FOOD SAFETY IN THE EU-US TRADE AGREEMENT

going outside the box



"We are not guinea pigs", European activists say, as resistance to the transatlantic FTA (sometimes called TAFTA) grows. (Photo: Les Engraineurs)



Two dinosaurs of world trade – the United States and the European Union – have begun talks on a bilateral free trade agreement in order to boost jobs and economic growth in their largely depressed economies. Most of the boost is expected to come from more harmonised regulations between the two markets, including on food safety. However, there is nothing in the proposals that will serve consumers or the public interest. It is all about reducing the hoops for agribusiness. Not only would this hurt Europeans, whose clearly higher standards would be dragged down, but it would affect many other countries' food producers and consumers, since any deal reached between Washington and Brussels will set a new international benchmark. From genetically modified organisms (GMOs) to bisphenol A (BPA), the need to protect people from the industrial food system, not open the gates for it to spread, is more urgent than ever.

n February 2013, the United States and the European Union agreed to start negotiating a bilateral free trade agreement (FTA). It was not a new idea. The possibility of a forging a "private" trade pact- outside the World Trade Organisation - between the two richest market economies of the world has been tossed around by politicians and business associations for many years. It is only now, with the US and EU in the grip of a post-2008 economic recession and unshakably high unemployment rates, that a bilateral deal seemed worthwhile to their leaders. In late 2011, a high-level working group was set up to start framing the possible scope of such an agreement. The actual negotiations got under way in July 2013. 2

A lot of ink has been spilled about what this deal might mean – some of it clearly propaganda.³ Some of it, like the official figures about how much additional disposable income it will create for EU and US citizens, is hugely exaggerated and has been shot down by experts.

Social movements opposed to the FTA have hotly denounced the many threats posed by this deal, which they rightly perceive will have a significant structural impact on production, consumption and people's lives in these countries if it goes through. Tariff barriers between the two parties are already fairly low, so that is not what the negotiations are about. They are meant to get rid of what the EU calls "trade irritants": regulatory differences.

If the negotiations do succeed and a deal is signed, it will have serious repercussions for the rest of world.

On the one hand, it will certainly boost business dealings between the two economies in some areas at the expense of other trade partners. But more importantly, it will create new international standards – on agricultural trade, the internet, corporate power to write public policy, etc – that both Washington and Brussels will push onto the rest of the world through both bilateral and multilateral channels.

"The greatest divergences in the EU-US bilateral trade relationship are found in the area of consumer and food safety, environmental protection and subsidies."

Laine Škoba, European Parliament⁴

Incompatible systems

Food safety is one of the key contentious issues on the table. This is because the EU and the US have completely different policies and practices on how to achieve it, and a history of fighting like bulldogs over it. The stakes for public health are high.⁵ In the US, each year, 48 million people (that's 1 out of every 6 people!) get sick from eating contaminated food and 3,000 die from it.⁶ In the EU, in 2011, 70,000 people got sick from

- 1. <u>See the webpage of the EU-US High Level Working Group on Job and Growth.</u>
- 2. The deal will be called the "Transatlantic Trade and Investment Partnership" or TTIP.
- 3. For instance, the EU asks "Will the EU be forced to change its laws on GMOs?" and answers "No, it will not," as if to reassure Europeans. The fact is that the EU may very well change its legislation as a result of the deal but it will not be a matter of "force".
- 4. "Principal EU-US trade disputes" (pdf), Library briefing, Library of the European Parliament, 22 April 2013.
- 5. For an in depth review of the issues, see GRAIN, "<u>Food safety for whom?</u> Corporate wealth versus people's health", 2011.
- 6. Centers for Disease Control and Prevention, Food safety facts.



eating contaminated food and 93 died from it.⁷ Apart from food-borne illnesses, there are also stealthier threats from the industrial food system that dominates in Europe and the US, like pesticide residues that accumulate in people's bodies, the consumption of genetically-modified plant and animal products, and endocrine disruptors that permeate foods from packaging materials like plastic. This is not to mention emerging public food safety concerns stemming from new and unregulated technologies like nanotechnology or synthetic biology.

