



Ambassador Lighthizer United States Trade Representative (USTR) 600 17th Street, N.W. Washington, DC 20508 United States of America

Commissioner Cecilia Malmström European Commission Rue de la Loi, 200 1049 Brussels Belgium

27 April 2018

Dear Ambassador Lighthizer and Commissioner Malmström,

We write to you on behalf of leading consumer and privacy organizations, members of the Transatlantic Consumer Dialogue, in the United States and Europe, to urge increased transparency with respect to discussions and negotiations between the United States and European Union (EU) over the impending steel and aluminium tariffs relating to the U.S. government's Section 232 action. With the impending May 1 deadline for the expiration of an initial waiver, it is critical that U.S. and European consumers have access to information about any deals that may be under discussion concerning the terms for a more permanent waiver for the EU from the U.S. tariffs. Such transparency is necessary for consumers to understand what their governments are proposing as ways to counter an underlying issue on which both sides have taken trade action: the global oversupply of steel and related subsidies and other practices. Improved transparency is especially essential to ensure that discussions about that commercial issue do not bleed into backdoor rollbacks of essential consumer health and safety and environmental safeguards.

This is not a hypothetical concern. During negotiations with South Korea on the Section 232 tariffs, the U.S. government demanded and obtained a roll back of Korean environmental and safety standards that would apply to U.S. automobile imports, in addition to an agreement for Korea to manage the import levels of steel into the United States. Historically, U.S. demands in trade negotiations, including in the context of the Transatlantic Trade and Investment Partnership (TTIP), have focused on weakening or eliminating European consumer health and safety protections, food safety and labeling standards and data privacy guarantees that are superior to U.S. law and that set a level of consumer protection to which U.S. civil society groups aspire to improve U.S. policy.

Following EU citizens' pressure during the TTIP negotiations, the European Commission took important steps to improve transparency in trade negotiations by making public its textual proposals. This new systematic transparency principle was set in stone in the EU Trade for All strategy. The EU cannot go back on having opaque talks with the U.S. Yet this is the impression public interest organizations and citizens now have. While rumours about reviving TTIP are making the headlines, concern is growing among EU consumers regarding the potential impact U.S.-UE tariff waiver negotiations may have on





their current levels of consumer protection. We understand the need to obtain a waiver, but at what cost for EU consumers' health, safety or privacy and for the environment?

U.S. civil society organizations have urged previous administrations and the current administration to increase transparency, including to adopt procedures similar to the EU's with respect to U.S. trade negotiation proposals. The lack of transparency in the Trans-Pacific Partnership (TPP) negotiations, for instance, led to a final deal that so favoured corporate interests over consumer and public interests that it could not achieve majority support in the U.S. Congress.

With so much at stake for consumers on both sides of the Atlantic, we urge you make public the contours of the current discussions between the U.S. and EU governments related to the U.S. government's 232 action, as well as any specific texts of potential agreements. We further urge you to refrain from bringing into the tariffs waiver discussion any non-tariff issues that could undermine consumer health and safety and environmental safeguards.

Yours sincerely,

Monique Goyens Director General, BEUC EU Co-Chair of TACD

Elina Unienzwinski

Edmund Mierzwinski Senior Director, Consumer Programmes, U.S. PIRG US Co-Chair of TACD

On behalf of the TACD Steering Committee:

Jessica Rich, Consumer Reports Rob Weissman, Public Citizen Susan Grant, Consumer Federation of America **Benedicte Federspiel**, Danish Consumer Council **Klaus Müller**, German Consumer Federation VZBV **Michiel Karskens**, Consumentenbond