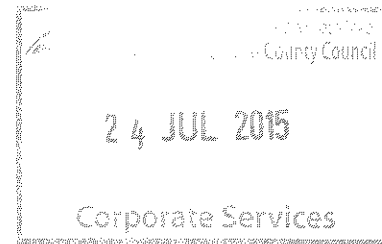


Oifig an Aire Post, Fiontar agus Nuálaíochta
Office of the Minister for Jobs, Enterprise and Innovation

Your Ref: M07/0615
Our Ref: 151084/MIN

Mr Tom O'Neill
Meeting Administrator
Corporate Services Department
South Dublin County Council
County Hall
Tallaght
Dublin 24



22 July 2015

Re: Transatlantic Trade and Investment (TTIP) Negotiations

Dear Mr O'Neill,

I refer to your letter of 9th June concerning a motion agreed at a meeting of South Dublin County Council concerning the ongoing negotiations between the EU and US on a Transatlantic Trade and Investment Partnership (TTIP) which has been brought to the Minister's attention.

According to assessments made by the EU Commission, a comprehensive TTIP could over time boost EU GDP by 0.5% per annum bringing significant economic gains as a whole for the EU. This converts into 400,000 jobs across the EU. The Copenhagen Economics study commissioned by the Department estimates that these benefits in Ireland will be proportionally greater than in the EU as a whole. It suggests growth in Irish exports of almost 4%, increases in investment of 1.5% and increase in real wages of 1.5%. It estimates somewhere between 5,000 and 10,000 additional export related jobs.

As regards investment protection and the investor state dispute settlement (ISDS) mechanism in the proposed agreement, these are included in the scope of the EU Commission's mandate to negotiate with the United States (paragraphs 22 and 23). The stated aim of negotiations on investment is to negotiate investment liberalisation and protection provisions on the basis of the highest levels of liberalisation and highest standards of protection that both sides have negotiated to date.

The mandate makes it clear that the inclusion of investment protection and ISDS will depend on EU interests being met and on the final balance of the Agreement. Importantly, the mandate states that the objectives of any investment protection provisions would be without prejudice to the right of EU and the member states to adopt and enforce measures necessary to pursue legitimate public policy objectives such as social, environmental, security, stability of the financial system, public health and safety in a non-discriminatory manner.

This means that the type of investment arbitration system under TTIP will be a vast improvement on investment protection in existing Bilateral Investment Treaties, some of which date back to the 1950's.

The Commission's Concept Paper, "Investment in TTIP and beyond – the path for reform", published on 6 May, sets out the context for this reform and, building on the important progress that has been achieved in the investment agreements with Canada and Singapore, sets out four areas for further improvement: Governments' right to regulate, establishment and functioning of tribunals, relationship between national judicial systems and an ISDS system, and an appellate mechanism.

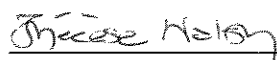
These improvements are aimed at fixing the problems with investor dispute settlement in order to create a new modern system of investment arbitration. Ireland already provides the highest protection for investors by virtue of Article 43 of our Constitution, so the policy intention of the Commission in these negotiations is not new to Ireland.

In relation to agriculture - Ireland, like other Member States, has some sensitivity in the agriculture sector. But we also have offensive interests for example in access to the US dairy market. As part of the Copenhagen Economics Study preparation, meetings were held with a range of stakeholders from the agri sector. This study which was published on 27th March 2015, finds that TTIP will see a likely increase to Irish agriculture exports by 2% to 3% or €230-€270 million relative to 2013. The study also underlined the sensitivity in the beef sector. The results of the study will be used to ensure that Irish interests are covered in the negotiations.

Regulatory cooperation measures in TTIP are intended to avoid duplication and to find ways to make our systems work more smoothly. The EU and US work closely already in a number of areas. Air transport is one example of where common standards for safety and technical requirements are already in place, we have also agreed to recognise each other's organic food standards. Regulatory compatibility and cooperation recognises the realities of globalisation and will make the trading landscape easier and more predictable. This will be particularly important in unlocking the potential of SMEs helping them to internationalise and grow exports.

I am pleased to enclose a copy of the Copenhagen Economics study into the potential impacts of TTIP on Ireland. Should you require any additional copies or any further information on TTIP please don't hesitate to contact the Department's Trade Policy Unit at 01 631 3046 or trade@djei.ie. I also enclose the Department's latest summary document on the agreement which is regularly updated on our website at www.enterprise.gov.ie and a link to the Commission's SME study <http://trade.ec.europa.eu/doclib/press/index.cfm?id=1292> available on their website which is also regularly updated with useful TTIP documents.

Yours sincerely,



Thérèse Walsh
Private Secretary