

Transatlantic Trade & Investment Partnership: Chief Negotiators' Briefing to Stakeholders

4th round, 12 March 2014

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At the halfway point of the fourth round of TTIP negotiations, on 12 March 2014 in Brussels, the EU's chief negotiator Ignacio Garcia Bercero, together with his US counterpart Dan Mullaney, gave a briefing to over 300 EU and US stakeholders representing non-governmental organisations, consumer groups, trade unions, and business and professional organisations. The discussion was moderated by Damien Levie, EU Deputy Chief Negotiator. During the meeting, the chief negotiators offered insight into the discussions so far and the state of play. They listened to a number of questions from participants and shared their opinions in an open, wide-ranging dialogue.

In his opening remarks, Mr Garcia Bercero explained that there were three TTIP rounds in 2013. The purpose was to lay the groundwork and to be sure that in every area, each side had a good understanding of what the other was trying to achieve. Now this preparatory phase is over, it is time to move into the detailed negotiations. Following the useful political stocktaking between Commissioner De Gucht and his counterpart US Trade Representative Froman, clearly there is interest from both sides in making as much substantive progress as possible in 2014.

In terms of topics on the agenda for the fourth round, Mr Garcia Bercero said that as usual there are three broad categories to consider (all part of a single undertaking). These are classical market access, regulatory issues and rules.

- On **market access**, the two sides are looking into the best ways to move forward on the three key components of tariffs, services and public procurement. Both parties continue to share the mutual objective of a very ambitious outcome.
- A significant portion of time has been dedicated to **regulatory issues**. This is about achieving greater regulatory compatibility, without compromising the existing levels of protection in our respective legislation. The fourth round includes two full days on TBT, in which text proposals are now on the table; two full days on regulatory coherence, looking at the interaction of our regulatory regimes; and two full days on SPS, in which elements of a chapter are being sketched out. In addition, on sectors, regulators from both sides are participating in discussions this week: sectors include medical devices, pharmaceuticals, cosmetics, textiles, chemicals, ICT, pesticides and the automotive industry.
- A key ambition of TTIP is to develop modernised **trade rules** together. Possible areas for this include sustainable development (labour and environment), on which negotiators are holding four full days of discussions; trade facilitation and customs, an essential area not least to ensure that what is agreed in TTIP translates to easier trade on the ground; specific elements of the agreement for SMEs, aiming to help them make the most of TTIP; and finally energy and raw materials, clearly an important issue.

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Mr Mullaney then made his initial intervention, confirming that both sides were covering the full ground of a comprehensive agreement this week. On the regulatory side, teams are deeply engaged both on horizontal issues and on sectors. There is full involvement on the EU and US side of all the regulators involved. The relatively new focus on the participation of SMEs in international trade is important, given that for both sides SMEs provide the majority of private employment, but few participate directly in international trade. TTIP is a huge opportunity to eliminate some of the regulatory obstacles to SME trade.

Mr Mullaney added that the US has recently published (on 11 March) a paper setting out its objectives for TTIP on a subject by subject basis. Transparency and openness are important to the US, as demonstrated by USTR's re-chartering of the Trade Advisory Committees. A new committee, the Public Interest Trade Advisory Committee (or PITAC) will include experts on public health, development, consumer safety, and more.

Both chief negotiators emphasised the importance of stakeholder engagement, referring to the day's earlier event that saw 90 presentations on key issues by stakeholders to negotiators. Mr Mullaney noted that the US listens carefully to comments from stakeholders on how to improve outreach, and today's event is an example of taking these views into account. Mr Garcia Bercero noted that any further feedback would be welcome.

Following these opening statements, the floor was opened for general questions and remarks. A wide range of stakeholders intervened on all aspects of the negotiations.

Topics raised by stakeholders in this part of the meeting included the following:

- The ways in which each side is encouraging and listening to stakeholder input, including from SMEs, and the importance of communicating what TTIP will do for people on both sides of the Atlantic
- How EU products protected by geographical indications in the EU are protected in the US
- The impact of TTIP on agricultural trade between the EU and the US, specifically including beef and wine, and the need for protection of sensitive products such as canned tuna
- Progress on services negotiations, including scope and architecture, and specifically whether for-profit higher and adult education services might be included
- Progress on the public procurement negotiations, including scope and when offers or requests would be exchanged

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- The extent to which TTIP negotiations would cover data protection as part of the discussions on data flows
- Concerns of some stakeholders about investment protection, ahead of the forthcoming EU consultation
- Progress on the regulatory cooperation discussions, including the idea of a
 Regulatory Cooperation Council and whether TTIP would have an impact on
 both sides' right to regulate in future, as well as whether financial services
 regulation would be in scope and progress on medical devices
- The differences in energy prices and the regulation of carbon emissions in the EU and the US, which could have an impact on competitiveness for some industries
- The extent to which TTIP would have an impact on public health issues, such as pharmaceutical pricing and reimbursement

For more information about TTIP, please see DG TRADE's dedicated website.