applying to financial services strong transversal rules on regulatory transparency, which should increase the capacity of all stakeholders to analyse and prepare for laws, rules and public decisions and boost the confidence of financial services providers to establish themselves abroad or to provide services to third-country customers, without undermining due and established democratic processes, and to also set out solutions for ensuring respect for national treatment of cross-border suppliers of financial services; to that end, to take immediate action to narrow the gap between the different ways in which countries currently recognise the equivalence of regulatory and supervisory regimes of other jurisdictions, which is currently causing fragmentation of global financial services markets, by achieving a common understanding that an equivalence decision should be the result of a transparent assessment of whether each jurisdiction's rules achieve the same objectives and that, though such a decision should follow early and frequent bilateral dialogues, it can be unilateral when mutual recognition is not possible;
- k. to ensure that, in compliance with the principle of proportionality in the EU's actions, as enshrined in the Treaty on the Functioning of the EU (TFEU), the Commission does not agree in TiSA to requirements on domestic regulation that would go further than necessary to achieve the abovementioned objectives;
- l. to ensure that TiSA helps to mitigate double taxation and in no way facilitates or opens loopholes for tax fraud, tax evasion, aggressive tax planning, or money-laundering in the area of financial services; to ensure also that it encourages its contracting parties, in particular the four countries which are also included in the EU blacklist of tax havens, to adopt and abide by the OECD Common Reporting Standard (CRS) for the automatic exchange of information (AEOI) for tax purposes, the OECD recommendations against Base Erosion and Profit Shifting (BEPS), and the Financial Action Task Force (FATF) global standards against money laundering and terrorist financing, in accordance with the Commission Recommendation of 6 December 2012 regarding Measures intended to encourage third countries to apply minimum standards of good governance in tax matters¹;
- m. to follow a reasonable approach with regard to the cross-border flows of financial data, by banning measures that unduly prevent transfers of information or the processing of financial information into or out of the country's territory, while ensuring the protection of personal data (considered to be a fundamental right, in

¹ OJ L 338, 12.12.2012, p. 37.

accordance with Article 8 of the European Charter of Fundamental Rights), personal privacy and the confidentiality of individual records and accounts, thereby improving the GATS Understanding on Financial Services; to ensure therefore that any agreement on TiSA is in full conformity with the revised EU Data Protection Regulation;

- n. as regards purchases of financial services by public entities, to ensure that the recently adopted EU rules on public procurement are shielded and supported in the framework of the negotiations, in particular regarding SMEs' access to public contracts, the eligibility criteria based on the best 'quality-price' ratio instead of the cheapest price, reserved markets allocated to social economy undertakings and the possibility for contractual authorities to foster inter-community cooperation and to preserve thresholds for tendering exclusion from EU and international rules;
- o. to ensure the highest level of transparency, dialogue and accountability over the whole process of negotiations, in line with the Commission's obligation under the TFEU; to ensure that the members of Parliament's Committee on International Trade receive all the negotiating documents related to TiSA and that members of the relevant committees of the European Parliament have access to consolidated negotiating texts and information that refers to their fields of competencies; to step up the substantial push for transparency vis-à-vis the public since the 2014 European elections, which has included so far the publication of EU market access offers and the mandate granted by the Council;
- p. to publish as soon as possible an independent sustainability impact assessment and then, once the negotiations are finalised, to update it accordingly;
- q. to exclude from EU commitments, in line with Articles 14 and 106 TFEU and protocol 26 thereto, current and future Services of General Interest and Services of General Economic Interest (including, but not limited to, water, health, social services, social security systems and education); to ensure that European, national and local authorities retain the full right to introduce, adopt, maintain or repeal any measures with regard to the commissioning, organisation, funding and provision of public services; to apply this exclusion irrespective of how the public services are provided and funded.

RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

Date adopted	1.12.2015
Result of final vote	+: 38 -: 14 0: 6
Members present for the final vote	Gerolf Annemans, Burkhard Balz, Hugues Bayet, Pervenche Berès, Esther de Lange, Fabio De Masi, Anneliese Dodds, Markus Ferber, Jonás Fernández, Sven Giegold, Sylvie Goulard, Roberto Gualtieri, Brian Hayes, Gunnar Hökmark, Danuta Maria Hübner, Petr Ježek, Othmar Karas, Georgios Kyrtos, Werner Langen, Sander Loones, Bernd Lucke, Olle Ludvigsson, Ivana Maletić, Costas Mavrides, Bernard Monot, Luděk Niedermayer, Stanisław Ożóg, Dimitrios Papadimoulis, Sirpa Pietikäinen, Dariusz Rosati, Pirkko Ruohonen-Lerner, Alfred Sant, Molly Scott Cato, Peter Simon, Renato Soru, Theodor Dumitru Stolojan, Marco Valli, Tom Vandenkendelaere, Cora van Nieuwenhuizen, Jakob von Weizsäcker, Marco Zanni, Sotirios Zarianopoulos
Substitutes present for the final vote	Matt Carthy, Philippe De Backer, Ashley Fox, Doru-Claudian Frunzuliță, Ildikó Gáll-Pelcz, Marian Harkin, Barbara Kappel, Verónica Lope Fontagné, Paloma López Bermejo, Thomas Mann, Alessia Maria Mosca, Michel Reimon, Maria João Rodrigues
Substitutes under Rule 200(2) present for the final vote	Agnes Jongerius, Anneleen Van Bossuyt, Igor Šoltes

3.12.2015

OPINION OF THE COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS

for the Committee on International Trade

on recommendations to the European Commission on the negotiations for the Trade in Services Agreement (TiSA)
(2015/2233(INI))

