

## EP asks that TiSA talks open up new markets for EU firms, but protect EU consumers and public services

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Talks on a Trade in Services Agreement (TiSA), with countries representing 70% of world trade in services, should deliver international rules and more opportunities for EU firms to supply services such as transport and telecoms in third countries. But "nothing should prevent EU, national and local authorities from maintaining, improving and applying their laws", notably on labour, social protection and data protection, say MEPs' recommendations to EU negotiators, voted on 3 February 2016.

In the resolution, MEPs set out their guidelines to the Commission, which is negotiating the deal on behalf of the EU. Only once the talks are concluded, MEPs will have the final say on whether to approve or reject a TiSA deal.

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# Background

## Ensure reciprocity, consumer protection, business enablers and SMEs ("blue lines")

MEPs note that the EU market is substantially more open than those of most of its partners. They regret that many important service markets in the world are still closed to EU providers. In the TiSA talks, the EU Commission should aim to:

- \* achieve reciprocity at all levels of government with all parties with a view to consolidating its position as the world's largest exporter,
- \* in particular, seek an ambitious opening up of partners' public procurement, telecoms, transport, financial and professional services markets,
- \* deliver more opportunities for highly-skilled EU professionals to work outside the EU,
- \* curb third countries' restrictive practices such as forced data localisation, which requires service suppliers to establish local servers, or foreign equity caps,
- \* reduce the red tape and increase information for SMEs, which often lack financial and human resources to navigate international trade rules.

# Background

## Protect EU public services, labour rights, citizens' data and the right to regulate ("red lines")

Negotiators should make "legally secure" the right of EU, national and local legislators to regulate in the public interest, to achieve goals such as public health, consumer safety, environment protection and contribute to sustainable development.

MEPs want "clear and explicit" exclusions for sensitive EU sectors, including:

- \* all public services such as education, health, social services, social security, water, waste management and public transport, and

- \* Audio-visual services.

They want to protect the right of EU authorities to change their minds about allowing foreign access to any services and allow "enough flexibility to bring services of general economic interest back into public control" after they have been privatized.

They also ask negotiators to include a revision clause that makes it possible for a party to leave the TISA or reverse commitments on liberalisation of a service if labour and social standards are infringed.

With regard to accepting foreign labour forces, EU commitments should be limited to "highly-skilled professionals providing a service for a limited period of time and under precise conditions stipulated by the domestic legislation of the country where the service is performed".

# Background

## Protecting personal data of EU citizens

Noting that "data flows are a crucial driver of the services economy", c vii MEPs warn that

\* the EU data protection standards and citizens' right to privacy "are not trade barriers, but fundamental rights" c iii. and as such should in no way be compromised by the forthcoming deal,

\* the US proposals on movement of information should be" immediately and formally: opposed,

\* EU citizens' personal data must flow globally in full compliance with the data protection and security rules in force in Europe so that "citizens remain in control of their own data",

\* the TiSA deal must include an "unequivocal and legally-binding exemption of the existing and future EU personal data protection provisions".

# Background

## Safeguards for EU travellers

**MEPs also request specific safeguards for EU consumers travelling abroad, with regard to :**

- \* the roaming fees that they are charged when they use their mobile phone while traveling,
- \* the commission payments that they are charged when they use their credit cards abroad, and
- \* the spam and geoblocking that they encounter when they use online platforms.

# Background

## **More transparency and future "multilateralisation"**

MEPs ask EU negotiators to "further" transparency efforts by giving all negotiating documents to all MEPs, providing fact sheets to the public, explaining each part of the agreement and publishing factual round-by-round feedback reports on the Europa website.

### **Let China join**

MEPs support China's request to join the negotiations a iii and wish to ensure future "multilateralisation" of the agreement.

# Background

## What's TiSA ?

Negotiations for a Trade in Services Agreement, under way since April 2013, aim to enhance international rules in sectors such as financial, digital and transport services. Participants now include 23 WTO Members, who together account for 70% of global trade in services.

Barriers to EU service providers' market access, if translated into equivalent tariffs, amount to 15 % for Canada, 16 % for Japan, 25 % for South Korea, 44 % for Turkey and 68 % for China, whereas in the EU, the tariff equivalent of service supply restrictions for foreign operators is only 6 %.

The EU is the world's largest exporter of services, accounting for 25% of the world total. Services employ close to 70% of the EU labour force and represent 40% of the value of goods exported from Europe.

There are 23 parties taking part in the TiSA negotiations: Australia; Canada; Chile; Taiwan; Colombia; Costa Rica; the EU; Hong Kong; Iceland; Israel; Japan; Liechtenstein; Mauritius; Mexico; New Zealand; Norway; Pakistan; Panama; Peru; South Korea; Switzerland; Turkey; and the USA.