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PRESS RELEASE

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EU Chief Negotiator says EU-US trade deal not about deregulation, as third round of talks end in Washington

The EU and US today concluded the third round of week-long negotiations for the Transatlantic Trade and Investment Partnership (TTIP), with the EU's Chief Negotiator Ignacio Garcia Bercero again stressing that any deal would uphold *"the highest standards of consumer, environment, health and labour protection."*

Commenting on the talks, Mr Garcia Bercero added: *"I think we can be very satisfied by the end of this third round of talks. We remain on track to deliver an ambitious trade and investment deal which will boost our economies, deliver growth and, more importantly, create jobs for both Europeans and Americans at a time when they're most needed."*

Both sides discussed all the topics they wanted to see covered in what is intended to be a comprehensive trade agreement. They brought together teams with expertise in a wide range of trade-related areas, as well as regulators from both sides.

The EU and US teams also spent one of their five days together talking to over 50 stakeholders and answering questions from them. This followed unprecedented efforts by the EU to negotiate as openly as possible and reach out to the widest possible range of interests.

Areas of negotiation

Negotiators made progress on the three core parts of the TTIP – market access, regulatory aspects and rules – and these will be the focus for the round of talks expected in March 2014.

On **market access**, the EU repeated its determination to stay ambitious on all three aspects. It wants to slash customs tariffs on imported goods; allow firms from either side to bid for government procurement contracts; and open up services markets and make it easier to invest.

Negotiators also had substantive discussions on **regulations** which protect people from risks to their health, safety, environment, financial and data security. Studies suggest up to 80% of the gains from any future EU-US trade deal would come from improvements in this area.

EU negotiators now expect to start working with their US counterparts by March 2014 on the wording of provisions designed to make it easier to comply with each other's existing rules, and to enable regulators to work together more closely in future when drafting new rules. Such provisions would include rules on food safety and animal and plant health (sanitary and phytosanitary issues). They would also cover technical regulations and product standards, and testing and certification procedures - so-called technical barriers to trade or 'TBTs'.

Negotiators also expect to be able to identify a roadmap of areas where the TTIP could bring real savings to consumers and businesses by avoiding having to pay twice over to meet two sets of regulations.

However, Mr Garcia Berbero was at pains to point out that: "*TTIP is not and will not be a deregulation agenda.*" He said neither side intended to lower its high standards of consumer, environment, health, labour or data protection, or limit its autonomy in setting regulations.

The third area negotiators discussed was trade-related rules in several areas, which could provide a real boost to EU-US trade. These include measures to ensure: free and fair competition between firms; access to energy and raw materials; the protection of people's rights at work, and the environment; and less red tape when importing or exporting (trade facilitation) – for example, easier access to information on customs regulations, and simpler customs procedures.

In a majority of these areas, the EU now expects to start discussing the wording of proposals by March 2014. The EU hopes such rules will deliver real and improved benefits for small- and medium-sized enterprises (SMEs) in particular, and envisages a specific chapter in the agreement focusing on SMEs.

Next steps

The end of this third round marks the conclusion of the initial phase of negotiations and paves the way for EU Trade Commissioner Karel De Gucht and US Trade Representative Ambassador Michael Froman to hold a political stocktaking meeting early in 2014.

The EU Chief Negotiator also confirmed that the fourth round of negotiations would take place in Brussels, with dates to be announced soon.

Background

The EU-US Transatlantic Trade and Investment Partnership (TTIP) aims to open up trade and investment between the EU and the US, which together make up 40% of global economic output. The TTIP is expected to result in more jobs and more growth, and to help lift Europe out of the economic crisis.

According to an EU-commissioned study by the independent Centre for Economic Policy Research in London, an ambitious, comprehensive TTIP could bring the EU economic gains of €120 bn a year once fully implemented. It could see EU exports to the US rise by over 25%, earning its exporters of goods and services an extra €190 bn every year. Consumers will benefit too: on average, the agreement will bring an extra €545 in disposable income each year for a family of four living in the EU ([MEMO/13/211](#)).

The EU and the US have their eyes on more than just removing the remaining low tariffs, which currently stand on average at around just 4%. The main hurdles to trade comprise so-called 'behind the border' regulations, 'non-tariff barriers' and red tape. Up to 80% of the gains from a trade deal are expected to come from the lower costs of bureaucracy and regulations arising from a deal, as well as from opening up trade in services and public procurement (purchases of goods and services by governments and local authorities).

The key phrase is regulatory cooperation - creating similar regulations from the outset, rather than having to try to adapt them later. A more integrated transatlantic marketplace would respect each side's right to regulate the protection of health, safety and the environment at a level it considers appropriate. But by aligning their domestic standards, both sides could set the benchmark for developing global rules – benefiting EU and US exporters, and the wider global trading system.

Further information

[All documents](#) on the negotiations of the Transatlantic Trade and Investment Partnership (TTIP)

[The Regulatory Part of TTIP](#)

[Independent study on the benefits of an EU-US trade agreement](#) (MEMO/13/211)

[More information on the EU's trade relations with the United States](#)

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