Rapporteur: Thomas Händel

SUGGESTIONS

The Committee on Employment and Social Affairs calls on the Committee on International Trade, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Stresses the importance of the full and effective ratification, implementation and enforcement of the eight ILO core labour conventions by the TiSA signatories; calls on the TiSA signatories to comply with and promote other relevant ILO conventions, agreements and UN resolutions, which include but are not limited to the Labour Clauses Convention (C94), the Decent Work Agenda and the International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families;
2. Calls for provisions to make the agreed ILO and other standards enforceable; considers that any future agreement on trade in services must include a clause on control and enforcement mechanisms so as to deter and prevent companies from infringing labour and social rights, including collective agreements; calls, where disputes arise regarding labour provisions, for such disputes to be subject to dispute settlement mechanisms, including the possibility of imposing sanctions, with due consideration for the ILO supervisory bodies;
3. Calls for steps to be taken to ensure that TiSA contributes fairly and significantly to job creation and sets ambitious trade in services standards which cover the main 21st century issues, notably the persisting jobs crisis in some Member States, growing inequalities, youth unemployment and other social challenges, and to promote higher levels of protection of labour and environmental standards, to combat all forms of social dumping and to ensure that the prohibition of discrimination is complied with;
4. Notes the significant role that the services sector plays in the EU economy, accounting for 70 % of economic activity and providing 90% of new jobs; recognises at the same time that 90 % of global growth is occurring outside the EU and underlines, therefore, the crucial importance of securing new market access opportunities for treaty signatories and

securing fair, non-discriminatory and equitable treatment for service providers; recalls the essential role played by the services sector in the creation of skilled jobs in the EU; stresses the importance of ensuring that the agreement delivers on its potential to boost job creation in the EU; considers that it must also ensure that established standards are reinforced and improved on, with a view to establishing them more widely at multilateral level;

5. Stresses that the signing of a balanced agreement in this regard would create the potential for sustainable and inclusive growth and for the creation of new skilled jobs; expects the particular obstacles faced by SMEs to be taken into account, in particular because they are the biggest job creators;
6. Stresses that potential opportunities represented by TiSA for the internationalisation of European companies must be accompanied by genuine policies to help workers adapt to the new environment; underlines the fact that the EU has put financing mechanisms in place that could accompany these steps, such as the European Social Fund;
7. Calls for its Committee on Employment and Social Affairs to be informed without delay, so as to allow an opportunity for discussion and decision-taking, should any provisions of the final TiSA Agreement be such as to jeopardise, or clash with, standards in the above areas;
8. Stresses that increasing mobility must be accompanied by high social and labour standards so as to ensure that workers are protected against exploitation; is particularly concerned about the effects of complex cross-border subcontracting chains, through which it is becoming very difficult to ensure and monitor compliance; underlines the fact that labour inspectorates and trade unions have a vital role to play in the prevention and monitoring of abuse; calls for much more efficient cross-border access to data within the EU;
9. Calls on the Commission, therefore, to consider proposing EU legislation ensuring liability, especially in long subcontracting chains, and considers that such liability must also apply to and be enforceable on companies from third countries;
10. Highlights the fact that labour inspections in particular face challenges in monitoring companies where migrant workers and posted workers from the EU and third countries are employed; urges the Member States, in this connection, to increase the staffing levels of, and the resources available to, their labour inspectorates and to meet the target of one inspector for every 10 000 workers, as recommended by the ILO;
11. Urges the Commission to pursue the social objective which it set itself during TiSA negotiations in the form of a 'labour clause'; recalls that the provisions of social and employment legislation at both European and national levels, as well as collective agreements and social standards, must be guaranteed in order to ensure quality of service; recalls that Member States' and, where relevant, the EU's social and employment policies and labour conditions must not be negatively affected;
12. Calls, in this connection, for labour standards to be excluded from the concepts of non-tariff barriers and technical barriers, and for the Social Partners to be included in the process of regulatory cooperation within a balanced representation, in order to ensure that regulatory cooperation does not restrict the right of governments and the European

Parliament to legislate in the public interest and does not lead to regulatory chill or to the weakening of labour standards, including health and safety standards;

13. Considers that all workers, irrespective of their home country, must in their place of work enjoy the same rights and conditions of employment as nationals; considers furthermore that any future agreement on trade in services must include a clause preventing companies from circumventing or undermining the right to take industrial action through the use of workers from third countries, during negotiations on collective agreements and labour disputes;
14. Calls for steps to be taken, in line with Articles 14 and 106 of the TFEU and Protocol 26 to the TEU, to exclude current and future Services of General Interest and Services of General Economic Interest (which include but are not limited to water, health, social services, social security systems and education) from the Agreement, to ensure that European, national and local authorities retain the full right to introduce, adopt, maintain or repeal any measures with regard to the commissioning, organisation, funding and provision of public services, to apply this exclusion irrespective of how the public services are provided and funded and to ensure that social security systems are excluded from the negotiations;
15. Maintains, in addition, that neither ratchet nor standstill clauses should be applicable to market access or national treatment obligations;
16. Asks the Commission to guarantee that ecological and social criteria, including gender equality criteria, can be applied in awarding public procurement contracts; insists that trade agreements should under no circumstances affect the provisions of the Public Procurement Directive that ensure enforcement of labour law and allow contracting authorities to use the specific provisions concerning social, health and other services directly provided to the person; reminds the Commission about the strong sensitivities as regards the regulation of service concessions and the need to preserve the policy space to respond to failed public-private-partnership models;
17. Considers that negotiations on the further liberalisation of services provided across EU borders should be accompanied by social protection measures, such as minimum income schemes, in accordance with national practices, and EU-wide cooperation to maintain working conditions in accordance with the respective labour and social legislation and collective agreements of the country where the service, and hence the work, is provided; considers that this should be without prejudice to more favourable provisions in legislation or agreements applicable in the sending country;
18. Considers that governments' capacity to adopt socially and ecologically responsible service procurement policies, addressing societal and environmental needs, must not be undermined, and that subsequently any agreement should respect ILO Convention 94 regarding labour clauses in public contracts;
19. Encourages the European institutions to continue to conduct independent thorough social impact assessment studies that focus on the possible impact of TiSA on the social and employment situation in the EU and the other Parties to the agreement, including the availability, affordability, quality, accessibility and non-discriminatory equal access to services of general interest and services of general economic interest; calls for the

publication of statistical projections, constantly updated, on job losses and gains by a potential agreement, so that timely intervention can be undertaken by the Commission to support affected regions or Member States; calls, moreover, for a monitoring system to be established to prevent any case of infringement;