Obviously, both the US and the EU authorities want to minimise risks to people's health from the food supply. But their approaches are diametrically opposed. The European Union practices a philosophy of "farm to fork", where each step of the process is monitored and traceable. The US system only verifies the safety of the end product. Also, the EU subscribes deeply to the precautionary principle, which is part of its political charter. This means that in absence of a clear understanding of whether something is safe, caution should be exercised. The US doesn't allow for that; it requires "scientific evidence" to justify any caution or restriction. In the area of chemicals, which go into processed foods and packaging, the gap is even wider. EU legislation puts the burden of proof on companies to prove that the chemicals they use are safe. US law requires the government to prove that a chemical is unsafe.

The result of all this is that companies have to adapt to each market differently and people are better off in Europe. This is what the FTA aims to change.

What does the food industry want?

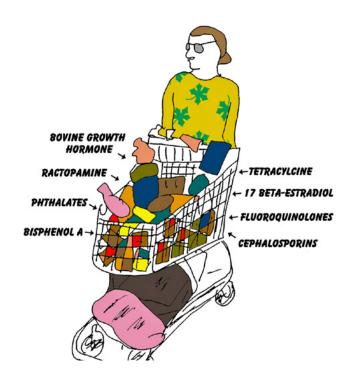
Washington and Brussels have been fighting trade wars over food safety and related issues for years. The most well-known battles have been over the use of hormones in beef, mad cow disease, genetically-modified organisms (GMOs) and chlorine-washed chicken. Until now, these fights have played themselves out at the World Trade Organisation, which governs global trade rules on sanitary standards and related technical barriers (e.g. food labelling). Some of the disputes have been settled, others are unresolved. Now, for the first time, a bilateral EU-US FTA creates a whole new opportunity to deal with these differences. That may mean levelling the playing field through some form of regulatory convergence (harmonising or recognising each others'

7. European Food Safety Authority and European Centre for Disease Prevention and Control, "EU summary report on trends and sources of zoonoses, zoonotic agents and food-borne outbreaks in 2011" (pdf), January 2013.

standards). And it will likely include an investor-state dispute settlement tool (companies from either side of the Atlantic will get the right to sue governments on the other)

By parsing corporate documents, it is not hard to find the main battle lines (Table 1).8

These issues are well known and demonstrate why it is the EU's higher standards that are under threat in this trade deal. What is not evident from this picture, though, is that things are already changing, before the FTA negotiations even take place.



Tomorrow's transatlantic shopping cart, if the corporates get their way. (Image: Martha Robinson)

Outside the box

A number of the food industry's non-tariff-related transatlantic trade concerns are already being dealt with outside of the FTA negotiations per se. This will be very familiar to Koreans and Taiwanese, for example, who have seen Washington require market openings for US beef as a precondition for trade and investment talks. Some of the changes are coming from Brussels, but some from Washington as well. It may mean that business groups are concerned about the FTA talks getting into trouble – from opposition by public interest groups – on food safety issues.

Lactic acid-washed beef: Not many people are aware of this but in February 2013, the EU opened its market to



^{8.} Apart from our own scanning, internal research commissioned by Greenpeace was a great help for drawing up this table.

Table 1: TTIP food safety battle lines

Issue	What US agribusiness wants from the EU
GMOs	Speeding up of the EU approvals process and synchronisation with US approvals. No individual tests for compo-
	nents of stacked genetic events. Greater tolerance of trace amounts of GM events in food, feed and processing.
	Drop the ban on GM-fed poultry and pork. Replace labelling of GMOs with labelling of GM-free labelling.
growth hormones	Drop the ban on hormone-fed beef.
growth promoters	Drop the ban on ractopamine-fed beef and pork.
chlorine	Drop the ban on chlorine-washed chicken and turkey.
lactic acid	Drop the ban on lactic acid-washed beef beyond the carcass and on pork.
mad cow	Drop the ban on tallow (which the corporations say is for producing biofuel, not for food).
trichinae	Eliminate the testing requirements for trichinae in pork.
milk	Raise the number of somatic cells (from cows with mastitis) permitted in milk or drop the count requirement altogether.
cherries	Drop or ease up the requirement to prove no brown rot.
molluscs	Drop the ban on US-origin molluscs and shellfish other than scallops.
endocrine	Refrain from banning chemicals (used in food production or packaging) that affect the endocrine system based
disruptors	on that property alone.
Issue	What EU agribusiness wants from the US
mad cow	Drop the ban on beef and veal from EU territory.
dairy	Eliminate US dairy import assessment and align standards instead. Make "Grade A" pasteurised milk requirements less cumbersome.
bivalve molluscs	Accept EU standards of testing the flesh of oysters and other bivalve molluscs for E. coli rather than the water they were raised in.
new plant products	Speed up the procedures of risk analysis.

