

**As Deadline Looms, WikiLeaks Reveals Corporate Demands from the European Union in the Trade in Services Agreement**

**Demands by the EU to Lock in Privatization of Public Services in Developing Countries, Financial Services Deregulation, and Antidevelopment Provisions Revealed; Secretive, Antidemocratic Deal Must Not Be Rushed to Conclusion**

<http://www.huffingtonpost.com/deborah-james/as-deadline-looms-wikilea_b_12491038.html>

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Today, for the first time, [WikiLeaks released demands by the EU](https://wikileaks.org/tisa/) to lock in a wide list of services sectors to TISA’s privatization and deregulation provisions, including public services in developing countries. In the mid-2000s, when European campaigners leaked similar demands during corporate efforts to expand the General Agreement on Trade in Services, the EU was forced to walk back many of those demands. The European pressure on developing countries was widely condemned by the public, and revealed the corporate, antidevelopment efforts behind the deal, just as they are revealed today.

Global union federations, including Public Services International (PSI), the International Union of Food workers (IUF), International Transport Workers’ Federation (ITF), UNI Global Union, and Education International (EI) as well as European federations including the European Federation of Public Service Unions (EPSU) and UNI Europa, for the first time made united call to suspend the talks, available [here](https://download.ei-ie.org/Docs/WebDepot/FINAL_TiSA_Press_Statement.pdf) [PDF].

Globalization’s cheerleaders are all handwringing about the widespread opposition to trade pacts. But what they don’t acknowledge is that people around the world are not rejecting “trade,” they are rejecting corporate control over our lives. People want to live in a democracy; they want quality, accessible public services; a well-regulated financial sector; and decent jobs for all ― the opposite agenda of the deregulation, locked-in privatization, and antidevelopment fundamentals of the secret proposed TISA, according to today’s explosive leak.

Given that public opposition in Europe to the proposed EU-U.S. Transatlantic Trade and Investment Partnership (TTIP) has put its advance on hold, and the given the growing opposition to the Trans-Pacific Partnership (TPP), corporations and the governments they represent have been hoping to get the TiSA completed before a change in U.S. administration. But this corporate charade must not be hastened to a conclusion before President Obama leaves office, without the global public even hearing of it, let alone debating its pros and cons.

Negotiators are being pressured to decide if they will cave to the EU demands or reserve policy space and sectors for national companies that can better promote jobs and economic growth. Parties have set an October 21 deadline for the revised offers, which will be followed by another Round of negotiations on November 2–10 and the intention to finalize the deal (negotiated almost completely behind closed doors with very limited public awareness and almost no input aside from that of corporate advisers, despite growing resistance to corporate trade agreements globally) by a December 5–6 ministerial.

The leaked EU “requests” include asks that Costa Rica and Peru subject services offered at the subnational (local) level to the TISA liberalization rules. Unless the EU can demonstrate that all services offered in every municipality in these countries are already open to foreign suppliers, these are demands that would lock in any privatization of public services at the local level and open those services to competition from foreign services providers ― which the EU has constantly claimed it is not asking for.

The EU’s demands also include access to postal services in Chile, Costa Rica, Mexico, Pakistan, Panama, Peru, and Turkey, and in several developed countries participating in the talks. Many countries maintain cross-subsidization programs that are an important part of enabling national communication from rural areas. If countries make commitments in this sector, then they would have to provide the same subsidies to foreign corporations as their own domestic firms, and would not be able to renationalize the sector if privatization was found to have adverse impacts.

The EU’s demands also include access to sanitation, sewage, and other environmental services, which are often administered on a local level; telecommunications (including broadcasting); retail and distribution services; shipping; air and maritime transport; energy and mining services (which are extremely sensitive particularly in Latin America); and others. In addition, the EU is requesting more commitments on financial services in nearly every country.

Demands for further financial services to be included in the schedules is especially problematic given the rules in the updated version of the financial services annex, also published today.

According to the analysis provided by University of Auckland law professor Jane Kelsey, under the proposed TISA rules, governments “could not restrict the size of financial institutions;” “no firewalls would be allowed between insurance, investment banking, [and] retail banking to prevent use of depositors’ funds for speculative market trades.” The banning of toxic financial services and products would not be allowed ―including products developed in the future; severe restrictions would be placed on the use of capital controls; financial firms would have the right to intervene in the policy-making processes of other parties’ legislatures, and in many areas, would be allowed to “self-regulate,” even when these firms have been shown unable to do so.

In addition, states would not be allowed to restrict the cross-border transfer of sensitive financial data when companies decide it is necessary. This is emerging as a hot-button issue between the United States, which demands unfettered cross-border data transfer, and the EU, which on October 11 issued a revised privacy rule that contradicts the US position.

The leak also includes a series of antidevelopment provisions in the localization provisions annex. “Localization” refers to rules that most developed countries used in their development to help local firms until they were ready to compete in the international market. These include requirements for transfer of technology; the hiring of local staff; the hiring of local managers who would gain knowledge of how to run the company; capital requirements to guarantee local deposits; and the use of local inputs.

