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COURTESY TRANSLATION

For the committees on sustainable development and social policy of the national assemblies of the Member States of the European Union

To whom it may concern

The entire European Union, including Hungary, will be considerably affected by the outcome of the ongoing free trade negotiations between the European Union, the United States and Canada and of any resulting agreements. There is intense debate - both in Europe and in Hungary - on the Transatlantic Trade and Investment Partnership (TTIP) and the Comprehensive Economic and Trade Agreement (CETA). Procedures for the settlement of disputes between investors and governments, and the institutional structures of regulatory cooperation are among the most debated issues. The removal of non-tariff measures might negatively affect the current strict European regulatory environment developed for business organisations in accordance with the principles of sustainability, and compromise food security and the protection of ecosystems. Furthermore, only specific sectors will stand to gain the expected economic benefits, while the outcomes for others will be at best uncertain or even disadvantageous, making – among others – European agriculture and rural areas the biggest losers in the agreements.

In Hungary, the National Council for Sustainable Development, which is chaired by the Speaker of the National Assembly and comprises all key spheres (academic, civil, economic and governmental) and sectors (the business and social sectors, environmental protection and nature conservation, education and youth policy, and agriculture) also debated the prospective impacts of the TTIP agreement on the sustainability effort, and likewise concluded that there are concerns in numerous fields regarding the further negotiations on the TTIP and its ratification on the national level.

At the initiative of Dr András Schiffer, party co-chair and chairman of the parliamentary group Politics Can be Different (Lehet Más a Politika), the Hungarian National Assembly passed a resolution in 2016 on the requirements related to trade and investment agreements concluded by the EU with third countries. For your information, please find attached the text of that resolution.

Based on these considerations, as chairman of the Committee on Sustainable Development of the Hungarian National Assembly, I respectfully ask the committees on sustainable development and socio-economic processes of the Member States to examine, in a timely manner, the overall impact of the agreement promptly and to analyse its expected outcomes for the whole of society, the environment and the economy.

I urge the committees not to support a free trade agreement that threatens the current levels of environmental and health protection, food security, and human rights and labour right guarantees, and establishes anti-democratic procedures for dispute settlement.

I take the view – and I hope to find cooperating partners to support it – that through the legislative and decision-making activities of EU institutions, involving the participation of Member State governments, the Comprehensive Economic and Trade Agreement (CETA) concluded between the EU and Canada, similarly to the Transatlantic Trade and Investment Partnership (TTIP) concluded between the EU and the United States and the Trade in Services Agreement (TiSA), should be regarded as a mixed international agreement. Accordingly, in order to enter into force, the agreement would need to be ratified by each Member State according to its national constitutional rules.

I believe it would be beneficial for us to take steps to prevent a pan-European problem that can hopefully be avoided by engaging in information exchange on the EU level, aided by national debate and social consultations.

Budapest, 1 July 2016

Yours sincerely,

[stamp:
Committee on Sustainable
Development of the
National Assembly]

[signature]
Benedek R. Sallai
Chairman