20. Considers that the EU should make very limited commitments as to any future provisions through the current Mode 1 of the GATS, so as not to undermine the high working standards and conditions in the EU through the provision of services being supplied from third countries, particularly concerning the ICT sector;
21. Regulatory barriers should be reduced in order to ensure that the mobility of highly qualified workers is advantageous not only for European companies but also for European workers; reiterates the importance of ensuring that TiSA under no circumstances impedes the application of employment and social standards, including standards on the posting of workers;
22. Recalls that the clauses of TiSA relating to the transport sector should not harm European workers in that sector; urges the Commission to establish clear restrictions on cabotage in order to prevent social dumping;
23. Asks for a clear definition of the workers covered by the annex on Mode 4;
24. Considers that the agreement must fully respect the right for a signatory to modify or withdraw an element of its List as stipulated in Article XXI of the GATS regulation; expects the agreement, and especially the annex on Mode 4, to contain provisions aimed at preventing exploitative labour relations for foreign workers and a safety clause allowing TiSA members to apply any necessary safeguard, should pressure be put on domestic wages, the rights of domestic workers be endangered or other agreed standards be infringed;
25. Calls for further steps to be taken to open the public procurement market in all the TiSA negotiator countries; stresses that, to grant contracts, companies must comply with the core labour and social standards of the ILO; considers that contracts should not be awarded solely on the basis of price, but that such measures cannot function as a form of trade barrier;
26. Highlights the efforts made by the Commission to make the negotiations as transparent as possible; calls, however, for ongoing efforts to be pursued and stepped up, in line with the recommendations of the European Ombudsman on TTIP, in order to increase transparency in the negotiations through the publication of documents relevant to TiSA; calls for measures to be taken to reinforce continuous and transparent engagement with national parliaments and all relevant ministries at Member State level; stresses the importance of stakeholders, civil society organisations and the social partners and their expertise, and calls on the Commission and the Member States to involve them and closely cooperate with them throughout the negotiations on TiSA, especially regarding the possible effects which any trade agreement in services may have on the labour market; encourages all stakeholders to participate actively and to put forward initiatives, raise concerns and problematic issues and provide information relevant to the negotiations, and urges the Commission to take greater account of input from social partners and civil society;

27. Considers that the possibility of countries applying economic needs tests should be maintained;
28. Regrets that Parliament was not consulted before the Council adopted the mandate; considers this to be a missed opportunity to make the negotiations as democratic as possible and to involve from the outset those liable to be most affected by TiSA;
29. Regrets the current lack of statistics and data concerning the movement of natural persons (Mode 4) under the already existing General Agreement on Trade in Services (GATS); notes the intention of including a similar chapter in TiSA; underlines the importance of monitoring this category of service provider in order to avoid abuse and exploitation of third-country workers; calls on the Commission to urgently collate and present information on the number and type of service providers entering the EU through GATS Mode 4, including the duration of their stay; stresses that any future Mode 4 provisions must only concern highly skilled professionals, i.e. persons holding a university or equivalent master's degree and employed in a senior managerial role, and that their stay in the EU must be for a specific purpose, for a well determined, limited period of time and subject to specific conditions;
30. Calls, furthermore, for an EU directive to harmonise and monitor the flow of third-country individual service providers coming into the EU through these provisions in order to establish the conditions of entry and stay of individual service providers;
31. Stresses that Member States must retain their full sovereignty in determining whether or not to commit to any future Mode 4 provisions; stresses, furthermore, that any sectors included in these provisions must be identified together with and in full cooperation with the social partners;
32. Stresses that, before making any new commitments on global trade in services, the Commission must submit an extensive assessment of the impact on the economy and the labour market of all current modes of GATS since its entry into force; calls on the Commission, furthermore, to submit as soon as possible an impact assessment on TiSA as regards working conditions, possible effects in terms of unfair competition and any decline in certain sectors due to increased competition from third countries.

RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

Date adopted	3.12.2015
Result of final vote	+: 38 -: 11 0: 0
Members present for the final vote	Laura Agea, Guillaume Balas, Tiziana Beghin, Brando Benifei, Mara Bizzotto, Vilija Blinkevičiūtė, Enrique Calvet Chambon, David Casa, Ole Christensen, Elena Gentile, Arne Gericke, Marian Harkin, Danuta Jazłowiecka, Agnes Jongerius, Jan Keller, Ádám Kósa, Agnieszka Kozłowska-Rajewicz, Zdzisław Krasnodębski, Jean Lambert, Jérôme Lavrilleux, Jeroen Lenaers, Javi López, Thomas Mann, Dominique Martin, Anthea McIntyre, Joëlle Mélin, Elisabeth Morin-Chartier, Emilian Pavel, Georgi Pirinski, Marek Plura, Sofia Ribeiro, Anne Sander, Sven Schulze, Siôn Simon, Jutta Steinruck, Ulrike Trebesius, Marita Ulvskog, Tatjana Ždanoka, Jana Žitňanská
Substitutes present for the final vote	Lynn Boylan, Mircea Diaconu, Tania González Peñas, Paloma López Bermejo, Csaba Sógor, Monika Vana, Flavio Zanonato
Substitutes under Rule 200(2) present for the final vote	Diane James, Martina Michels, Estefanía Torres Martínez

