

Correspondence and meetings between Henry Adams and Tim Farron MP re the TTIP (Transatlantic Trade and Investment Partnership), CETA (Canada – EU free trade & investment agreement) and ISDS (Investor-to-State Dispute Settlement mechanism).

This document is stored within Henry Adams' dragonfly1 website, linked to from his [web-page on the subject of "Free Trade Agreements"](#), which gives further information including assistance to those who want to write to Tim Farron expressing their concerns and recommendations.

29mar14 Henry Adams to Tim Farron:

From: henryadams@dragonfly1.plus.com
Sent: Saturday, March 29, 2014 2:15 PM
To: [Tim Farron](#)
Cc: [Chris Davies MEP](#)
Subject: Fw: The TTIP, CETA and the ISDS mechanism

Hi Tim, **The TTIP, CETA, & ISDS mechanism** (Your ref: Adam032/26/hr)

I'm glad you found the 5 minute video on the ISDS very interesting yesterday.
Here is the link as promised:

<https://vimeo.com/88146142>
[NO FRACKING WAY | How the EU-US trade deal risks expanding fracking in Europe and the US | news release \[2014\]](#)

The video is linked to from the following web-page, from where you can also download a pdf of the closely related recent report of the same name, by Friends of the Earth Europe, Corporate Europe Observatory, the Sierra Club, and others:

['No fracking way - how the EU-US trade agreement risks expanding fracking'](#) - Corporate Europe Observatory, 6mar14
<http://corporateeurope.org/climate-and-energy/2014/03/no-fracking-way-how-eu-us-trade-agreement-risks-expanding-fracking>

I hope other MPs find the video and associated report of interest too – especially Vince Cable...
(I expect he has the ministerial remit in government on the TTIP in relation to the EC)

Another very useful source for evidence on the misuse of the ISDS mechanism and the World Bank's "infamous" ICSID is an excellent report by Thomas **McDonagh** for **The Democracy Center** (pdf), entitled '**Unfair, Unsustainable, and Under the Radar - How Corporations Use Global Investment Rules to Undermine a Sustainable Future**' (link to this and other sources are on my web-page section on ISDS: <http://www.bit.ly/ISDsthreats>).

It looks like **Germany** is not happy with the inclusion of the ISDS clause:

'[Even The German Government Wants Corporate Sovereignty Out Of TAFTA-TTIP](#)' Glyn Moody, 17mar14, Techdirt.
<http://www.techdirt.com/articles/20140313/10571526568/even-german-government-wants-corporate-sovereignty-out-taftattip.shtml>

NB: the ISDS clause is still in the **CETA** text as far as I know (CETA is the EU-Canada equivalent of TTIP). There should be a consultation period for the ISDS re CETA as well as for the TTIP, **preferably ASAP** (as negotiations on other parts of the CETA were finished in 2013).

Chevron it should be remembered has been using the US-Ecuador BIT to try and avoid paying for cleaning up oil spill damages in Ecuador (Bilateral Investment Treaties typically contain ISDS clauses). It is also pressing fracking on countries in Europe despite protests from local communities.

And as an official advisor to the US trade representative, Chevron is pushing for the inclusion of the ISDS within CETA.

Furthermore, as I pointed out in my previous email appended below, the US is pushing for corporate vetting of any new EU regulations, and at an early stage.

This is likely to nip in the bud any new EU climate legislation, as just one consequence, and needs to be strongly resisted by an appropriate statement by the LibDems and Vince Cable. This is priority no.3 in my list of recommendations, with removing the ISDS as No.1.

I write about **the effect of FTAs on climate legislation** here: <http://www.bit.ly/FTAclimatefracking>

Yours sincerely, With Best Wishes,

Henry Adams

Dr Henry Adams (Ecological Consultant)

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Twitter: www.twitter.com/@henryadamsUK

My website: www.dragonfly1.plus.com/topics.html Learn about fracking: www.dragonfly1.plus.com/FRACKING.html

Hidden dangers for us all in FTA's: http://www.dragonfly1.plus.com/FTA_threats.html or www.bit.ly/FTAthreats

I've skipped some less interesting intervening emails.

18mar14 Henry Adams to Tim Farron:

From: henryadams@dragonfly1.plus.com
Sent: Tuesday, March 18, 2014 3:24 PM
To: [Tim Farron MP](#)
Subject: Fw: The TTIP, CETA and the ISDS mechanism

Dear Tim and both Adrians,

(Your ref: Adam032/26/hr)

The TTIP, CETA, ISDS mechanism, and the U.S. push for corporate vetting of regulations

I am looking forward to meeting you at your surgery this Friday, hoping to find out your views on the above, in the light of your research since our last meeting on Friday 28th February at Sedbergh. I hope the reference-links I provided have been useful to your research (i.e. those on [my write-up](#) and [web-page](#) linked to in my previous email, also appended here).

