

Parliament's recommendations on TTIP talks

The Transatlantic Trade and Investment Partnership (TTIP) is currently being negotiated between the EU and the US as a comprehensive and ambitious trade agreement aiming to liberalise trade and investments as well as foster regulatory cooperation. Public opinion in some EU Member States shows fears related to investor-state dispute settlement (ISDS) clauses in TTIP and, more generally, the impact of the future agreement on states' regulatory freedom in the areas of the environment, consumer and labour law and data protection. The INTA Committee has adopted draft recommendations on the TTIP negotiations, due to be discussed during the June plenary.

State of play in negotiations

The US remains the EU's [top trading partner](#) and [export market](#); [88% of firms](#) exporting to the US were reported to be small and medium-sized enterprises (SMEs) and [10 million European jobs](#) depend on exports to the US. While for the US, TTIP would be only its [third biggest FTA market for trade in goods](#), it would represent its largest market for services and investments. Both EU and US have substantially liberalised their trade in goods multilaterally (in 2013, the simple average of applied tariffs was [5.5% for the EU and 3.2% for the US](#) respectively). However, some tariff peaks remain and [substantial gains](#) would be achieved by reducing duplication in regulatory procedures or requirements, and from the further opening of services, [procurement](#) and investment markets. Therefore, the EU and the US started negotiating TTIP with the aim of achieving a comprehensive trade agreement that could set a new standard, in particular for regulatory cooperation and rule-based trade liberalisation. Negotiations reached their [ninth round](#) in April. Discussions have covered [a broad range of topics](#). Substantial work has been done, in particular, on customs and trade facilitation, services, the SME chapter, sector-specific regulatory cooperation chapters and tariffs. Several issues remain highly controversial on both sides: [ISDS](#), [Geographical Indications](#) (GIs), [the horizontal regulatory cooperation mechanism](#), and a [separate chapter for energy](#).

The draft recommendations voted in INTA

The [draft recommendations](#) were adopted in the International Trade (INTA) Committee after lengthy negotiations to find compromise between the political groups. They reaffirm the desire for **an ambitious and comprehensive** trade and investment agreement aiming at ambitious market access in trade, services, investment and procurement markets, reduction of non-tariff barriers and enhanced regulatory compatibility across the Atlantic. At the same time, they call for a **balanced approach**, with a list of sensitive products subject to transitional periods, quotas or even exclusion. The hybrid liberalisation approach to trade in services, [adopted by negotiators](#), is taken on board, specifying however that a positive approach should be used for market access, with new services excluded, while a negative approach could be envisaged for national treatment. The draft recommendations require the full respect of established regulatory systems when devising the [Regulatory Cooperation Body](#), stipulating that any direct implementation of the recommendations of such a body would be considered a breach of the EU Treaties. They further ask for the agreement to set a clear **rule-based** framework for trade and investment: calling for compliance with domestic data-protection, environmental, labour and consumer laws, and full recognition and enforcement of Geographical Indications. They call to build further on the compromises achieved: asking for the clear enunciation of states' right to regulate public services in line with the negotiators' [joint statement](#) and an approach to ISDS, based on the Commission's [concept paper](#), with a view to creating a permanent resolution mechanism. One amendment still suggests that EP consent to TTIP could be endangered if the US mass surveillance programme is not abandoned and privacy rights ensured for EU citizens. Finally the text calls for **'engaged dialogue'** on TTIP with Member States and US counterparts, reaffirming the need for **transparency**.