

EUROPEAN COMMISSION

STATEMENT

Washington, 18 February 2014

"Stepping up a gear": Press Statement by EU Trade Commissioner Karel De Gucht following the stocktaking meeting with USTR Michael Froman on the Transatlantic Trade and Investment Partnership (TTIP)

Good afternoon, ladies and gentlemen.

After three rounds of talks for the Transatlantic Trade and Investment Partnership (TTIP) and our stocktaking meeting over the past two days, I believe we are looking at good progress.

That said, more work is needed on all aspects of the negotiations and our negotiators need to step up a gear. But only when we put the finger on the problems are we able to find common solutions to overcome them.

This means we are now set to get into the heart of the negotiations.

During this phase we cannot afford to lose sight of our overall objective: to create muchneeded jobs for Europeans and Americans and new opportunities for small and large companies.

This is how we keep Europe and the US competitive in a changing world market place. And all of this while maintaining our high level of standards and protection for our consumers.

Let me focus on a couple of points today, starting with market access, one of the more classic parts of a trade agreement.

Just last week, the EU and the US exchanged offers on the tariff cuts they are ready to make. This presents challenges and we'll have to see where bridging those differences is possible to ensure balance – which is critical for any deal to succeed.

Indeed, as we begin to navigate the political waters, we need to meet the ambitious targets we have both signed up to.

The shared rewards of TTIP lie in the ambition and balance of any future deal.

As much as on tariffs, we need to be ambitious on services and public procurement.

Furthermore, we also aim to create an innovative set of rules that could become leading examples for future trade agreements. For example: energy, raw materials, or competition rules. A chapter where we made particularly good progress is the one on

Contacts : <u>John Clancy</u> (+32 2 295 37 73) <u>Helene Banner</u> (+32 2 295 24 07) For the public: **Europe Direct** by phone **00 800 6 7 8 9 10 11** or by <u>e-mail</u>



SMEs. We want to make sure that SMEs benefit from this agreement just as much as large companies.

As to the regulatory part of the agreement, we've always said that this would probably be the toughest nut to crack. But even here I see progress.

A lot of people ask: "when you discuss the alignment of standards in TTIP you'll certainly have to accept to lower some standards in the EU?"

Let me be clear on this very important point: we are not lowering standards in TTIP. Our standards on consumer protection, on the environment, on data protection and on food are not up for negotiation. There is no "give and take" on standards in TTIP.

Standards are already being set by our different regulatory agencies on both sides of the Atlantic, not by TTIP negotiators.

What we aim to achieve in TTIP is that these regulatory agencies coordinate more closely with each other:

- ...so that where safety levels are similar, double testing and double inspections can be avoided in future to save companies money.
-and, so that future differences in regulation can be avoided before they become a trade hurdle for companies, especially for SMEs.

That also means: yes, there will be areas where we will not be able to agree. That's ok.

Hormone beef is such an example. Let me be very clear again: we do not even discuss hormone beef in TTIP and we will NOT at any point in our discussions. Why? Because hormone beef is prohibited in Europe, and we do not intend to change this. And our American partners know this very well.

That's also why Ambassador Froman and I touched upon a very important part of these negotiations: the debate that surrounds the negotiations and the many concerns raised.

We both recognize that TTIP is unlike any other trade negotiation that went before it – the level of public interest is unprecedented. And I welcome an open discussion on TTIP - that's healthy for democracy. All concerns and all interests should be heard – and I am listening very carefully.

Furthermore, I invite all Europeans to also discuss their concerns about TTIP with their governments and parliaments. Because I am sure that the European Parliament will not in the end approve a trade deal that undermines our European values or the social standards we have built over so many years.

By the way, I would not approve such a deal either. I simply would not make it.

Ultimately, there is clear democratic oversight every step of the way by all EU member state governments and the European Parliament.

So let's stick to the facts upon which TTIP will be built rather than building a fear-based debate. No trade agreement will be able to change the European and the American models we base our societies on. There will be no lowering of our safety or consumer standards in Europe to get this deal done. A lot of trade barriers can be removed without even moving a millimeter on them.

And we are happy to be scrutinized on this: no standard in Europe will be lowered because of this trade deal; not on food, not on the environment, not on social protection, not on data protection. I will make sure that TTIP does not become a 'dumping' agreement.

So, we still have a lot of work ahead of us, but I believe the foundations of a solid trade agreement are set. We agreed to meet again at ministerial level after the summer. The next round will take place on 10-14 March 2014 in Brussels.

With today's meeting we have also prepared the ground for the EU-US Summit on 26 March in Brussels, when President Obama will meet European Commission President Barroso and European Council President Van Rompuy to discuss our bilateral relations, of which this trade agreement will hopefully become a longstanding pillar. Thank you.

For further information

<u>Statement</u>: Welcoming Remarks by EU Trade Commissioner Karel De Gucht at the Outset of Stocktaking Meetings with United States Trade Representative Ambassador Michael Froman on a Transatlantic Trade and Investment Partnership, 17 February 2014

Website about the Transatlantic Trade and Investment Partnership