Since then, a flurry of new relevant articles on the internet have exposed numerous further issues of concern regarding this “can of worms”:

I have added some of these to my write-up of our last meeting as **green-coloured text** – to distinguish them from what you’ve already seen.

This example is of particular concern:

Shawn Donnan in The Financial Times [reported on 23rd february](#) that the U.S. government is using the TTIP negotiations **“to push for a fundamental change in the way business regulations are drafted in the EU to allow business groups greater input earlier in the process”**. The U.S. business groups will almost certainly include fossil fuel interests representing Chevron and others: Pia Eberhardt of Corporate Europe Observatory wrote that **“Chevron is an official advisor to the U.S. trade representative...”**. She also warned the Lords Select Committee on TTIP about the obvious danger of this U.S. pressure when [they interviewed her on 6th March in a video-conference \(I listened in\)](#).

This is not just democratically unacceptable – to have U.S. corporate interests vetting embryo EU regulations, *and* before they’ve even reached the democratic process of MEP voting in the EP, but is also a huge threat that could “kill at birth” any future EU climate legislation. And that’s just one example.

I hope you agree with me that this U.S. point for negotiation is totally unacceptable – and a strong LibDem position against it would help to nip it in the bud.

I have accordingly added to my list of recommendations one in **green text** for this, which links to the articles I refer to.

We were certainly pleased when you spoke out for both action on climate change and against fracking. But any future such remarks would become almost ineffectual – if TTIP and CETA go-ahead with the ISDS mechanism and the above corporate vetting process in place.

This would be especially true if the LibDem position on the TTIP is not substantially amended, as the LibDems would then be complicit in the transfer of power from what remains of democracy to the insatiable multinational corporations, such as here by giving oil and gas companies even more obstructive power against potential climate legislation.

[My piece on the effects of TTIP and CETA on climate change legislation and fracking](#) shows that EU climate legislation aimed at limiting transport fuel emissions has already been given a near coup de grace as a bargaining give-away to please U.S. negotiators and Big Oil lobbyists. Thus the negotiation process itself is dangerous to climate and environment, before even the agreement has been fully negotiated or signed and implemented.

I have also added there links to the new report by FoEE and C.O.E. (and the associated video): [‘No fracking way - how the EU-US trade agreement risks expanding fracking’](#).

A fracking company is already using the ISDS mechanism in NAFTA to sue Canada in response to Quebec’s moratorium on fracking. The same thing could happen here: Halliburton is teaming up with Celtique Energie to frack in the South of England, and Chevron is fracking in Europe...

The ISDS is the most important threat – it must be removed. It is not benign:

There is plenty of existing evidence from the 20-year old NAFTA and other FTAs and BITs that the ISDS mechanism has already been used to sue a variety of countries for trying to defend environment and public health [e.g. pp.10-11 in [McDonagh's pdf report for the Democracy Center](#)].

I hope you can find time to give this immensely important subject the attention it needs.

For many of your more aware constituents, your position on this subject will be “a tipping point”.

i.e. whether you will side with the LibDem sell-out of democracy and our protective legislation to the multinational corporations, or alternatively try your best to change the LibDem position to fully address our concerns and recommendations.

Of these, the ISDS in CETA is the most urgent, the ISDS in TTIP is ultimately the most important.

I am doing my best to ensure you have easy access to the best information to make your judgement – before any spotlight comes this way!

And will be upping my efforts to also try and get the public well informed – especially your constituents.

Yours sincerely, With Best Wishes,

Henry Adams

Dr Henry Adams

55 Hayclose Crescent, Kendal, Cumbria, LA9 7NT Home phone: 01539 722158

My twitter name: www.twitter.com/@henryadamsUK

My website: www.dragonfly1.plus.com/topics.html Learn about fracking: www.dragonfly1.plus.com/FRACKING.html

FTA's – Are they the biggest threat to ...everything?: http://www.dragonfly1.plus.com/FTA_threats.html

REFERENCE LINKS:

My write-up of our meetings and correspondence **with the additions in green text:**

<http://www.dragonfly1.plus.com/Correspondence&meetingsHenryAdams&TimFarronRe-ISDS-TTIP-CETA.pdf>

My website on FTA threats: http://www.dragonfly1.plus.com/FTA_threats.html & its short url: www.bit.ly/FTAthreats

Short url to my text on the effect of FTAs TTIP and CETA on legislation re climate change and fracking: bit.ly/FTAclimatefracking

'[EU-US trade deal Big Energy's backdoor plan to expand fracking](#)' - vg summary by Pia Eberhardt of C.O.E. on WDM website.

6mar14 '[Corporate Europe Observatory questioned on proposed EU-US trade deal](#)' - **by Lords Select Committee** - News from Parliament - UK Parliament. Also on video: Meeting on **Transatlantic Trade and Investment Partnership** started at 10.06am. Ended at 11.13am. Witness: Pia Eberhardt, Corporate Europe Observatory - via video-conference.