3.12.2015

OPINION OF THE COMMITTEE ON INDUSTRY, RESEARCH AND ENERGY

for the Committee on International Trade

on recommendations to the European Commission on the negotiations for the Trade in Services Agreement (TiSA)
(2015/2233(INI))

Rapporteur: David Borrelli

SUGGESTIONS

The Committee on Industry, Research and Energy calls on the Committee on International Trade, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

Addresses, in the context of the ongoing negotiations on the TiSA, the following recommendations to the Commission:

Regarding the general approach:

1. to ensure: the highest standard of transparency and accountability, access to negotiation documents, and consultation with civil society, business and social partners; that exactly the same rules apply to non-EU and EU service providers; reciprocity between parties, at all levels, reflecting their equal ambition; timely and thorough impact assessments; the utmost efforts to make TiSA truly multilateral by negotiating an accession clause to the agreement and welcoming those who share a similar level of ambition as the parties;
2. to guarantee: Member States' unhindered capacity to regulate, provide and fund existing and future public services and services of general economic interest at all levels; special attention to telecom and energy services, which are essential for citizens and companies and contribute to cohesion, a climate favourable to e-commerce and entrepreneurship and high-quality employment; compliance with EU data protection and privacy law;

Regarding the telecoms market:

3. to ensure: that TiSA brings clear advantages to EU consumers and businesses, especially SMEs and entrepreneurs; that non-EU companies from oligopolistic markets do not take advantage of the fragmentation of the EU market; a level playing field for all operators;

4. to guarantee: that EU operators in TiSA signatory countries have fair and symmetrical market access, free from any non-tariff and behind-the-border barriers, including regulatory and licensing requirements, asymmetry in standards, technological impositions or restrictions, and rules for infrastructure sharing (particularly for the last mile) that favour incumbents; that TiSA signatories respect the principle of open and non-discriminatory internet access for service providers;
5. to avoid any new commitments that could undermine EU regulation; to maintain the competences of EU regulators; to uphold the principle of open governance of the internet; to guarantee that all TiSA signatories have an independent telecoms regulator.

RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

Date adopted	1.12.2015
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3.12.2015

OPINION OF THE COMMITTEE ON TRANSPORT AND TOURISM

for the Committee on International Trade

on recommendations to the European Commission on the negotiations for the Trade in Services Agreement (TiSA)
(2015/2233(INI))

Rapporteur: Wim van de Camp

SUGGESTIONS

The Committee on Transport and Tourism calls on the Committee on International Trade, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Makes, in the context of the ongoing negotiations on the Trade in Services Agreement, the following recommendations to the Commission:
 - (i) to keep in mind the importance of transport, tourism and delivery services for the European economy and employment given that European ship owners control 40 % of the world's merchant fleet, that the aviation industry supports over 5 million jobs and that the European rail industry accounts for over half of the worldwide production of rail equipment and services and that road transport remains important for EU logistics; to recognise the potential of transport services to reduce the level of unemployment in Europe; to recognise the impact of liberalising trade in services on the tourism industry;
 - (ii) to ensure that negotiations are mindful of the rapidly evolving nature of the transport sector and the growing importance of collaborative economy transport modes in Europeans' everyday lives;
 - (iii) to stress that EU and Member State legislation provides benefits for workers, including safety and security; to underline that all those who provide services within the EU, whether foreign or domestic, have to comply with this legislation; to acknowledge that the quality of services is intrinsically linked to the quality of employment and the regulatory frameworks in place; to take into account the social and environmental sustainability of the agreement; to avoid unfair labour market distortions while guaranteeing respect for existing social rights;

- (iv) to take into account the importance of services of general interest in the transport sector and public service obligations, as well as the contribution this sector makes to social and territorial cohesion;
- (v) to strengthen the provisions on passenger rights in relation to all means of transport so that the Agreement also benefits consumers;
- (vi) to seek, as a long-term goal, better transport service quality and safety standards, while reducing transport times, thereby encouraging performance and innovation in this area;
- (vii) to ensure that the negotiations address the transport and tourism sectors in a meaningful way and in a spirit of reciprocity; to preserve the policy space in order to respond to developments in the transport, postal and courier sectors; to respect the principle of non-discrimination; to exclude public transport services from the agreement;
- (viii) to bear in mind negative liberalisation experiences such as detrimental effects on the quality of services, working conditions and transport safety and security;
- (ix) to promote negotiations on regulation that address issues such as transparency, deadlines, due process, unnecessary burdens, non-discrimination and redress, while continuing to require that foreign companies wishing to offer transport or delivery services within the EU comply with existing EU regulatory standards; to call on third countries to publicise, through specific information documents, their own laws on this matter in order to foster simpler, more effective dialogue;
- (x) to exclude from the application of TiSA all services relating to public transport and postal services, where the latter are public;
- (xi) to address restrictions imposed by certain countries regarding foreign ownership and control of airlines as well as cabotage rights; to pursue, as a long-term objective, binding international trade rules for the aviation sector while recognising the International Civil Aviation Organisation's responsibility for economic and safety regulation; to explore, in the event that important trade partners are reluctant to make substantial progress, other options for ensuring that European carriers face fair competitive conditions;
- (xii) to recall the crucial role maritime transport plays in the world economy, both as an industry in itself and as a facilitator for international trade; to promote a clear text with strong commitments on ensuring access to ports, as well as market access and national treatment for international maritime transport services;
- (xiii) to seize this opportunity to embed current legislation and practices for maritime transport in a legally binding international text that will prevent future protectionist rules being introduced by the parties while ensuring consistency with relevant international standards, such as those established by the International Maritime Organisation and the International Labour Organisation;
- (xiv) to address and remove current restrictions on maritime transport services and to

strive for reciprocity as EU companies are very often hindered in accessing certain market segments abroad, which in the EU, in contrast, are open to foreign companies, for instance in the short sea shipping and cabotage sector;

