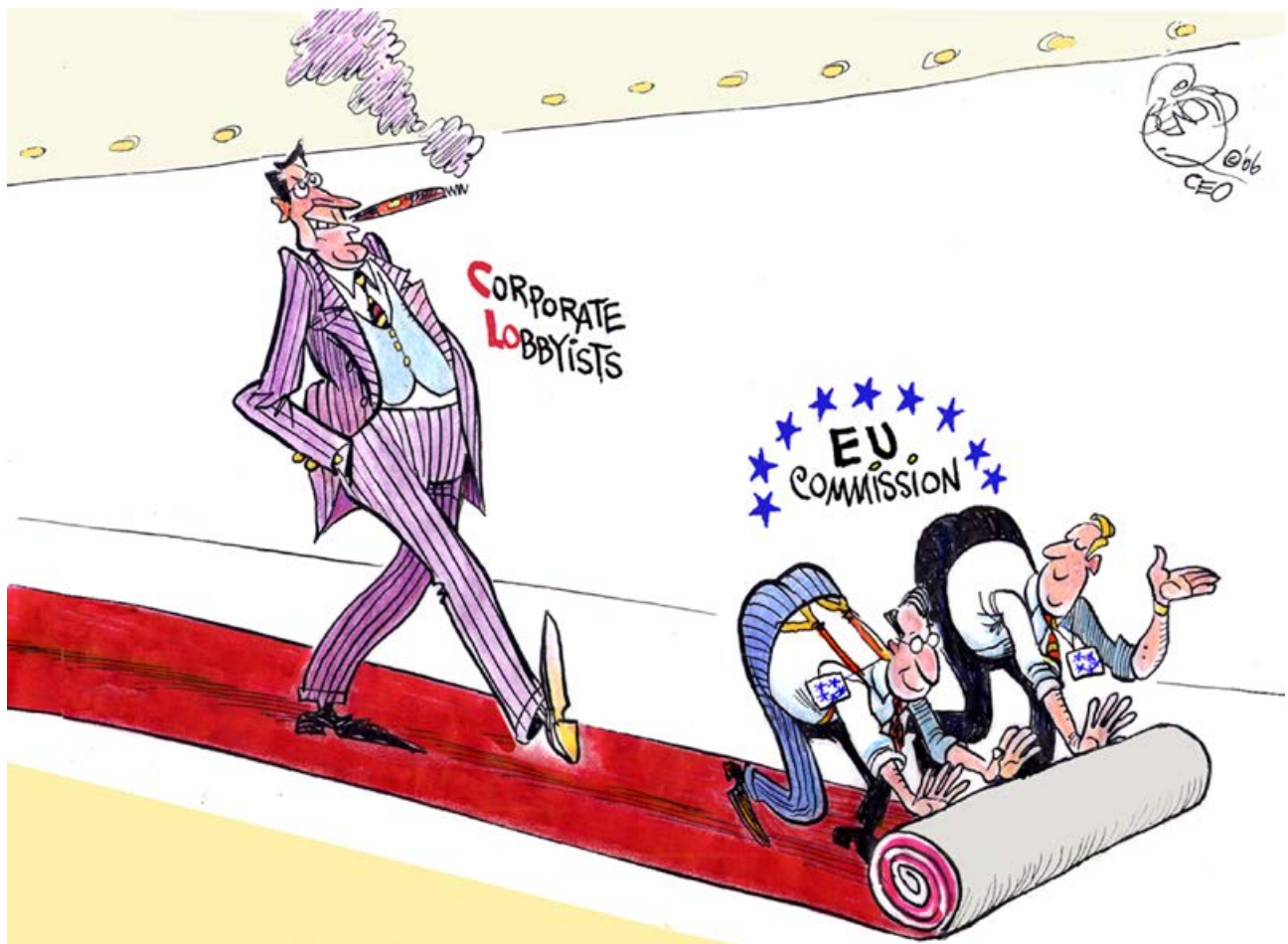


HOW THE EUROPEAN COMMISSION IS DOING THE JOB OF BIG BUSINESS



BETTER REGULATION AND REGULATORY COOPERATION IN TTIP

The European Commission is currently negotiating the Transatlantic Trade and Investment Partnership (TTIP) with the United States. This trade deal threatens to reduce the social and environmental rights of people living in the US and the EU, in the interests of big business. A central aspect of this threat comes from plans to introduce "regulatory cooperation" between the negotiating partners¹.

Equally dangerous is the "European Commission's" so-called "Better Regulation" agenda², which is an internal process that pre-dates the EU-US trade talks.

"Better Regulation" is promoted as being about cutting unnecessary administrative burdens or red tape at the EU level.

In reality it threatens essential environmental safeguards and citizens' rights.

Both processes are creating obstacles and delays for decision-makers who want to introduce new regulations, and they risk creating "regulatory chill" as law makers are discouraged from introducing new measures in the public interest³.

BETTER REGULATION AND REGULATORY COOPERATION



IGNORING THE BENEFITS OF REGULATIONS

Both processes require that proposals for new legislation or regulations are subject to an analysis which prioritises the economic and trade-related impacts over social and environmental aspects.