28feb14 meeting between Henry Adams and Tim Farron MP: (including text added later – in green)

28feb14 meeting with Tim Farron at his surgery at Sedbergh, re:

TTIP Transatlantic Trade and Investment Partnership between USA and EU

CETA Comprehensive Economic and Trade Agreement between Canada and EU

The dangerous **ISDS Investor-State Dispute Settlement** mechanism that needs to be removed from both these FTAs, and why regulations must not be levelled down, removed, nor overridden by FTAs. (FTA = Free Trade Agreement)

At the meeting Tim skim-read the sections headed 'Points and Q's' and 'recommendations', then responded as summarized in **dark red** on page 4 or 5 (now p.7).

The LibDem current position puts potential gains (in money & jobs) from the TTIP as being much higher than potential losses or threats (to climate, environment, health and safety, human rights, employment rights, public services etc) – which they don't address, or inadequately. I here show that the reverse is the reality, based on existing evidence from similar FTAs in place, rather than speculation restricted to EC/CEPR predictions of financial benefits to the EU and UK (for "economic growth") and jobs.

Although Tim Farron has taken time and effort to respond in writing to our concerns – and thank you Tim for that, nonetheless we feel he has uncritically supported the LibDem current position without examining the evidence underlying our concerns. I am confident that if Tim and his researchers thoroughly examine the evidence I refer to (with links) in the numbered points below, he will consider pushing for a change in LibDem policy, hopefully supporting the recommendations I first put forward on our previous meeting – as a minimum.

Points and Q's raised: (as addressed to Tim)

NB: Text in green are additional points which I didn't have time to raise at the meeting but added later.

1. Have you had time to read **Zac Goldsmith's** very insightful assessment of the TTIP in Parliament based on existing happenings such as with the **NAFTA**? [Hansard ref] It makes the LibDem assessments look either shamefully naïve or complicit, in ignoring the powerful industry lobbying forces at play. Big corporations have contributed to the secretive formulation of the TTIP and CETA: they are hardly likely to push for levelling up of regulations rather than levelling down (in the **regulatory harmonization**), especially in the context of a neo-liberal drive for de-regulation and removal of "trade barriers"!

Furthermore, the U.S. government is pushing for U.S. corporate interests to have a very early say in the creation of any new EU regulations – prior to even any democratic processes (e.g. the E.P.). [Refs on p.4].
2. OK, SME's in Kendal and elsewhere could benefit from removal of US tariff barriers, but most tariff barriers between USA and EU I understand have been much reduced or removed, and tariff barriers are but a small part of TTIP. It is removal of the '**Non-Tariff Barriers**' that are a much bigger concern, such as via **regulatory harmonization** and **corporate legal leverage for privatization of public services**, and also of course **the ISDS mechanism** (gives corporations legal power to sue governments if their future profits might be reduced by changes in policy or regulations that might affect their trade or foreign investments or other activities, such as mining, pollution etc. [My web-page on ISDS]).

Furthermore, the TTIP and CETA must be viewed within the wider underlying context of multinational corporations pushing for increased legal power to lock-in market de-regulation (using neoliberal ideology), their resistance to climate/environmental legislation, and the consequent decrease in democracy and protection of the public and environment. [[Nick Dearden of WDM describes this context](#)], so too The Democracy Center (9. Below).

3. You imply that the threats of the TTIP are an exaggeration or hyperboly, but surely such words better fit the overblown and speculative economic and jobs benefits that the EC promotes and the LibDem statement repeats uncritically (ignoring the big biz lobbying behind them), rather than the warnings of the threats, which are in contrast based on existing factual evidence of FTAs/BITs such as the 20 year old NAFTA, which includes job losses from the USA (e.g. Zak's ref. in 1 above), and suings of governments under ISDS mechanisms – for trying to protect people and environment (evidence in 9. below). The latter have already happened, the former are future guesses. [[Brian Woodward's critique – now as a pdf](#) attacks the economics claims, [so too do 2 University lecturers in this LSE website hosted article](#), and [this EnergyDesk](#) piece gives refs criticizing the CEPR predicted figures for these claims).

4. **Climate legislation.** Inconsistencies. You recently spoke out well about the need to tackle climate change, yet already during the TTIP negotiations the EC has been persuaded by oil interests and the USA (itself part-captured by “Big Oil”) to truncate the climate change legislation within the EU Fuel Quality Directive to discontinue beyond 2020, despite the fact that it has yet to be implemented due to oil lobbying. Also, LibDem's Norman Baker was pushing for delay in implementation until a complex detailed alternative had been formulated – which would take years to do. These factors combined result in a squeezing of the potential duration of implementation of the legislative proposal to maybe zero or very few years. [[I have compiled much evidence on the impact on climate legislation and policy here](#)]

Given the greater urgency and importance for action on climate change, and the potential increase in emissions via increased trade between the main nations responsible for the historic accumulated GHGs, what have the LibDems done to ensure that the need for radical emissions reductions is catered for in TTIP and CETA?