- (xv) to preserve the Member States' rights regarding existing or future national regulations and bilateral or multilateral road transport agreements including transit permit requirements;
 - (xvi) to oppose any market access commitments with regard to road transport, in particular with respect to Mode 4, as they could lead to the movement of workers across borders without any employment protection and to the undercutting of superior labour legislation in host countries;
 - (xvii) to ensure that increased access to third-country markets for delivery services does not jeopardise existing universal service obligations in the postal sector; to recognise the vital role universal postal services play in promoting social, economic and territorial cohesion; to strengthen these universal services;
2. Regrets the lack of transparency which has hitherto been evident and the fact that Parliament did not have the opportunity to express its own position before the Council adopted its negotiating mandate;
 3. Calls for all Members of the European Parliament to receive all documentation concerning the TiSA negotiations and calls for all negotiating texts to be made public.

RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

Date adopted	3.12.2015
Result of final vote	+: 27 -: 14 0: 1
Members present for the final vote	Daniela Aiuto, Lucy Anderson, Marie-Christine Arnautu, Georges Bach, Izaskun Bilbao Barandica, Deirdre Clune, Michael Cramer, Luis de Grandes Pascual, Isabella De Monte, Jacqueline Foster, Bruno Gollnisch, Stelios Kouloglou, Merja Kyllönen, Miltiadis Kyrkos, Peter Lundgren, Georg Mayer, Cláudia Monteiro de Aguiar, Markus Pieper, Tomasz Piotr Poręba, Gabriele Preuß, Christine Revault D'Allonnes Bonnefoy, Dominique Riquet, Claudia Schmidt, Keith Taylor, Pavel Telička, Peter van Dalen, Wim van de Camp, Janusz Zemke, Roberts Ziļe, Elżbieta Katarzyna Łukacijewska
Substitutes present for the final vote	Fabio De Masi, Bas Eickhout, Markus Ferber, Maria Grapini, Karoline Graswander-Hainz, Werner Kuhn, Massimo Paolucci, Franck Proust, Olga Sehnalová, Patricija Šulin, Ruža Tomašić, Matthijs van Miltenburg

16.11.2015

OPINION OF THE COMMITTEE ON REGIONAL DEVELOPMENT

for the Committee on International Trade

on recommendations to the European Commission on the negotiations for the Trade in Services Agreement (TiSA)
(2015/2233(INI))

Rapporteur: Monika Vana

SUGGESTIONS

The Committee on Regional Development calls on the Committee on International Trade, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Acknowledges the need for an update of outdated existing GATS disciplines and for the facilitation of trade in new services; recognises the value of public services in the EU and worldwide and notes that, according to the Commission, employment growth in the EU from 2013 to 2025 will be driven by service sector jobs, with 90 % of new jobs in the EU being created in service sectors, especially in higher-skilled ones such as professional services, business services and computing; notes also that services make up around 70 % of the EU economy; calls on the Commission and the Member States to uphold the objectives of economic, social and territorial cohesion as set out in Article 174 of the TFEU in the context of the ongoing negotiations on the Trade in Services Agreement (TiSA);
2. Reiterates that the provision of services in the EU is based on the principles of universal access, quality, safety, affordability and equal treatment to be guaranteed at all times in all cities and regions; believes that these principles should not be restricted by TiSA; reiterates the importance of keeping public services of a special nature, such as the water sector, under the responsibility of Member States in order to avoid possible negative impacts on economic, social and territorial cohesion;
3. Recalls that the EU's cohesion policy is its main investment tool not only for achieving the objectives of the Europe 2020 strategy, but also for addressing urgent socio-economic needs; stresses that its underlying principles and objectives must be upheld and strengthened in the context of TiSA;
4. Believes that liberalisation of trade in services can promote regional growth through

increasing investment opportunities at the regional and local level; reiterates that this liberalisation should respect the EU political, social and cultural model and the fundamental principles enshrined in the EU treaties;

5. Invites the Commission and the Member State governments, which have given the Commission the mandate to negotiate, to monitor and evaluate the impact of TiSA on cohesion and local and regional governance in the EU, especially throughout the negotiating process; calls on the Commission to collect and make available comprehensive and comparable data and to include territorial impact assessments; asks the Commission to take into account, in the context of the negotiations on TiSA, the competences of LRAs;
6. Stresses that TiSA should not hamper the competences of local and regional authorities (LRAs), which are responsible for a large share of public investment under the EU's cohesion policy and are actively involved in the delivery of key public services across the territory, nor reduce the ability of LRAs to foster local and regional development and protect the general interests of their citizens; reiterates that the competences of Member States and of local and regional authorities must remain unaffected by TiSA and that they should have the right to regulate service delivery and introduce new legal acts in their territories to achieve their public policy objectives; hopes that, during negotiations, these considerations will be taken into account with a view to securing the full implementation of cohesion policy so that regional and local authorities can freely represent the interests of their citizens;
7. Reiterates the importance of public services and the need to respect the competences of LRAs as provided in the Treaties and Protocol 26 thereto, as well as in the provisions on domestic regulation and public procurement; emphasises that their prerogative of creating new public services in the future should also be respected; welcomes, therefore, the fact that the Commission has stated publically and repeatedly that it will exclude public services from the TiSA negotiations and calls, therefore, on the Commission to ensure that existing and new Services of General Interest, including Services of General Economic Interest, remain outside the scope of application of TiSA in order to ensure that national and – if applicable – local and regional authorities retain the full right to introduce, adopt, maintain or repeal any measures with regard to the commissioning, organisation, funding and provision of public services as provided in the Treaties; believes, furthermore, that there is a need to regulate the movement of professional service providers;
8. Is of the opinion that the TiSA negotiations are increasingly important for the EU economy; stresses that the TiSA negotiations can be an opportunity to strengthen worldwide rules-based trade that will be open and transparent, will respect EU standards, particularly regarding data protection, and will increase reciprocity in market access;
9. Recalls that the social models adopted by the Member States apply not only to the obligation regarding the provision, continuity and quality of public services, but also to the democratic supervision thereof by citizens; invites the Commission, therefore, to continue with a public consultation in order to involve and consult LRAs – alongside economic and social partners and civil society organisations – and to include their views in the negotiating directives in the context of the TiSA negotiations, given their crucial role in the regulation and delivery of public services, economic growth and job creation;

