



TTIP for the business community

24 May 2016

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Swedish Enterprise Event, Brussels

Ladies and gentlemen,

It's a pleasure to be here today to discuss the Transatlantic Trade and Investment Partnership.

Now, every day is a good day to talk about TTIP - or that's certainly how it seems when I look at my diary!

But today is a particularly good day as it's the anniversary of the first telegraph message, sent by Samuel Morse on this day in 1844. The telegraph transformed societies on both sides of the Atlantic and was a vital early step in building the transatlantic economy. Since that time, many other technologies have supported the deep economic integration of the United States and European Union.

So have policy choices. In particular, our joint transatlantic leadership in the World Trade Organisation copper-fastened the openness on which today's deep relationship is based.

With TTIP we now have the chance to take the next step, and deliver more jobs and growth for people on both sides of the Atlantic.

Companies are central to that effort.

Businesses are the vehicle that brings the benefits of trade to people.

You supply the goods and services that people want.

And jobs in communities all across the European depend on your international competitiveness.

31 million of them in total depend on the exports companies make outside the EU. And that's an underestimation of the impact of trade, since many more people work in firms that have to import to succeed. 80% of what Europe imports is used by companies to make their products and deliver their services.

So if we want TTIP to work for people across Europe then it's important that it creates opportunities for business.

Today's discussions are part of that effort. And I'd like to thank Svensk Näringsliv for bringing us here.

Before we get to that I'd like to make just a few points.

- First, by giving some examples of the kinds of direct economic benefits that an ambitious TTIP can deliver.
- Second, looking at the broader strategic benefits of this deal.
- And finally, by highlighting the bigger picture - trade like any policy, is not just about economics. It has to be about values too. That's what the debate on TTIP has shown us to clearly. And all sides in the debate, including companies, whose natural focus is on the bottom line, need to understand that fully.

So what are the direct benefits that we can expect from this agreement:

Let me give you three examples of the kinds of trade barriers TTIP will remove and the kinds of real firms who will benefit:

Traditional trade barriers like tariffs are important. For example, there's a small Swedish company called Woolpower based in Östersund. They make socks and underwear. And they face an 18% tariff at the US border. That makes it difficult to compete.

TTIP would get rid of that charge and the vast majority of other US tariffs, whether they are high like this one or more of a nuisance. Because in many businesses, even a five percent tariff can be significant, especially when volumes of trade are high.

Second, public procurement. Let's look a little beyond Sweden here. In Finland there is a company called Efla, based not far from Helsinki. They make lighting equipment that helps planes land safely on airport runways. Their products are certified as safe by the US authorities. But they still can't sell them because US law limits how much states and local

authorities can buy equipment produced outside America. We want TTIP to get rid of public procurement barriers like those.

Third, regulation.

Take Gynius, a medical device company based in Stockholm. They make gynaecological equipment that screens women for early signs of cervical cancer. It's a life-saving product if ever there was one.

It took them a great deal of effort to get their product approved in the US, however. TTIP could have made that easier. That's because we want to make the data that companies have to submit for product approvals more compatible.

Looking beyond Sweden, there's a small pharmaceutical company called Montavit, from Tirol in Austria that says that the high annual fees for double inspections of its facility by EU and US authorities, for compliance with the same rules - make it too expensive for them to do business in the US.

These are just some examples but you get the picture. If we keep working hard and achieve an ambitious TTIP result, it will create many opportunities like these.

The second point I want to make is about the broader strategic value of this agreement. It's not just the transatlantic economy but also the global economy that has become deeply connected. That's why, by the way, TTIP is just one of over 20 agreements with over 60 countries that the EU is working towards right now.

With the continuing advance of communications technology, it's likely that this trend towards global economic integration will continue.

As a result, decisions made by governments and businesses in other parts of the world affect your firms, and the European people that work in them, more and more.

The European Union is one vital way to ensure that we can influence the decisions that affect us. By pooling the strength of 28 countries we have greater weight in the world.

But it's also true that the welcome success of today's emerging economies means that our influence on in the world is likely to decline over time.

TTIP can help because it will help strengthen our ties with the US on some of the key issues we care about when it comes to rules that affect trade.

Both the EU and the US believe in open markets, in the rule of law and in high standards of regulatory protection.

TTIP can help us ensure that those principles are reflected in global standards in the future. That's vital for Europe and certainly vital for European companies.

That brings me to my final point.

TTIP, like all trade policy, is about securing future prosperity. But, again like the rest of trade policy, it doesn't exist in isolation. The European Union is a union of values. And those values must infuse all our decisions.

That's laid down clearly in the treaties, but if it wasn't clear enough there, the public debate on TTIP has made it even more so.

Because the concerns expressed across our continent go exactly to this point. People worry that trade policymakers don't care about wider consequences, beyond the economics.

It's been my goal since I took on this role to make clear that trade policy is certainly about broader values.

- We've made changes to ensure that this is now the most transparent free trade agreement negotiation in the world.
- We've made clear that there will be no lowering of regulatory standards and no undermining of social protections in TTIP or any other trade deal.
- We've embarked on a major reform of the global system of investment protection agreements.
- We've also made clear that trade policy can be a positive force for putting our principles into practice in the world. The ambitious sustainable development chapter we've proposed in TTIP demonstrates this clearly.
- And finally, we've made clear that we will continue to engage with the debate, listen to all points of view, and make further changes if they are justified.

I believe that when we do reach the end of this process, when we have a high quality agreement that creates opportunity and supports our values - and I hope we can do that by the end of the year by the way - people will recognise that.

But if that is to happen, then all those who support such an agreement will need to make a clear cogent case for it. That includes the business community.

So to conclude I'd like to thank you the efforts you are making already to do that - including this event today - and encourage you to keep on working hard!

Thank you very much for your attention.