5. **Relevant NGOs** are unanimous against the dangers within the TTIP, CETA and the similar TPP, such as the [World Development Movement](#), the [Trade Justice Movement](#), the [Corporate Europe Observatory](#), [The Democracy Center](#), Public Services International, [FoE Europe](#), The Alternative Trade Mandate alliance of over 50 civil society organisations, UK Tar Sands Network to name but a few. Also, '[More than 100 organizations sign transatlantic statement opposing dangerous investor “rights” chapter in CETA](#)' (25nov13). Note that the latter refers to the ISDS in the almost completed **CETA** (EU-Canada) - which is being ignored, despite its very urgent need for consultation as for TTIP.

Would the LibDems expect their pro-TTIP assessment to be more credible to us (including LibDem voters)? Especially when the LibDem Ministers appear to regard the use of weasel words and greenwash as a normality?

(Examples: Ed Davey being clapped loudly for saying at the last LibDem conference that there will be no subsidizing of the nuclear industry, and Vince Cable's BIS using the Green Investment Bank to fund extension of the life of coal-burning at Drax, by co-burning with fuel from “old growth” ancient woodland in America, and Norman Baker's parroting of dodgy claims by the tar sands industry and its Harper government mouthpiece.)

6. Another inconsistency: You are against **fracking**, yet the TTIP regulatory harmonization and ISDS threaten our regulation of the fracking threat in the UK. Quebec regional government is being sued using NAFTA's ISDS by a fracking company (Lone Pine Resources Inc.) for putting a moratorium on fracking. Halliburton, responsible for the well integrity failure in BP's Mexican Gulf disaster, is teaming up with Celtique Energie fracking company in the UK, and could potentially do likewise. **NB:** [I here provide excellent video & refs on how TTIP risks expanding fracking](#).
7. The LibDem policy on the TTIP is also very negligent in supporting “**fast-tracking**” of the TTIP for the speculative money and job gains, which ignores the evidence provided by the NAFTA against such fast-

tracking (well done Zak for highlighting that in HoC). The NAFTA (and other FTA negotiations) reveal the need for very close independent and Parliamentary scrutiny of the documents due to the dangerous text that industry lobbyists can slip in while contributing to the secretive text-writing for TTIP and CETA. Tim admits that the TTIP is highly complex: Thus how can it be fast-tracked without risking it becoming a “Trojan Horse” for corporate power-grab?

Also compare the enthusiasm for fast-tracking this “free-trade” deal with the lethargy towards climate legislation, the former being for deregulation and increased profit for Western multinationals, the latter for regulation and decreasing the externalities suffered by poorer people in poorer states – caused partly by Western states and their multinationals. Examples include UK’s delaying of climate legislation in the EU FQD, and the “COP-outs”.

8. The **speculative benefits** that the EC and LibDems promote, of £billions to the UK economy (e.g. CEPR figures): To who? – wealthy people with shares in the multi-nationals? (it’s unlikely to be spread evenly as the LibDem text portrays). And the jobs: Where? To where-ever pay and conditions are lowest?
9. **There is ample evidence of the dangers of the ISDS mechanism.** The Democracy Center summarizes some on pp.10-11 of its report: ‘[Unfair, Unsustainable, and Under the Radar - How Corporations Use Global Investment Rules to Undermine a Sustainable Future](#)’.
Examples include mining companies suing Central and South American countries when the latter try and prevent them from destroying habitat such as biodiverse rainforests and polluting river systems that provide water supplies to local inhabitants who face displacement from sustainable life-styles.
The tobacco company Phillip Morris is suing countries who try to protect public health by ruling on cigarette packaging. The ISDS challenge to the Quebec moratorium against fracking I’ve already referred to.
10. **SMEs:** Do you know if the LibDems have examined the wording of the TTIP to ensure that it provides a level playing field for SMEs to compete fairly in trade with the big multinationals who pay up to around 20% less corporate tax by such dodges as transfer-pricing via subsidiaries in tax havens, and yet are contributing to text in the TTIP and wish to weaken relevant regulations such as the US Dodd-Franks law that tries to regain a fairer tax system? Is there legislation in the TTIP to strengthen regulation against corporate tax dodging? (I doubt it!).
11. There are many other dangerous aspects of the TTIP and CETA which I haven’t space to cover here, but I have listed some below on p.4.

Thus please reconsider, as a minimum:

These are the recommendations I put forward to Tim in my meeting with him on 24jan14.

(copied and pasted here)

They remain top priority recommendations.

2. I said I would be grateful if he would consider my recommendations, based on much reading over several years ([link to my references](#)). These are:

2.1 **The ISDS should be excluded from both the TTIP and the CETA** (as urged by NGOs).

The ISDS is unnecessary – as multinational corporations should have respect for the existing national and EU legislation covering investor protection. It is also a threat to democracy and sovereignty for such corporations to have the power to sue nations if their future profits are threatened by regulations – especially those designed to protect people and environment from the negative externalities that corporations can impose.

