



Foreign &
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Dear Nicola,

24 November 2014

TRANSATLANTIC TRADE & INVESTMENT PARTNERSHIP (TTIP)

Alex Salmond wrote to the Prime Minister on 17 November regarding the Transatlantic Trade and Investment Partnership (TTIP). I am responding to you, in your capacity as First Minister. His letter raised a number of important points, and I will address them in turn.

There is no threat to the UK's National Health Service from TTIP. None. TTIP will not oblige the UK to open up publicly funded health services to private companies. We've said so time and again. I have said it. The Prime Minister has said it. The European Commission has said it. As has the US government. I repeat that the NHS will not be at risk due to TTIP.

In fact the US Chief Negotiator for TTIP Dan Mullaney reconfirmed the American position only last month, saying:

"We heard the concern that our negotiations should not require privatisation of public services such as water utilities, education, national healthcare, and that they not limit the ability of governments to regulate those services as they see fit; for example, to protect consumers, the environment, and health and safety. So we welcome the opportunity to confirm that the United States does not include such provisions in its trade agreements and will not do so in this negotiation."

It therefore stands to reason that the Scottish Government's ability to determine how publicly funded health services are provided in Scotland will not be affected. Much as it will not impact how England, Wales or Northern Ireland determine to fund and manage health services.

The EU's publicly funded health services, like services provided by the NHS, are specially exempt from market liberalisation in all EU Free Trade Agreements and TTIP will be no different. Indeed, the EU's negotiating mandate on TTIP has explicitly ruled out public services from the scope of any market liberalisation.

As a consequence US companies or any other private companies will not, under TTIP, acquire any 'right' to bid for or provide publicly funded healthcare in the EU.

It will remain up to the UK and devolved governments to decide how to run publicly funded health services, whether private companies should be involved in providing them under contract, and if so to what extent. The UK will also remain free to reverse any decision to involve private companies, subject only to respecting their contractual and property rights and their right to fair and equitable treatment. Where publicly funded health services are opened to private providers, TTIP may entitle US providers to compete on an equal footing with UK and EU providers.

On Investor-State Dispute Settlement provisions (ISDS), currently the UK has more than 90 treaties containing ISDS in place, negotiated as part of trading agreements with countries around the world. We have received no complaint from the Scottish Executive about any of these.

As with other recent trade agreements, so with TTIP - we will negotiate the ISDS component to respect and preserve the rights of governments to regulate in the public interest, whilst offering US investors access to justice if, in the future, they are discriminated against or treated unfairly.

The EU mandate is clear on this point too. EU member states will only agree to the inclusion of investor protection and modernised ISDS mechanisms if they allow EU member states to pursue legitimate public policy objectives, including regulation to protect public health.

If we get the TTIP deal we want, the UK could benefit by £10 billion per year from increased trade with the US, delivering growth, jobs and higher real wages. I hope you will agree that voters deserve an honest description of TTIP rather than a repetition of myths and scare stories.

I copy this letter to the Prime Minister, Deputy Prime Minister, Vince Cable, Secretary of State for Business, Innovation and Skills, Jeremy Hunt, Secretary of State for Health, Earl Howe, Parliamentary Under Secretary of State for Quality, Alex Salmond MSP and Shona Robinson, Cabinet Secretary for Health and Wellbeing.

Regards
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**LORD LIVINGSTON
OF PARKHEAD**

Nreda - all the best and congratulations
as First Minister.

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