beef sprayed with lactic acid. This move was a concession to the US as a result of the EU closing its market to US beef because of mad cow disease in US herds. While it's true that this concession arose from an agreement reached years ago, European politicians and legislators had continued to resist implementing it.

There is nothing necessarily harmful about lactic acid per se. The problem is accepting that it be used to clean animal carcasses that may have Salmonella or E. coli on them from faeces or other contaminants. European legislators and even the member states were not convinced that this is a good way of assuring of food safety in the EU.⁹ For it basically says that its okay to use low standards of animal handling up to the abattoir, and then "nuke" any problems away. This move was one of the preconditions the Obama administration put forward in

order to agree to negotiate an FTA with Brussels.¹⁰ And it is a degradation of EU standards.

GMO labelling: The US biotechnology industry has been fighting consumer demands to label GM foods since the technology was invented. It therefore strenuously opposes EU legislation which requires labelling. In fact, Monsanto and others have long used bilateral FTA negotiations to try to twist the arms of other countries, from Thailand to Australia, to cease and desist from labelling GM foods.

But strategies might be shifting. When it was asked what it wanted from the US-EU FTA, earlier this year, the US soybean industry suggested that it could live with labelling if the EU changed its rules from labelling foods that contain GMOs to labelling foods that do not contain GMOs. ¹¹ As a matter of fact, the US government started



^{9.} When the European Commission proposed the legislation to Council, it failed to get qualified majority support. See "Member States resist lactic acid cleaning for carcasses", EU Food Law, 12 October 2012.

^{10.} EurActiv, "In move towards trade talks, EU to lift ban on some <u>US meats</u>", 05 February 2013.

^{11. &}lt;u>Letter from the American Soybean Association to the office of the US Trade Representative</u> (pdf), 10 May 2013.

promoting GM-free labelling in January of this year.¹² It is voluntary and it is based on private standards, but it is a new move from the federal government. At the state level, major battles are under way, and being won, to get statewide GM labelling in various parts of the country.

This means that things are moving, if ever so slightly, and the US industry's proposal to accept GM-free labelling in transatlantic trade is probably a ruse to create a sense of (false) common ground while stealthily undermining EU standards. Compulsory labelling for the presence of GMOs is a hard-won political commitment in Europe, widely cherished by consumers. GM-free labelling, on the other hand, is voluntary and corporatedriven, mostly used by retailers. The EU is now working to propose legislation to harmonise GM-free standards in the EU, but this is seen by consumers as a complement to compulsory GM labelling, not a substitute.¹³ What is worrisome here is if Brussels agrees to promote a mirage of common ground and accepts this change of standards from labelling GM to labelling GM-free, especially as a horse-trade for something else. Already, observers are indicating that Washington may agree to bring financial services into the FTA talks in exchange for movement on agriculture, where the GM issues dominates.14

Recoiling on growth promoters?: The US Centres for Disease Control and Prevention (CDC) has just confirmed the link between the routine use of antibiotics as growth promoters in meat production and rising antibiotic resistance. The CDC says antibiotic-resistant bacteria is killing 23,000 people and causing another 2 million people to get infected in the United States alone each year.¹⁵ It has now joined the US Food and Drug Administration in calling for "urgent measures" to scale back the use of such drugs on US farms.

US legislators have been trying to discourage the use of antibiotics as livestock growth promoters for years, yet US agribusiness refuses to abandon this profitable practice. This leaves their country's negotiators



^{13.} See Greens/EFA, "GMO-free labelling of food products: a way to increase GMO-free supplies for animal feed?", conference documentation, European Parliament, Brussels, 6 March 2013.



The US demanded the right to ship lactic acid washed beef to Europe as precondition for the TTIP talks - and won. (Photo: Academic Abattoir)

searching desperately for wiggle room to gain greater access for farm products. For instance, the US government is now putting into motion a programme to certify "Never Fed Beta Agonists" meat for export to countries that ban ractopamine- or zilpaterol-fed meat like Russia and China.

