



EUROPEAN COMMISSION

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*Check Against Delivery
Seul le texte prononcé fait foi
Es gilt das gesprochene Wort*

Celebration Reception for the Launch of the Transatlantic Business Council/ Brussels

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Ladies and gentlemen,

A wedding is always – or at least, nearly always – a happy event.

This marriage is definitely in the former category.

Both the Transatlantic Business Dialogue and the European American Business Council have been valued supporters of the relationship between the European Union and the United States.

You have worked very hard to promote deeper economic integration between our economies – over many years and through the many different efforts we have made to strengthen transatlantic ties. Most recently you have been indispensable to the success of the Transatlantic Economic Council.

I hope that your decision to merge reflects a will to work together and an understanding of the benefits of integration, values that must be at the core of any successful marriage.

Because this is a time in transatlantic relations when we will need plenty of both.

The European Union and the United States are also considering a new way to come closer together.

I have the privilege of co-chairing the High Level Working Group on Jobs and Growth with Ambassador Kirk.

And we are working very hard to deliver a final report in the coming weeks on the very question of what kind of arrangement is right for the EU-US relationship. Perhaps not a marriage, but certainly a closer partnership.

Indeed, Presidents Barroso, Van Rompuy and Obama already agreed in the summer that the best outcome – if we do launch negotiations – would be a comprehensive free trade agreement.

What is still under discussion is whether we can figure out a way to do it.

That is what we are working on right now and I am confident we will be able to deliver it very soon.

The reason I am confident is because this is the right deal at the right time for both of our economies.

Europe and the United States have many things in common but the most important of these right now is the need for growth.

This has been a long and severe economic downturn.

We have come a long way towards recovery – I am very proud of the huge changes that Europe has made and is making to fix the euro. I was also happy to see the beginning of a recovery in the US.

But there is still quite a bit further to go for both of us. So we need to make sure that we are using every option on the table to boost growth. And a transatlantic free trade agreement would be one of the best options available to us, for 4 reasons:

First, scale. This is a vast commercial relationship – 15 million jobs, two billion euro a day in trade, two trillion euro worth of investment stocks. That creates a huge multiplier effect for all new liberalisation we can achieve.

Every tariff we remove – even the lowest ones – will result in millions of euros of savings to companies, money that can then be ploughed back into creating new opportunities. The same goes for barriers to trade in services, public procurement and regulatory cooperation – all of which would be vital components in any successful deal.

Second, integration. Our economies are two of the most integrated in the world. In fact, most of our trade is not in finished products. It is made up of components that are part of transatlantic and even global value chains. Much of these exchanges take place within the same company. And it may even be that products cross the Atlantic several times before eventually reaching the consumer. Fewer trade and regulatory barriers, means better integrated value chains. And that translates directly into higher productivity and growth.

Third, there is no status quo. Some may argue that conditions for trade between our economies are already good enough. Trade takes place, after all.

But as Secretary of State Clinton noted in Washington last week, that view ignores the fact that both the European Union and the United States are moving ahead with other liberalisation projects.

When Europe's broad programme of free trade agreements comes into effect, companies from other countries and regions – like Canada, Japan, India and ASEAN – will have advantages that American firms do not. Likewise, a successful TransPacific Partnership negotiation would change the conditions on the American market for our businesses.

Fourth, and most importantly, confidence. I believe that this negotiation can and should be done quickly. But it still will take a few years before we feel the hard economic benefits.

However, even launching the negotiations will help us produce more of the most precious commodity in the world right now – confidence.

It will send a signal that governments on both sides are able to act.

It will allow businesses to plan for a stronger future.

And above all it will show that the largest economies and the largest traders in the world are not succumbing to protectionism – even in the face of this prolonged crisis.

Now: This accounts for the will.

But is there a way?

The logic of transatlantic economic integration has been plain for many decades. But a deep free trade agreement moves beyond anything we have done before.

Can we achieve it?

I believe it will not be easy but that we have good prospects.

Take regulatory cooperation. This is one of the most important issues we will have to deal with if we do decide to negotiate an agreement. With low tariffs, barriers behind the border are crucial.

We often focus on the differences between our regulatory systems. And those should not be underestimated.

But if we zoom out – if we take a broader view – we see that we want the same thing in the end: a high level of protection for our people from risks to their health, safety, financial security and environment.

The hard part is to put that perspective into practice. But just last week Europe took important steps toward updating an important food processing requirement in a manner that would facilitate exports of safe high-quality American beef to the European market.

What this shows is that it is possible to tackle regulatory issues under the right conditions. Clear heads can prevail. We can deal with the many reasonable concerns that are out there.

And we will need to, because this deal will need to be a good deal if it is worth doing. I will not commit the European Union to a sub-standard or imbalanced agreement.

That means there will be many more milestones on the way.

And it means that both sides will need huge reserves of clear-headedness and determination if we are to get there.

And that is where you come in.

If we move ahead with this deal, we negotiators will have a lot on our plates. But I hope that you in the business community feel that you will too.

Companies are the essence of the transatlantic economy. That means you have insights that will be essential to the debates around this issue in the coming years. I have no doubts that these debates will be passionate. Any deal that matters will have to stir some controversy.

So if businesses wish to see this process succeed, they will need to be active. That means talking to the negotiators but also to a much wider audience – legislators, Member States, civil society, even US states.

It will be a long haul. There will be ups and downs.

But that too is a little bit like a marriage.

So I hope the union we are celebrating today will help give you the strength you will need.

Thank you very much for your attention.