Re the **TTIP**: there is now a consultation period for the ISDS.

Re the **CETA**: **action is urgent** – as the CETA is near to being fully completed – only the ISDS appears to be still subject to negotiation (?), and is escaping due attention.

Tim said he'd read that some NGO's reckon that the ISDS is benign – but I have not come across any such NGO viewpoint – only many viewpoints strongly against the inclusion of the ISDS.

- 2.2 **There should be no levelling down of regulations** (as regards “harmonization”), if anything there should be levelling up, especially of those regulations concerning the environment e.g. re climate change, pollution, health and safety, GM crops and GM food, human rights and employment rights, financial regulations (in this aspect New York is more regulated than the City of London, and finance corporations would be keen for the TTIP to neutralize the Dodd-Franks regulations for their industry in the USA).

Tim agreed with me on this on 24jan14.

Furthermore, when new EU regulations are proposed they should not be allowed to be amended (most probably diluted, delayed or blocked) by US corporate interests, **and especially not at an early stage** prior to democratic processes (by MEPs) and public scrutiny – as [Corporate Europe Observatory brought up with the Lords Select Committee on 6mar14](#). **NB: the Financial Times reported that the US is using these negotiations "to push for a fundamental change in the way business regulations are drafted in the EU to allow business groups greater input earlier in the process"**. The regulatory co-operation chapter (which includes the problematical "regulatory harmonization" aim) needs close scrutiny. If this is not addressed, proposed climate legislation could be killed at birth by for example Chevron. **NB: "Chevron is an official advisor to the U.S. trade representative..."** [writes Pia Eberhardt of Corporate Europe Observatory](#)..

- 2.3 **There should be adequate time in Parliament (including within relevant Committees) for full debate on points 2.1 and 2.2 above**, in particular an assessment of the degree of threat to democracy and sovereignty and our protection from corporate power. MPs should have a full say and not be by-passed in such a way as to relinquish democratic power to corporate power. [25feb14 sequel: Good news: a debate in HoC – referred to in point 1 above [\[Hansard ref\]](#). Also [The Lords Select Committee on TTIP has interviewed Pia Eberhardt of C.O.E.](#)]
- 2.4 I forgot to remind Tim to sign [EDM 793 - TRANSATLANTIC TRADE AND INVESTMENT PARTNERSHIP - UK Parliament](#) - tabled 26nov13, primary sponsor: Caroline Lucas. However I had informed him of this several times in 2013, and his answer in 1. Above implies he's likely to prefer to delay a decision on this until he has fully studied the subject.

[28feb14 sequel: I reminded Tim that the above recommendations were just my top 4. There are others, such as preventing the TTIP from legal-lock-in of the opening up of government public services to foreign companies (thus restricting any future democratic choice to restrict or reverse further privatization e.g. of the NHS), Intellectual Property Rights, internet freedom and security/ACTA revival etc, etc. A can of worms!]

NB: I have produced a continually updated web-page explaining the dangers of the Free Trade Agreements such as the TTIP and CETA, and giving links to **useful references:** http://www.dragonfly1.plus.com/FTA_threats.html

28Feb14 Tim's response at the Sedbergh meeting (in summary)

Good news: On reading my recommendations re ISDS and regulatory harmonization Tim instructed his assistant Adrian to note that these subjects needed to be researched. I suggested his researchers examine the links I've provided, and avoid making the mistake of just examining the E.C. releases on this uncritically.

Dr T.H.L. Adams - Consultant Ecologist, 55 Hayclose Crescent, Kendal, Cumbria LA9 7NT, Tel: 01539 722158
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6feb14 Henry Adams to Tim Farron:

(This email was a rushed interim response [due to lack of time], before I had time for a proper response)

From: henryadams@dragonfly1.plus.com
Sent: Thursday, February 6, 2014 9:22 PM
To: [Tim Farron MP](#)
Subject: Re: TF - Ref: Adam032/26/hr

Dear Tim,

Thank you for your response to my bringing up the subject of the very real threats of the TTIP, CETA and ISDS mechanism that urgently need addressing.

I am of course disappointed that the LibDem Party is turning a blind eye to the many years of evidence showing just how lethal the ISDS can be.

I am also very disappointed from this that it is now becoming increasingly apparent that the Social Liberal Democrat side of the Party (which I favour) is being snuffed out by the neoliberal side of the party. I had formerly had high hopes that you would be leading the former viewpoint and preventing this snuffing-out from happening.

It would be a great shame if the party reaches a state in which it could be more accurately re-named as the Neoliberal Party.

However I hope you give this whole wider subject a re-think – before you become over-committed to the neoliberal policy shown by the LibDems re the TTIP.

The neoliberal way of thinking is from my viewpoint a huge threat to our future in so many respects.

I plan to write a proper response next week. (I have had to be away much of this week, as my parents needed help etc).