Whether this move to create "niche market" lines to skirt foreign bans will serve as a fallback measure in the TTIP negotiations with the EU, should Brussels play hardball on its own ban, remains to be seen.

Moving past mad cow: To appease Brussels, the US Department of Agriculture is also moving to more or less lift the ban on beef and veal from EU countries ahead of



^{14.} Benoist Apparu, "<u>Commerce : l'ouverture surprise des Américains sur les services financiers</u>", Les Echos, 18 novembre 2013.

^{15.} Carolyn Lochhead, "Report links antibiotics at farms to human deaths", San Francisco Gate, 20 September 2013. The situation in the EU is hardly better: the European CDC estimates that 25,000 people die in the EU each year due to antibiotic resistance.

the TTIP talks.¹⁶ A move in this direction was a precondition that the EU put on the US for the overall trade talks to go ahead. In essence, US authorities will allow EU states to export beef or veal to the US if they document that their measures to prevent bovine spongiform encephalopathy or mad cow disease are equivalent to those in the US. As of November 2013, the ruling was still not published, but imminent.

These examples remind us that one sometimes needs to look at what is going on outside the box to understand the direction of FTA negotiations, and that despite promises and propaganda there really are no "sacred cows" in these talks.

Nothing to gain for ordinary people

To the question, "What good will come of this agreement?", it is hard to say what the answer would be in the battleground over food safety. TTIP is not going to improve the safety of food for ordinary people. It will only destabilise protections, making things better for industry but dicier for consumers. While both are closely aligned with corporate interests, all evidence shows that the EU's food safety system is better than the US'. And it is Washington that is bringing the most demands to change that system to better suit its corporations' interests. None of those changes will be in the interest of public health. And if they are adopted through the

TTIP, they will very likely be imposed on other countries through other bilateral FTAs as well as global standard-setting bodies.

Beyond food safety, TTIP poses many other threats to the public interest. Mass campaigns to collapse the talks are being prepared and need to be actively supported.

Built-in boomerang effect

Because Europe and the US are such dominant political powers and top markets for food exporters around the world, anything they decide behind closed doors on food safety standards will affect others.

Key bilateral trade negotiations that would likely have to align with any new food safetyrelated norms coming out of TTIP include the EU's current or upcoming talks with India, the Southeast Asian members of ASEAN and China. On the US side, parties to the Transatlantic Trade Partnership, including Mexico, Korea, Japan, Australia and Canada, would also likely have to accept some level of harmonisation with what the EU and US agree to. At the global level, the International Organisation for Animal Health (OIE) and the Codex Alimentarius, the two bodies that set the food safety rules that all 196 members of the World Trade Organisation have to follow, are already driven by US and EU string-pulling. Any major developments under TTIP would certainly be translated into OIE and Codex standards.

Going further:

- <u>Karen Hansen-Kuhn and Steve Suppan, "Promises and perils of the TTIP: Negotiating a transatlantic agricultural market" (pdf), Heinrich Böll Foundation, October 2013.</u>
- Trans Atlantic Consumer Dialogue, "Resolution on the approach to food and nutrition related issues in the Transatlantic Trade and Investment Partnership" (pdf), October 2013.
- Friends of the Earth Europe and Institute for Agriculture and Trade Policy, "<u>EU-US trade deal: A bumper crop for 'big food'?</u>" (pdf), October 2013.
- GRAIN, "Food safety for whom? Corporate wealth versus people's health", May 2011

Follow the issues and negotiations at bilaterals.org.



^{16. &}quot;US lifts 'mad cow' restrictions on EU beef, but other hurdles remain", Inside US Trade, 8 November 2013.

^{17.} As of April 2013, the <u>EU database on SPS trade barriers has only four entries for the US</u>, while the <u>US Trade Representative's report on SPS trade barriers has 10 pages of gripes</u> (pdf).



GRAIN is a small international non-profit organisation that works to support small farmers and social movements in their struggles for community-controlled and biodiversity-based food systems. Against the grain is a series of short opinion pieces on recent trends and developments in the issues that GRAIN works on. Each one focuses on a specific and timely topic.

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