



**Friends of
the Earth
Europe**

for the people | for the planet | for the future

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Taoiseach
Department of An Taoiseach
Government Buildings
Merrion Street
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Brussels, 14th December 2020

Copy to: Tánaiste Leo Varadkar T.D. and Eamon Ryan T.D. Minister for Transport, Environment, Climate and Communications

Dear Taoiseach, Tánaiste, and Minister Ryan,

We are writing to you today to urge the Irish government not to seek to ratify the Comprehensive Economic and Trade Agreement (CETA) agreement this week, as scheduled.

The CETA deal is highly contested and has serious negative implications for the ability of the Irish government and other European governments to protect consumers, workers and the environment unhindered by the threat of litigation before private tribunals.

We have already seen numerous lawsuits by companies using Investor State Dispute Mechanisms in other trade agreements to halt or slow down urgent climate measures and environmental protections in multiple jurisdictions. In addition, these claims amount to tens of billions of euros ensuring significant financial risk for state parties to such agreements. Furthermore, the potentially enormous financial risk is compounded for Ireland by the openness of the Irish economy, as over 2,000 US companies will be able to take advantage of these provisions to sue the Irish government. Canadian investors have a track record of filing a large number of ISDS-claims against states with whom Canada has an investment agreement: with over 50 Canadian claims, the country is ranked 6th in the worldⁱ.

The CETA deal comes at a time when trade policy is at a crossroads. The Covid crisis has highlighted the enormous risks associated with long supply chains for almost all basic products, ranging from food to energy to medicines and medical equipment. Trade policies have been promoting this harmful model of globalisation over the last decades. International trade agreements should no longer prioritise maximising trade volumes by reducing the transaction costs for companies; it should prioritise how trade and investment can contribute

to a healthy environment, end poverty and inequality and promote food sovereignty, decent work, a sustainable economy and halting climate change.

In Germany, the Constitutional Court (Bundesverfassungsgericht) decided in a case on the Unified Patent Court (UPC), March 13 2020, that in order to transfer judicial power to the UPC a two-thirds majority of the votes is required. Therefore, the decision of the German parliament to ratify CETA with a simple majority was declared invalidⁱ.

In the Netherlands, the Dutch senate has also not yet ratified CETA. A group of over 40 academics has stated that the senate can only approve the deal with a two-thirds majority as otherwise it would violate the Dutch constitution.

We need new trade and new global governance models that work for all. We need trade policies that support local economies and do not impinge on civil, political, economic, social, cultural and environmental rights, better social protection, and more responsible energy and food production policies. In the face of global rising inequality and the global climate and biodiversity breakdown, linked to increasing carbon emissions, we need to reset trade policy.

We urge you therefore to support the removal of CETA from the Dáil agenda this week.

Yours sincerely



Paul de Clerck
Programme Coordinator – Economic
Justice



Colin Roche
Programme Coordinator – Climate Justice
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ⁱ UNCTAD, Fact sheet on Investor-State Dispute Settlement Cases in 2018, mei 2019, https://unctad.org/en/PublicationsLibrary/diaepcbinf2019d4_en.pdf.

ⁱⁱ Bundesverfassungsgericht March 13 2020, 2 BvR 739/17. See Press Release no. 20/2020, Act of Approval to the Agreement on a Unified Patent Court is void, 20 maart 2020, <https://www.bundesverfassungsgericht.de/SharedDocs/Pressemitteilungen/EN/2020/bvg20-020.html> .