The TTIP, CETA and ISDS is such an important matter that I will not be giving up on it – if anything stepping up to get the evidence out – so it can be properly addressed.

With Best Wishes,
Yours sincerely,

Henry Adams

4feb14 Tim Farron to Henry Adams:

From: [Tim Farron MP](#)
Sent: Tuesday, February 4, 2014 9:57 AM

To: henryadams@dragonfly1.plus.com
Subject: TF - Ref: Adam032/26/hr

Dr. Henry Adams
55 Hayclose Crescent
KENDAL, CUMBRIA
LA9 7NT

Our Ref: Adam032/26/hr

4 February 2014

Dear Henry

Thank you for your patience in allowing me to respond to your queries about the TTIP and ISDS mechanism.

The Transatlantic Trade and Investment Partnership (TTIP) is a once in a generation opportunity for the UK – it could bring benefits of £10 billion a year to the British economy and builds on our already vast trade and investment links with the USA. This is the equivalent of almost £400 per household.

The EU and the US combined account for over half the global economy – this would be the biggest free trade agreement in history. After the EU, the US is the biggest source of investment in the UK and US firms support an estimated one million British jobs.

TTIP shows the value of our membership of the European Union and the key role our EU membership plays in creating a stronger economy and producing British jobs.

The EU is the world's trade superpower. Collectively it has a population of 500 million, is the world's largest economy, the largest exporter, largest importer and the largest investor^[1]. This economic weight gives the EU serious clout in trade talks and the UK gets a better deal than if we negotiated alone as a country of 60 million. Our EU membership is the best way to increase trade with the rest of the world.

TTIP shows that the UK should concentrate on reform of the EU, not the Tory repatriation agenda. We should not waste our political capital and alienate our partners by calling for pick and mix Europe. Instead, we should be forming alliances with like-minded governments and MEPs to push a job creating reform agenda such as TTIP and other free trade agreements.

The Liberal Democrats in the European Parliament are supportive of international trade deals but work hard to ensure that health and safety and environmental standards are not compromised in the pursuit of international trade deals.

On 21st January 2014 EU Trade Commissioner Karel De Gucht announced his decision to seek public consultation on the investment provisions of a future EU-US trade deal:

“Governments must always be free to regulate so they can protect people and the environment. But they must also find the right balance and treat investors fairly, so they can attract investment. International investment agreements like TTIP should ensure they do both. But some existing arrangements have caused problems in practice, allowing companies to exploit loopholes where

the legal text has been vague. I know some people in Europe have genuine concerns about this part of the EU-US deal. Now I want them to have their say. I have been tasked by the EU Member States to fix the problems that exist in current investment arrangements and I'm determined to make the investment protection system more transparent and impartial, and to close these legal loopholes once and for all. TTIP will firmly uphold EU member states' right to regulate in the public interest."

The Commission proposes to refer explicitly in the deal to states' right to regulate in the public's interest. It would also see new and improved rules, including a code of conduct, to ensure arbitrators are chosen fairly and act impartially, and to open up their proceedings to the public. Next round of negotiations is due to be held 10-14 March 2014. The UK already has more than 90 ISDS agreements with other countries. Investment protections do not limit the ability of states to make or repeal any law or regulation.

With best wishes

Yours sincerely

TIM FARRON MP

[1] <http://trade.ec.europa.eu/doclib/html/122532.htm>

31jan14 Henry Adams to Tim Farron:

From: henryadams@dragonfly1.plus.com
Sent: Friday, January 31, 2014 2:57 PM
To: [Tim Farron MP](#)
Subject: Re: TF - Ref: Adam032/26/hr

Dear Tim

Your Ref: Adam032/26/hr

1. Lobbying Bill

2. Investor-to-State Dispute Settlement mechanism (ISDS) in TTIP and CETA, and 'harmonization' of regulations (hopefully not "levelling down")

I apologize for my long delay in writing to thank you for emailing me your position statement on the Lobbying Bill and giving me an interim reply on the ISDS mechanism.

I keep being thwarted by computer problems.

Nonetheless I've forwarded your email (also appended below) to many of my contacts in SLACctt and SL-WDM so that they can read your viewpoint on the Lobbying Bill.

I also attached to them – and to you here - my summary of our meeting at your Hallgarth surgery – mainly on the ISDS threat and my concerns that the 'harmonization' of regulations does not result in

harmful levelling down of those regulations that protect us and the environment. I hope you have time to give it a skim-read.

I also hope to email you a 1-page summary about the iSDS and harmonization threats next week (I wrote drafts last year but computer crashes frustratingly keep stopping me completing it).