welcomes, in this context, the establishment by the Commission of Civil Society Dialogue meetings and the ongoing efforts to make the EU's position in the TiSA talks as transparent as possible by reporting regularly on developments in the negotiation process.

RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

Date adopted	12.11.2015
Result of final vote	+: 35 -: 3 0: 1
Members present for the final vote	Pascal Arimont, Victor Boștinaru, Andrea Cozzolino, Rosa D'Amato, Michela Giuffrida, Anna Hedh, Krzysztof Hetman, Ivan Jakovčić, Andrew Lewer, Louis-Joseph Manscour, Martina Michels, Iskra Mihaylova, Younous Omarjee, Mirosław Piotrowski, Stanislav Polčák, Julia Reid, Terry Reintke, Fernando Ruas, Monika Smolková, Maria Spyraiki, Ruža Tomašić, Monika Vana, Matthijs van Miltenburg, Lambert van Nistelrooij, Derek Vaughan, Kerstin Westphal, Joachim Zeller
Substitutes present for the final vote	Andor Deli, Josu Juaristi Abaunz, Ivana Maletić, Jan Olbrycht, Demetris Papadakis, Tonino Picula, Claudia Schmidt, Hannu Takkula, Damiano Zoffoli, Milan Zver
Substitutes under Rule 200(2) present for the final vote	Stanisław Ożóg, Claudiu Ciprian Tănăsescu

24.11.2015

OPINION OF THE COMMITTEE ON CIVIL LIBERTIES, JUSTICE AND HOME AFFAIRS

for the Committee on International Trade

on recommendations to the European Commission on the negotiations for the Trade in Services Agreement (TiSA)
(2015/2233(INI))

Rapporteur: Jan Philipp Albrecht

SUGGESTIONS

The Committee on Civil Liberties, Justice and Home Affairs calls on the Committee on International Trade, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- having regard to the Council negotiating directives for the Trade in Services Agreement (TiSA)¹,
- A. whereas the Union is bound by the Charter of Fundamental Rights of the European Union (the Charter), including Article 8 thereof on the right to the protection of personal data, and by Article 16 of the Treaty on the Functioning of the European Union (TFEU) on the same fundamental right, as a key pillar of EU primary law which must be fully respected by all international agreements;
- B. whereas the Union is bound by Article 2 of the Treaty on European Union (TEU), *inter alia*, to uphold the values of democracy and the rule of law;
- C. whereas the Union is bound by Articles 20 and 21 of the Charter to uphold the principles of equality before the law and freedom from discrimination;
- D. whereas Articles 1 and 10(3) TEU both stipulate that decisions must be taken as openly and as closely as possible to the citizen; whereas transparency and open dialogue between the partners, including citizens, are of the utmost importance during the negotiations and also in the implementing phase; whereas Parliament endorses the Ombudsman's call for a transparent approach;

¹ Council Document 6891/13 ADD 1.

- E. whereas ongoing negotiations on international trade agreements, including the Trade in Services Agreement (TiSA), also touch upon international data flows while excluding privacy and data protection entirely, which will be discussed in parallel;
- F. whereas the draft US text on e-commerce for the TiSA would undermine EU rules and safeguards for the transfer of personal data to third countries; whereas Parliament reserves the right to express its opinion after consulting any future text proposals and drafts of the TiSA agreement;
1. Addresses the following recommendations to the Commission:
- (a) to ensure that the agreement guarantees full respect for EU fundamental rights standards through the inclusion of a legally binding and suspensive human rights clause as a standard part of EU trade agreements with third countries;
 - (b) to incorporate, as a key priority, a comprehensive and unambiguous horizontal self-standing provision, based on Article XIV of the General Agreement on Trade in Services (GATS), that fully exempts the existing and future EU legal framework for the protection of personal data from the agreement, without any condition that it must be consistent with other parts of the TiSA, and to ensure that the agreement does not preclude the enforcement of exceptions for the supply of services which are justifiable under the relevant World Trade Organisation rules (Articles XIV and XIVbis of the GATS);
 - (c) to ensure that personal data can be transferred outside the Union only if the provisions on third-country transfers in EU data protection laws are complied with; to negotiate on provisions which touch upon the flow of personal data only if the full application of EU data protection rules is guaranteed and respected;
 - (d) to oppose the provisions with regard to the protection of personal data in the US draft TiSA chapter on e-commerce;
 - (e) to keep in mind that EU rules on the transfer of personal data may prohibit the processing of such data in third countries if they do not meet the EU adequacy standard; to insist that any requirements for the localisation of data processing equipment and establishments be in line with EU rules on data transfers; to cooperate with third countries in the appropriate settings with a view to adopting adequate high data protection standards around the world;
 - (f) to show full regard for the need for transparency and accountability in the negotiations throughout the entire process, and to fulfil its obligation under Article 218(10) TFEU, which a recent Court of Justice ruling confirmed as being of statutory character¹, to keep Parliament fully informed on an immediate basis at all stages of the negotiations; to ensure public access to relevant negotiation documents from all parties, with the exception of those which are to be classified with clear justification on a case-by-case basis, with a public justification of the extent to which access to the undisclosed parts of the document in question is likely to specifically and actually undermine the interests protected by the exceptions, in line with Regulation (EC) No 1049/2001 of

¹ Case C-658/11 *Parliament v Council*, judgment of 24 June 2014.

the European Parliament and of the Council of 30 May 2001 regarding public access to European Parliament, Council and Commission documents¹; to ensure that the agreement in no way weakens the laws of the EU or of its Member States on public access to official documents.

