

TTIP Round 8 - final day press conference

Comments by EU Chief Negotiator Ignacio Garcia Bercero

Brussels, 5 February 2015

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"As you know we have held this week the 8th round of negotiations of the Transatlantic Trade and Investment Partnership (TTIP). Before outlining what has been the substance of our discussions this week, allow me to provide you with some elements which I believe are of importance to set the scene of what would be our work in 2015.

Since the appointment of the new Commission, Commissioner Malmstrom and her counterpart, USTR Ambassador Michael Froman have met twice, in December in Washington and in January in Davos. Their main objective was to agree on a political direction for these negotiations throughout 2015 and as a result we have received a clear instruction to intensify our talks and make as much progress as possible this year.

With this in mind, we have agreed on an intense work schedule for upcoming months. Starting with this week's round in Brussels, we plan to meet for two additional comprehensive rounds of negotiations between now and the summer break. In addition, intersessional discussions between some of our negotiating teams will also be organised between formal rounds. This would be the case, for example, in the area of sectoral regulatory discussions. Our clear objective during these three rounds is therefore to make as much progress as possible in <u>all</u> areas of the negotiations:

- market access, namely tariffs, services and procurement
- the regulatory cluster, covering both horizontal and sectoral elements and
- rules.

Turning now to what has been our work this week let me underline that we have had intense and comprehensive discussions in nearly all the areas that we want to cover in this agreement (except notably on ISDS/investment protection).

As regards **market access discussions**, which relate more specifically to tariffs, services and public procurement, the EU is seeking a high and equivalent degree of ambition in all three areas. For the first time since a couple of rounds, all market access issues were discussed this week.

- We have had discussions on **tariffs**. As you know both the EU and the US have put offers on the table. The discussions this week have allowed a better understanding on each side priorities and sensitivities.
- On **services**, we had three full days of discussions on both market access and regulatory issues. Our comprehensive review of our respective offers has resulted on a better understanding on how to achieve an ambitious outcome, while respecting our sensitivities.
- Our public procurement negotiators have held two days of talks, covering both
 our respective textual proposals as well as certain market access. These
 discussions have allowed a better understanding on each side priorities and
 sensitivities. The EU is convinced that there is a need to intensify discussions
 with a view to determine soon a way forward that paves the way for an
 ambitious outcome on procurement negotiations.

On the **regulatory area** negotiators have spent a total of up to 8 full days discussing both horizontal and sector-specific regulatory issues. As you know the regulatory work we are conducting in TTIP is fundamentally different from our classical trade negotiations. This is essentially framed in a process of cooperation and engagement between regulators from both sides rather than led purely by trade negotiators. This is particularly the case when it relates to sector-specific discussions, such as on chemicals, cosmetics, medical devices, cars, pharmaceuticals or engineering, to name some of them.

The regulatory cluster is also the most innovative aspect of TTIP as it goes beyond what either the EU or US have done in our trade agreements. And, let me underline it again, since day one our discussions have been guided by the very clear premise that these negotiations will, in no case, negotiate downwards any of our high standards of consumer, health, labour or environmental protection.

This week we have attained an important milestone in the **horizontal regulatory cluster**. As of this week we have on the table proposals from both sides on all the areas that we aim to cover in these negotiations: regulatory cooperation, technical barriers to trade ie standards and conformity assessment and sanitary and phyto-sanitary measures (SPS) – in other words, food safety and animal and plant health.

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This is a significant step forward as has allowed negotiators to discuss in detail written proposals from both sides and to start finding common ground, where possible. This also means that as of next round, for these chapters our negotiators will work on the basis of what we call "consolidated" texts. These present, in a single text, the drafting proposals of each side on a given issue. This does not mean that agreement has been found on the different elements. Indeed significant work is still required. But this represents a turning point in the negotiations: as we enter into the phase where we move from presenting our objectives and own positions to trying to find a common ground.

On regulatory cooperation more specifically I would like to underline that the EU has tabled this week its proposal to the US. In the context of our policy on transparency, we will make this proposal public in our website next week. I hope this will contribute to better understand what are the EU's objectives in this area. To give you already a sense of what we have put forward in this chapter, let me outline the two main elements in that proposal:

- Good regulatory practices (for example impact assessment and stakeholder consultations) that are important values in both our respective regulatory systems even if differences exists in the way we approach these elements
- Enhanced regulatory cooperation. For the EU it is critical that we succeed in establishing a good system for cooperation between US and EU regulators as it will also lead to good regulatory outcomes. We are looking how to foster this process in a manner that in no way compromises our capacity to do what we esteem necessary for our own citizens in a given policy area.

As regards **sectoral discussions**, negotiators have continued this week their intense discussions so as to identify in each sector what are the concrete outcomes that could be achieved in TTIP. We will also intensify our intersessional contacts between now and the summer break.

Wide ranging discussions also took place on the **rules** front. As you know, we consider it is important to cover under TTIP issues which are not only important for our bilateral trade relationship. We also believe that agreeing rules on certain areas could help us project our shared values more globally and contribute, to the extent possible, to the development of future global rules and standards. For example, we had very good discussions on sustainable development / labour and the environment which for us in

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one of the most critical aspects of what we intend to negotiate. Both the EU and the US believe in the protection of workers' rights and on protection of the environment. We are therefore convinced that we will be able to construct between us something ambitious that goes beyond what we have done so far in our trade agreements.

Other areas that were also in our agenda this week were state-to-state dispute settlement, trade facilitation, intellectual property, rules of origin or energy and raw materials. We also continued our discussions on the SMEs chapter. The importance of TTIP for SMEs was one of the main themes in our civil society stakeholder dialogue this Wednesday. Several presentations highlighted that for small and medium enterprises access to information, reduced costs associated to certification or duplication of inspections, less burdensome customs procedures are critical to participate effectively in transatlantic trade. This means that we need to integrate the SME perspective into all the areas that we are negotiating in TTIP. Alongside our next negotiating round in April we will also organise a specific EU-US SME workshop.

Indeed, as previous rounds, Dan and myself together with our respective negotiating teams, had the opportunity to spend one day meeting and hearing from over 400 civil society representatives whether from business and industry, professional associations, consumer bodies, environmental groups, or the labour movement. We consider these discussions an essential element of each of our negotiating rounds. I would like to thank all those who took the time and trouble to come and meet us, and discuss their expectations and concerns with us.

I will turn now to Dan and will be happy to address any question after that.... "

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