In the meantime, my web-page on the FTA – TTIP – CETA – ISDS subject is continually updated when I can – and is a useful resource of excellent reference links.

http://www.dragonfly1.plus.com/FTA_threats.html

With Best Wishes,

Henry Adams

27jan14 Tim Farron to Henry Adams:

From: [Tim Farron MP](#)

Sent: Monday, January 27, 2014 4:30 PM

To: henryadams@dragonfly1.plus.com

Subject: TF - Ref: Adam032/26/hr

Dr. Henry Adams
55 Hayclose Crescent
KENDAL, CUMBRIA
LA9 7NT

Our Ref: Adam032/26/hr
27 January 2014

Dear Henry

Thank you very much for having taken the time to join me at Hallgarth Community Centre in Kendal on Friday in order to discuss the Lobbying Bill and the dispute settlement mechanism of the TTIP. I am sorry if you had a long wait and thanks for your patience.

I know we only spoke briefly concerning the Lobbying Bill on Friday; please allow me to explain my position more fully.

Some have described the Bill as a 'gagging' bill. It is not and describing it as such is inaccurate. You will know that I have worked hard to consult pressure groups, charities and others to make sure that the Bill tackles the abuse of power and wealth and doesn't replace those problems with other difficulties such as those suggested by 38 Degrees and other groups. This Bill fulfils a vital role in limiting the amount of money that can be spent to sway votes at elections – a principle already well-established for political parties in electoral law.

I believe that changes are needed **before** the next election. Third party spending has increased markedly over the last two general elections and we don't want to follow a trend set in the United States. It is perfectly reasonable for Parliament to take action on the basis that this is an existing

problem that is only likely to get worse. If we had failed to act upon this now and the 2015 general election saw the outcome in some seats influenced by significant third-party spending, people would rightly be asking us why we had allowed that to happen. For instance, it would have been highly likely that well funded pro-fracking groups would spend millions of pounds to influence election results, if this Bill had not been passed.

At a public meeting in Kendal in November, I said that I was concerned that the plans to change the definition of what counted as non-party campaigning might have the effect of restricting free campaigning. **I am delighted to be able to say that, due to pressure from myself and my Liberal Democrat colleagues, the Government changed its position on this definition back to the original position in law set forth under the last Labour Government.** This original definition has operated for two general elections and has never stopped charities or voluntary organisations commenting on public policy. Unless an organisation's intention is to change the outcome of an election, this legislation **will simply not affect them.**

The Government acted on the Electoral Commission's request that non-party organisation and political party activities are brought into line. The Commission believes that the proposed national spending cap will allow non-party organisations to campaign effectively but without allowing wealthy individuals or groups to exert unfair influence on election results. The Government also intends to keep the constituency spending limit because, without it, non-party organisations could heavily outspend party candidates.

Whilst the Commission on Civil Society and Democratic Engagement has done a remarkable job in producing a comprehensive report in a short time, the cumulative effect of their proposals would have been a step back for transparency in elections. Their whole package of recommendations would have meant increasing existing limits to allow a non-party election campaigner to spend up to £1.125m in a single constituency. This limit would have far exceeded what individual candidates could spend. The Commission had also proposed that the Government should remove from the Bill all the transparency requirements, such as declarations of donations during the election campaign and statements of accounts. Vested interests could have funded non-party campaigns without electors having any knowledge of this before polling day; I believe that this would be quite wrong.

In the Lords, Liberal Democrat Peers have examined some of the Commission's specific concerns and sought to address them. Their proposed amendments to the Bill included:

- the operation of a constituency limit for spending by groups – increased to £9,750 for spending after the dissolution of Parliament.
- an increase in the proposed spending cap to £450,000.
- raising registration thresholds for small campaigning groups and charities. We are proposing an amendment to raise this threshold from the proposed £5,000 limit to £20,000.
- Allowing one large campaigning group to produce one report for a group of small campaigners to reduce any undue burden on small organisations.
- Scrapping the need to submit spending returns and a statement of accounts if a campaigning group spends below the registration threshold – I believe that this strikes a balance between cumbersome reporting requirements for smaller groups and the need to improve transparency.

On the Lords' amendments, I chose to vote against limiting what counts as controlled expenditure by third parties in general elections to just expenditure on election materials and unsolicited phone calls (amendment 26). I do not believe that it is right for candidates in a constituency to be targeted by a third party with greater means and a greater spending limit at its disposal; the potential campaigners for fracking are a clear example. By excluding certain

activities from constituency spending, wealthy third parties could have spent unlimited amounts on significant activities aimed to affect the election result. This would have contradicted the very principle of a free democracy.

On amendment 108, I voted to include staff costs under the controls on spending by campaigners who are not candidates in general elections. This is to prevent wealthy groups or individuals from flooding constituencies with paid staff to gain their desired result. Lastly, in relation to a register for meetings with Special Advisers (SpAds), the Government has tabled its own amendment to insert a 'sunrise' clause to allow a future government to include SpAds in the registration process. This is a major concession from the Government and a significant achievement by Liberal Democrats. The Conservatives refused to agree disclosure of SpAds' meetings for the duration of this government but it remains Liberal Democrat policy that this should happen.