¹ OJ L 145, 31.5.2001, p. 43.

RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

Date adopted	23.11.2015
Result of final vote	+: 43 -: 13 0: 3
Members present for the final vote	Martina Anderson, Malin Björk, Michał Boni, Caterina Chinnici, Cornelia Ernst, Tanja Fajon, Laura Ferrara, Monika Flašíková Beňová, Lorenzo Fontana, Ana Gomes, Jussi Halla-aho, Monika Hohlmeier, Brice Hortefeux, Filiz Hyusmenova, Sophia in 't Veld, Iliana Iotova, Eva Joly, Timothy Kirkhope, Barbara Kudrycka, Marju Lauristin, Juan Fernando López Aguilar, Monica Macovei, Vicky Maeijer, Barbara Matera, Roberta Metsola, Louis Michel, József Nagy, Péter Niedermüller, Judith Sargentini, Birgit Sippel, Csaba Sógor, Helga Stevens, Traian Ungureanu, Marie-Christine Vergiat, Harald Vilimsky, Udo Voigt, Josef Weidenholzer, Cecilia Wikström, Kristina Winberg, Tomáš Zdechovský
Substitutes present for the final vote	Laura Agea, Pál Csáky, Miriam Dalli, Daniel Dalton, Petra Kammerevert, Ska Keller, Jeroen Lenaers, Andrejs Mamikins, Maite Pagazaurtundúa Ruiz, Salvatore Domenico Pogliese, Josep-Maria Terricabras, Axel Voss
Substitutes under Rule 200(2) present for the final vote	Clara Eugenia Aguilera García, Rosa Estaràs Ferragut, Eleonora Evi, Lidia Joanna Geringer de Oedenberg, Michela Giuffrida, Daniel Hannan, Jude Kirton-Darling, Edouard Martin, Julia Pitera, Jarosław Wałęsa

18.11.2015

OPINION OF THE COMMITTEE ON WOMEN'S RIGHTS AND GENDER EQUALITY

for the Committee on International Trade

on recommendations to the European Commission on the negotiations for the Trade in Services Agreement (TiSA)
(2015/2233(INI))

Rapporteur: Monika Vana

SUGGESTIONS

The Committee on Women's Rights and Gender Equality calls on the Committee on International Trade, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- A. whereas, even though trade agreements impact women and men differently owing to gender inequalities in certain sectors, the TiSA public consultation made no reference to the demand for greater consideration to be given to integrating gender equality issues and there is insufficient consensus on ways of integrating gender equality issues in trade and the gender dimension is currently integrated only to a limited extent in trade policies and agreement; whereas the gender-specific consequences of ongoing trade liberalisation have yet to be fully investigated;
- B. whereas the success of trade policy should be judged on whether it positively impacts women and men equally, and therefore the various and complex effects on the genders must be studied, analysed and identified from the preliminary stages; notes that the precautionary principle should serve as the basis in this case as well;
- C. whereas gender relations influence all economic activities and processes and are reflected labour, employment and salary matters; whereas women continue to be discriminated against on a structural level and the gender pay gap, for example, still exists in all corners of the world; whereas the gender pay gap is also used as a competitive advantage, but a trade agreement should work to stop this;
- D. whereas Parliament did not have the possibility to express its position before the Council adopted the negotiating mandate for the Trade in Services Agreement (TiSA) and voted for a motion for resolution on 4 July 2013 to express its position on the negotiating mandate for TiSA;
- E. whereas women around the world suffer in particular from the effects of climate change

and some of them even are forced to abandon their homes are a result of this; notes that trade policy should seek to prevent this from happening and should therefore be designed with environmental sustainability in mind;

- F. whereas an above-average number of women are employed in public service or in the public service sector and, as users of these services, are more dependent on high-quality, affordable, conveniently located and demand-driven public services than men, particularly with regard to social services such as child care and care for the elderly; whereas reductions and cuts to public services, as well as price increases, tend to shift these care services onto unpaid women who, as a result, are unable to pursue insurable employment or may only be employed so a part-time basis;
- G. whereas a reduction or cuts in public services and provisions usually shifts labour costs and risks on to the unpaid care workers and the household economy, which is predominantly female and will consequently hinder gender equality;
- H. whereas although TiSA might be an opportunity for sustainable growth, it should also encourage an exchange of best practices and promote compliance with high standards of human rights for all interested parties; whereas TiSA should as such advance gender equality and should on no account weaken the progress attained by the EU and its Member States in this field;
- I. whereas TiSA is intended to set a new model for global trade, with 51 participants representing 70% of the world's trade in services, and it is crucial that any new global trade arrangements advance gender equality;
 - 1. Points out that respect for the Charter of Fundamental Rights of the European Union is a binding legal requirement that the Commission should implement, among other things, through sustainability impact assessments; in this context, calls on the Commission to include gender-specific indicators and to perform a gender-specific impact assessment, disaggregated on the basis of age and socioeconomic factors and reflecting the different roles of women, in order to guarantee that the EU is beyond reproach in upholding and promoting women's rights;
 - 2. Stresses that the EU is obliged to ensure a high level of protection for human, labour and consumer rights, for the promotion of gender equality, and for social and environmental standards; believes that these values should guide transnational and national trade, including agreements such as TiSA that should also be used as a means of actively supporting these objectives;
 - 3. Believes that the Commission should monitor and, three years after the entry into force of TiSA, evaluate the impact of the agreement on gender equality between men and women and on respect for fundamental human rights;
 - 4. Believes in any event that all signatory Member States to TiSA should commit themselves to ensuring respect for gender equality and respect for fundamental rights, and also with regard to the liberalisation and opening-up of national and local markets;
 - 5. Stresses the need to ensure the utmost transparency of relevant texts and where appropriate to ensure the quality of ongoing negotiations;