"IN THE US, THE RELIANCE ON COST-BENEFIT ANALYSIS WENT HAND IN HAND WITH OVERSTATING THE COSTS OF REGULATION AND UNDER-ESTIMATING ITS BENEFITS, LEADING, IN GENERAL, TO CONSIDERABLY LESS REGULATION OF HEALTH AND ENVIRONMENTAL RISKS STEMMING FROM NEW TECHNOLOGIES"

MARIJA BARTL, University of Amsterdam, November 2015 ⁴

BETTER REGULATION AND REGULATORY COOPERATION



OPPORTUNITIES FOR BIG BUSINESS, THREATS FOR SMALL AND MEDIUM ENTERPRISES

Despite the rhetoric that claims small and medium-sized businesses (SMEs) benefit from both processes, big business gains the most. MEDEF (Mouvements des Entreprises de France), the French big business organisation, told trade negotiators that with TTIP, the "19 million European SMEs which do not export [will] face increased competition". Deregulation measures under Better Regulation were described by a European small business representative as "nonsense"⁵.

TWO PROCESSES FOR BIG BUSINESS

Despite their technical appearance, Regulatory Cooperation and Better Regulation are both, in fact, political manoeuvres to allow big businesses to significantly increase their influence over the regulatory process, often even before elected representatives can have a say.

A closer look at the European Commission's current proposals on Better Regulation and the future proposals for Regulatory Cooperation in the context of TTIP not only shows the similarities between the two agendas, but also the similarities with the positions of powerful industry lobby groups, such as Business Europe and the US Chamber of Commerce⁶.

EUROPEAN COMMISSION

On Better Regulation

"To make sure that regulations are used only when **necessary** and that the **burdens** they impose are **proportionate** to their aim"

High-Level Regulatory Cooperation Forum in 2006

"It also defined "Common Understanding" of Regulatory Principles, which included (...) careful **analysis of alternatives**, including less stringent and more stringent and selection of **least burdensome approach**"

BIG BUSINESS

Business Europe on Better Regulation

"Proposals which would impose **unnecessary burdens** or have a **disproportionate** impact on growth and jobs should be halted by the vice-president (of the EU)"

Business Europe on Regulatory Cooperation

It should "reduce **unnecessary** and **disproportionate** burden economic operations face in view of different regulatory requirements"

US Chamber of Commerce on Regulatory Cooperation

It should be about providing "an identification and selection of the **least burdensome approach**"

Business Europe on Regulatory Cooperation

Regulatory cooperation should enable the "**analysis** of relevant regulatory **alternatives**, including the possibility not to adapt regulation at all"

Any legislation could be considered a « burden » (i.e. involve extra costs) for businesses, or would have a « disproportionate » impact on big businesses, is at stake, no matter its benefits for society.



BOTH PROCESSES AIM TO WEAKEN, DELAY OR ABOLISH STANDARDS

Both Better Regulation and Regulatory Cooperation in TTIP are about creating a business-friendly environment, in which big business and the Commission can attack any new and past regulations which would be costly for businesses, at any price for society.

In the last few years, business lobby groups and their allies in the European Commission have launched major attacks on any attempt to introduce new rules in the public interest - including regulations on chemicals that can damage children's development and proposals for new regulations on working conditions.

"WHAT THE EUROPEAN COMMISSION CALLS REDUCING THE
"REGULATORY BURDEN FOR EU BUSINESS OPERATORS" OFTEN MEANS
INCREASING THE COSTS THE REST OF US MUST CARRY: COSTS IMPOSED
ON OUR POCKETS, OUR HEALTH AND OUR QUALITY OF LIFE."

GEORGE MONBIOT, Journalist, February 2016 ⁷

CIRCULAR ECONOMY PACKAGE



A VICTIM OF BETTER REGULATION

The Circular Economy Package was initially introduced as a way to boost Europe's transition towards the more sustainable use of resources. It covers a wide range of areas such as waste disposal, product design and food waste.

The proposal has been a victim of the Commission's Better Regulation agenda from day one. In 2014, the European Commission Vice President, Frans Timmermans, withdrew it from the Commission's workplan for 2015⁸.

A revised proposal was introduced at the end of 2015. This created a year's delay, but also resulted in a weaker legislative proposal than originally put forward⁹. The new proposal's reduction in binding regulations reflects the turn in debate during 2015 from a primarily environmental piece of work, to a primarily economic piece of work.

For instance, a binding target for resource productivity is absent from the new package, which means a vital step towards reducing absolute resource consumption is missing, and the EU-specific target for food waste reduction has also been dropped.

WE NEED BETTER REGULATIONS FOR ALL, NOT JUST FOR BIG BUSINESS!

"Better Regulation" and Regulatory Cooperation are business-driven agendas that illustrate the powerful influence of industry interests on the European Commission.

As part of our fight against corporate capture of EU decisions, we must stop TTIP and the so-called «Better Regulation» and demand a Europe which works for the public interest rather than the interests of big business.

FOR MORE INFORMATION PLEASE VISIT:
www.s2bnetwork.org/regulatory-cooperation-in-ttip

Written by Friends of the Earth Europe
and Corporate Europe Observatory
Editor Helen Burley

Cartoons by Khalil Bendib and Frédéric Hache
Design and layout Ana Luísa Lages



www.corporateeurope.org



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