I am a great supporter of the good work of 38 degrees but I feel that some of the opinions that they have expressed on this Bill could have resulted in proposals which – inadvertently – would have allowed the rich and powerful to use their resources, even more than they already do, to secure the election results that they wanted. I hope that you will see that I and my Liberal Democrat colleagues in both Houses of Parliament have gone to great lengths to listen to the concerns of community groups, charities and individuals to address any unintended consequences of the Bill. We have been determined to ensure that the Bill also still meets the legitimate objectives of improving transparency in non-party campaigns and ensuring that big money cannot dominate British politics, as it has done in the United States.

In relation to the ISDS mechanism – I hope you will not mind if I go away and look into this further and get back to you? I believe this matter warrants further investigation on my part, and I will write to you again shortly.

With best wishes

Yours sincerely

TIM FARRON MP

24jan14 meeting between Henry Adams and Tim Farron MP:

24jan14 meeting with Tim Farron at his surgery at Hallgarth, Kendal re:

TTIP Transatlantic Trade and Investment Partnership between USA and EU

CETA Comprehensive Economic and Trade Agreement between Canada and EU

The dangerous ISDS Investor-State Dispute Settlement mechanism that needs to be removed from both these FTAs, and why regulations must not be levelled down, removed, nor overridden by FTAs.

Before tackling this topic I first thanked Tim for speaking up publicly on climate change on at least 2 recent occasions: at PMQs in HoC, and in BBC Question Time.

I also brought up David Babbs' email to 38 Degrees members expressing disappointment as to Tim's voting choices on the Lords' amendments to the Lobbying/"Gagging" Bill, to give Tim a chance to give his say. Tim replied that David Babbs had misrepresented the full picture of his voting actions by focusing only on those amendments he had voted against, and not those he'd voted for. I won't write more here – because Tim is bound to put his response in writing. *27jan14 sequel: see his email response to me and no doubt other constituents too.*

Now back to the main topic.

My Q's/points to Tim, and his replies:

1. What are your thoughts now on the EU free trade negotiations and the investor-to-state dispute settlement mechanism (ISDS), especially as regards its potentially dangerous aspects? (I had brought up this subject with him last year and a few years ago). And have you read the briefing document for Parliament?

Tim replied that he has not yet read enough to be able to make judgement on this, as put in his subsequent email to me of 27 January, from which I quote: "In relation to the ISDS mechanism – I hope you will not mind if I go away and look into this further and get back to you? I believe this matter warrants further investigation on my part, and I will write to you again shortly."

2. I said I would be grateful if he would consider my recommendations, based on much reading over several years ([link to my references](#)). These are:

2.1 **The ISDS should be excluded from both the TTIP and the CETA** (as urged by NGOs).

The ISDS is unnecessary – as multinational corporations should have respect for the existing national and EU legislation covering investor protection. It is also a threat to democracy and sovereignty for such corporations to have the power to sue nations if their future profits are threatened by regulations – especially those designed to protect people and environment from the negative externalities that corporations can impose.

Re the TTIP: there is now a consultation period for the ISDS.

Re the CETA: action is urgent – as the CETA is near to being fully completed – only the ISDS appears to be still subject to negotiation (?), and is escaping due attention.

Tim said he'd read that some NGO's reckon that the ISDS is benign – but I have not come across any such NGO viewpoint – only many viewpoints strongly against the inclusion of the ISDS.

2.2 **There should be no levelling down of regulations** (as regards "harmonization"), if anything there should be levelling up, especially of those regulations concerning the environment e.g. re climate change, pollution, health and safety, GM crops and GM food, human rights and employment rights, financial regulations (in this aspect New York is more regulated than the City of London).

Tim agreed with me on this.

2.3 **There should be adequate time in Parliament (including within relevant Committees) for full debate on points 2.1 and 2.2 above**, in particular an assessment of the degree of threat to democracy and sovereignty and our protection from corporate power. MPs should have a full say and not be by-passed in such a way as to relinquish democratic power to corporate power.

2.4 I forgot to remind Tim to sign [EDM 793 - TRANSATLANTIC TRADE AND INVESTMENT PARTNERSHIP - UK Parliament](#) - tabled 26nov13, primary sponsor: Caroline Lucas. However I had informed him of this several times in 2013, and his answer in 1. Above implies he's likely to prefer to delay a decision on this until he has fully studied the subject.

I have produced a continually updated web-page explaining the dangers of the Free Trade Agreements such as the TTIP and CETA, and giving links to useful references: http://www.dragonfly1.plus.com/FTA_threats.html

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2013 meeting between Henry Adams and Tim Farron MP:

Yet to add here.

2011 correspondence between Henry Adams and Tim Farron MP and BIS (Ed Davey MP & BIS minister) re the Canada–EU free trade agreement (CETA) in relation to proposed climate legislation within EU's Fuel Quality Directive and the tar sands industry:

Yet to add here. Already accessible on my web-page www.bit.ly/FTAthreats and Tar Sands web-page: www.dragonfly1.plus.com - both in dragonfly1 web-site.