6. Regrets that women are poorly represented within the European trade sector and in third country relations, and that scant attention is paid to ensuring that men and women have equal opportunities to access services;
7. Regrets the fact that the Council did not wait for Parliament's view before granting the mandate and considers this a lost opportunity to make the negotiations fully democratic and to involve those who might be most affected by TiSA, for example women, from the very beginning;
8. Calls on the Commission to maintain, and to increase, policy coherence among different but interlinked policies, such as trade, development, employment, migration and gender equality, and to include the impact on women's and girl's rights, their empowerment, as well as the right to health, education, food, work and water; calls on the Commission to include these considerations in its impact assessments to avoid any negative impact from TiSA, or from interactions between various trade agreements;
9. Strongly recommends that the EU exercise its political will in order to ensure that European, national and local authorities retain the full right to introduce, adopt, maintain or repeal any measures with regard to the commissioning, organisation, funding and provision of public services and exclude in particular all social services, both publicly and privately funded, from the scope of TiSA and to include a gold standard clause for these services in order to safeguard their quality; stresses in this regard the importance of education and health, and ensuring access for women and girls to these services at all times;
10. Is concerned that the impact of TiSA might be gender biased; recalls in this context the importance of ensuring gender-balanced negotiation teams and, if necessary, of gender-sensitive measures in Member States upon the implementation of TiSA;
11. Calls for the inclusion of a human rights clause in TiSA that includes gender equality, in order to guarantee the protection of girl's and women's rights and their participation in trade and services, as well as the inclusion of appropriate indicators to guarantee that gender equality is guaranteed upon the implementation of TiSA;
12. Asks the Commission and the Member States to collect gender-disaggregated statistics to better assess the impact of trade policies and agreements on gender equality and to implement positive discrimination measures;
13. Asks the Commission to guarantee that ecological and social criteria, including gender equality criteria, can be applied in awarding public procurement contracts;
14. Asks the Commission to ensure that where TiSA addresses the ICT services, it is compatible with increasing women's representation in the sector;
15. Calls for continuing and stepping up, in line with the recommendations of the European Ombudsman on TTIP, ongoing efforts to increase transparency in the negotiations by the immediate publication of all documents relevant to TiSA, including negotiation proposals, especially consolidated negotiation texts; urges continuous and transparent engagement be reinforced with national parliaments and all relevant ministries at Member State level; calls for all stakeholders, including civil society organisations, especially women's

organisations, and the European social partners to be allowed to participate in the negotiating process;

16. Considers it crucial that the agreement includes a clause that enables countries to reverse the liberalisation of services, especially in the event that liberalisation has negative effects on women; calls, therefore, for a positive list and as for the exclusion of ratchet and standstill clauses from the agreement.

RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

Date adopted	12.11.2015
Result of final vote	+: 20 -: 9 0: 0
Members present for the final vote	Daniela Aiuto, Maria Arena, Catherine Bearder, Beatriz Becerra Basterrechea, Malin Björk, Anna Maria Corazza Bildt, Iratxe García Pérez, Anna Hedh, Teresa Jiménez-Becerril Barrio, Angelika Mlinar, Maria Noichl, Margot Parker, Terry Reintke, Liliana Rodrigues, Elissavet Vozemberg-Vrionidi, Jadwiga Wiśniewska, Anna Záborská
Substitutes present for the final vote	Inés Ayala Sender, Stefan Eck, Eleonora Forenza, Mariya Gabriel, Constance Le Grip, Elly Schlein, Branislav Škripek, Dubravka Šuica, Monika Vana
Substitutes under Rule 200(2) present for the final vote	Seb Dance, Davor Ivo Stier, Claudiu Ciprian Tănăsescu

RESULT OF FINAL VOTE IN COMMITTEE RESPONSIBLE

Date adopted	18.1.2016
Result of final vote	+: 33 -: 6 0: 1
Members present for the final vote	William (The Earl of) Dartmouth, Maria Arena, Tiziana Beghin, David Borrelli, Daniel Caspary, Salvatore Cicu, Marielle de Sarnez, Santiago Fisas Ayxelà, Christofer Fjellner, Karoline Graswander-Hainz, Yannick Jadot, Ska Keller, Jude Kirton-Darling, Bernd Lange, Marine Le Pen, David Martin, Emma McClarkin, Anne-Marie Mineur, Sorin Moisă, Alessia Maria Mosca, Franz Obermayr, Artis Pabriks, Franck Proust, Viviane Reding, Inmaculada Rodríguez-Piñero Fernández, Tokia Saïfi, Marietje Schaake, Helmut Scholz, Joachim Schuster, Hannu Takkula, Iuliu Winkler
Substitutes present for the final vote	Bendt Bendtsen, Klaus Buchner, Edouard Ferrand, Seán Kelly, Sander Loones, Bolesław G. Piecha, Lola Sánchez Caldentey, Ramon Tremosa i Balcells, Marita Ulvskog, Jarosław Wałęsa
Substitutes under Rule 200(2) present for the final vote	Daniel Dalton, Andrew Lewer