



11 DEC 2014

HOUSE OF COMMONS
LONDON SW1A 0AA

Ms Anna Soubry, MP,
HOUSE OF COMMONS

9th December, 2014

Dear Anna,

Thank you very much for letting me know the views of your constituent, [REDACTED] about the proposed trade deal between the European Union and the United States. I was indeed the lead Minister for this when I was in the Cabinet and I had quite a lot of meetings with American and European negotiators. Like all negotiations, there is a need for a certain amount of secrecy on the part of the people who will actually settle the deal with the Americans so that we do not give away our bottom line. It is not, however, the case that there was any sinister secrecy about this and I have taken part in open debates about TTIP in the House of Commons, meetings in the European Parliament and with the media.

It would give a tremendous boost to economic growth on both sides of the Atlantic, with the creation of many new jobs and business opportunities for British and other European firms, if we could reduce the unnecessary barriers to trade between the biggest and wealthiest markets in the world. There is every prospect that we can eliminate the few problems that are left. The most important debates will be about the removal of unnecessary differences in regulations on both sides of the Atlantic, without compromising the standards of customer protection, labour protection and food safety and so on that we all require strong regulations for.

To give an example, motor cars in the United States and in Europe have to meet the highest standards in the world. These standards can be maintained by the mutual recognition of what we ask for and we can eliminate totally pointless differences in, for example, the size of headlights that are stipulated and that make no worthwhile difference at all.

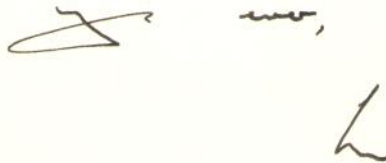
I think all the governments concerned expected strong public support for the deal, apart from the usual protectionist arguments from the less competitive and old-fashioned companies who manage to corner the market. No-one really anticipated that some perfectly worthwhile lobby groups in Europe, who campaign for overseas aid, environmental protection and so on would steadily start to claim that this was some plot to allow American companies to lower our standards in Europe.



I really do not believe that the arbitration clause that any agreement would need would enable anyone to do this. One of the things that can be put into the agreement is the clearest possible language to preserve the right of the sovereign governments of all the states involved to maintain the levels of protection for their citizens that they require. Better wording would only clarify the present form of arbitration clause, which we have in dozens of small agreements with similar states already, which have never been abused in this way. The United Kingdom has twice had action taken against it under a Trade Agreement and has won both claims.

The idea that this is going to alter the future of the NHS is particularly fanciful. There are no trade barriers now to American owned companies seeking outsourcing contracts in the NHS and so there are no trade barriers for the TTIP to remove. If any existing contracts were ever cancelled by a future government, then that government would either have to pay compensation to the companies of every nationality or allow all the contracts to expire at the end of their term. The negotiations going on with the Americans have absolutely nothing to do with policy on the National Health Service at all and could not possibly do so.

I hope that this is helpful.



The Rt. Hon. Kenneth Clarke, CH, QC, MP