In fact, these are the very mechanisms by which proponents of the TISA have argued that developing countries will benefit from the presence of foreign transnational companies. However, the localization annex actually restricts TISA members from requiring those mechanisms; it even goes so far as to restrict countries from requiring that a company have a local presence (like a branch office) in order to provide cross-border services. In essence, this means that the “development” aspects touted by proponents are a fig leaf because they are restricted by the very same agreement.

In addition to the core text and annexes on systemic issues, the TISA would include each country’s “schedule of commitments” in which they list which sectors they are willing to commit to TISA’s six specific market access disciplines, and which sectors they want to exclude from the TISA’s national treatment rules. These schedules are negotiated by countries making “offers” and their negotiating partners making “requests,” i.e., demands for more sectors to be included and for exclusions to be limited.

Combining the demands of the EU with regard to public and private services including financial services, the deregulatory aspects of the financial services annex, and the localization provisions, today’s leak exposes the fundamentally antidevelopment nature of the TISA.

The [United Nations has just warned of another impending financial crisis](http://www.telegraph.co.uk/business/2016/09/21/un-fears-third-leg-of-the-global-financial-crisis-with-epic-debt/). Yet if they agree to the extensive demands of the EU for further liberalization of services in the TISA, developing countries would be exposing themselves to greatly expanded financial spillover effects, coupled with handcuffs on their ability to respond to a potential crisis by increasing access to public services..

**Background Information**

This leak justifies warnings from global civil society about the privatization and deregulation impacts of a potential TISA since the [first letter on the issue](http://ourworldisnotforsale.org/en/signon/international-civil-society-sends-letter-governments-opposing-proposed-trade-services-agreeme), endorsed by 345 organizations from across the globe, in September 2013. At that time, the Our World is Not For Sale network (OWINFS) argued:

The TISA negotiations largely follow the corporate agenda of using ‘trade’ agreements to bind countries to an agenda of extreme liberalization and deregulation in order to ensure greater corporate profits at the expense of workers, farmers, consumers and the environment. The proposed agreement is the direct result of systematic advocacy by transnational corporations in banking, energy, insurance, telecommunications, transportation, water, and other services sectors, working through lobby groups like the US Coalition of Service Industries (USCSI) and the European Services Forum (ESF).

Today’s leaks prove the network’s arguments beyond a shadow of a doubt.

Today’s leak follows others, including a June 2014 WikiLeaks revelation of a previous version of the [financial services secret text](https://wikileaks.org/tisa-financial/); the December 2014 leak of a US proposal on [cross-border data flows, technology transfer, and net neutrality](http://www.ourworldisnotforsale.org/en/report/briefing-us-tisa-proposal-e-commerce-technoloy-transfer-cross-border-data-flows-and-net-neutr) (available in English and Spanish), which raised serious concerns about the protection of data privacy in the wake of the Snowden revelations; the February 5, 2015 release of a background paper promoting [health tourism in the TISA](https://data.awp.is/international/2015/02/04/22.html) (available in English, French, German, and Spanish); the June 2015 WikiLeaks publication of [17 documents on the TISA](https://wikileaks.org/tisa/), along with accompanying analysis; the July 2015 publication of an updated batch of texts, including the [core text](https://wikileaks.org/tisa/core/) and [accompanying analysis](https://wikileaks.org/tisa/core/#a); the December 2015 leak of annexes on energy and environmental services; the May 2016 leak of new chapters on [state-owned enterprises and the localization provisions](https://wikileaks.org/tisa/#May%202016%20TiSA%20Publication), among others; the September 2016 publication of the proposed [energy services annex](https://ttip-leaks.org/favez/) and other documents by Greenpeace; and the September 2016 publication of updated versions of the core text and new proposals on [institutional provisions and dispute settlement](https://wikileaks.org/tisa/#September%2015,%202016%20Publication).

The TISA is currently being negotiated among 50 countries (or 23 parties, counting the EU as one) with the aim of extending the coverage of scope of the existing General Agreement on Trade in Services in the WTO. However, even worse than the opaque talks at the WTO, the TISA negotiations are being conducted in complete secrecy. The Public Services International (PSI) global union federation published the first critique, “[TISA vs Public Services](http://www.world-psi.org/en/psi-special-report-tisa-versus-public-services),” in March 2014, and PSI and OWINFS jointly published “[The Really Good Friends of Transnational Corporations Agreement](http://ourworldisnotforsale.org/en/report/owinfs-and-psi-releases-special-report-trade-services-agreement-tisa)” report on domestic regulation in September 2014. A factsheet on the TISA can be found [here](http://ourworldisnotforsale.org/en/report/why-trade-services-agreement-tisa-dangerous-democracy-development-and-public-interest) and more information on the TISA can be found [here](http://ourworldisnotforsale.org/en/themes/3085).

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