



State of Play of TTIP negotiations after the 6th round¹

29 July 2014

1. Market Access

1.1. Trade in Goods

Both sides are working on the basis of a consolidated text with a view to progressively reducing divergences. In addition, on agriculture, the Parties have discussed the possibility of developing specific provisions relating to agricultural trade, wine and have exchanged views on non-tariff issues.

1.2. Tariffs

Both sides have exchanged initial tariff offers and discussed technical questions on the offers and on statistical data on bilateral trade.

1.3. Services

As regards specific topics, the negotiations have so far covered a wide range of issues, including text-based discussions on cross-border trade in services, financial services, telecom services (where work on a consolidated text has started) and e-commerce, an exchange of views on EU position papers on regulatory cooperation in financial services and mobility, as well as exploratory talks on professional services.

¹ This document will be regularly updated.

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1.4. Services and Investment

Both EU and US have presented their respective offers for liberalisation (access to the market) in services and investment. Further discussion is needed on the offers, as well as on the general architecture of a services and investment chapter.

1.5. Investment Protection

Textual discussions are suspended pending the outcome of the EU public consultation.

1.6. Public Procurement

The parties continued their thorough exchange of information with a view to ensuring a more in-depth understanding of each other's systems. Among the issues dealt with during this round was Concessions; with the EU informing about the new Directive, followed by questions from both sides on each others systems for Concessions/ Public Private Partnership. There was also an intense discussion on all aspects of procurement access, including central procurement, federal funds for state level procurement and state level commitments.

2. Regulatory Component

2.1. Regulatory Coherence

The Parties have exchanged several non-papers outlining their respective objectives and have been engaging in a thorough exchange of information with a view to ensuring a more in-depth understanding of each other's respective regulatory systems, discussing means of improving upstream regulatory cooperation, stakeholder involvement and strengthening the analysis of international trade effects when carrying out impact assessments.. The US has presented an initial textual proposal for the regulatory coherence chapter.

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2.2. Technical Barriers to Trade

Preliminary discussions on possible elements for a TBT chapter have allowed both sides to proceed to tabling textual proposals. The respective proposals are still being discussed. Discussions in the sixth round focused on institutional aspects of the two proposals, as well as on the role of standards support of regulation.

2.3. Sanitary and Phytosanitary Measures (SPS)

Both sides continued exploring a number of themes that will be covered in an SPS chapter, namely the institutional architecture, equivalence, audits and verification, and trade facilitation. Both sides intend to exchange textual proposals in advance of the next round.

2.4. Sectors

The following sectors are currently being discussed.

2.4.1. Textiles

The two sides continued the technical discussions on areas of common interest, such as labelling provisions, requirements for consumer safety and textile standards.

2.4.2. Chemicals

The exchange of information on procedures, processes and criteria for the potential areas of cooperation as identified in the EU's public position paper is advanced and reflections have now moved to how to put this into practice. It was agreed to test the initial ideas for cooperation in two pilot projects covering prioritisation of chemicals for assessment, as well as classification and labelling, while fully respecting existing procedures on either side.

2.4.3. Pharmaceuticals

The two sides held discussions with a view to reaching a better understanding of each Party's respective systems. Discussions focused on, among others, Good Manufacturing

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Practices (GMP) and Biosimilars. Both sides intend to intensify technical work with a view to examine the scope for mutual reliance/recognition on each other's inspections of manufacturing facilities.

2.4.4. Cosmetics

Discussions so far have focused on processes for regulating cosmetics ingredients (UV filters and colorants), labelling provisions, cosmetics standards/guidelines and alternatives to animal testing. Discussions helped to further clarify the respective positions and gave impetus for increased technical collaboration and scientific exchanges in areas of common interest.

2.4.5. Medical Devices

Discussions so far have focused on Unique Device Identification (UDI), Regulatory Product Submission (RPS) and Medical Devices Single Audit Programme (MDSAP). Discussions helped to clarify the respective positions and to better understand the functioning of the regulatory systems of both sides, and will continue at technical level.

2.4.6. Cars

The two sides are engaged in comprehensive exchanges on all key areas, in particular concerning their respective regulatory systems, the scope and approach for recognition of equivalence or harmonisation of certain existing technical regulations, as well as with respect to strengthened cooperation in international fora, such as the UNECE 1998 Agreement on Global technical Regulations for motor vehicles, as well as on future regulatory and research plans. Both sides have exchanged data that could be of relevance for developing a method to evaluate the equivalence of technical regulations on car safety.

2.4.7. ICT

On ICT, the two sides continue to exchange views on key concepts and scope to help develop discussions in the fields of e-health, encryption, e-accessibility, enforcement and e-labelling.

2.4.8. Engineering

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The parties have exchanged views on the EUs paper on engineering industries and will engage in further discussions on specific subsectors, in particular those related to industrial and electrical machinery.

2.4.9. Pesticides

The two sides have had detailed exchanges on possible specific areas for cooperation.

3. Rules, Principles, and Modes of Cooperation

3.1. Energy/Raw materials

The two sides continued detailed exchanges of information on their respective regulatory frameworks without prejudice to a future chapter dedicated to Energy and Raw Materials. During this round discussions - that included the US and EU regulators - focussed particularly on the off shore risk management and safety.

3.2. Trade and Sustainable Development/ Labour and Environment

Discussions to date have allowed for a detailed exchange of views on the possible scope of Trade and Sustainable Development provisions, covering both substantive Environment and Labour issues, with a view to preparing the ground for an exchange of textual proposals. Key issues discussed include the prevention of a race-to-the-bottom on labour and environment, adherence to core labour standards, the protection of natural resources (wildlife, timber, fisheries), and the promotion of cooperation on trade-related sustainable development issues both bilaterally and at global level.

3.3. Rules of Origin

On the general provisions part, the two sides are working to combine each side's textual proposal into a consolidated text. Progress took place on common drafting for several provisions. On proof of origin and procedures the Parties are also working to identify the differences and to find options to bridge the gap between both approaches. As a

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subsequent step, the two sides intend to discuss the contents and drafting of the product specific rules.

3.4. Competition

Preliminary discussions on SOEs took place on the basis of text proposals from both sides, exchanged shortly before the round. A consolidated text will be prepared.

3.5. Intellectual Property Rights/Geographical Indications

As regards IPR, the two sides are currently engaged in discussions aiming to define the architecture of the chapter and identify potential topics to be addressed. On GIs, discussions were held on both the EU and US objectives, on the basis of EU papers.

3.6. Small and Medium Sized Enterprises

The two sides are currently mainly discussing two components of the future SME chapter where both have already tabled textual proposals: cooperation on SME issues and information sharing. A consolidated text is under preparation.

3.7. Trade Remedies

Discussions were held on the basis of the US text proposal on safeguards and aimed at identifying areas where the respective approaches differ.

3.8. Customs and Trade Facilitation

In Customs and Trade Facilitation, an initial list of topics to be negotiated has been agreed and for the most part textual proposals have been tabled by both sides. Work is progressing to merge the respective textual proposals into a consolidated text. The two sides have also agreed to consider issues that lend themselves to longer-term cooperation and regulatory alignment, starting with data requirements.

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3.9. Dispute Settlement (State to State)

For Dispute Settlement provisions, text based discussions have started given that both sides have tabled textual provisions. As in other areas where both sides have tabled proposals, the two sides have produced a consolidated, bracket text and are trying to arrive at compromise proposals in order to remove brackets where possible.

3.10 Legal and institutional issues

The US tabled their proposal on exceptions and provided a first explanation on their tax exceptions.