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EU public consultation on the EU-US High-Level Working Group on Jobs and Growth

Enclosed please find the Danish comments on the EU public consultation on the EU-US High-Level Working Group on Jobs and Growth.

Yours sincerely

Ma uesen Lunde Trade Policy Counsellor

Comments by Denmark on the EU public consultation on the EU-US High-Level Working Group on Jobs and Growth

Denmark welcomes the establishment of the EU-US High-Level Working Group (the Working Group) on Jobs and Growth under the umbrella of the Transatlantic Economic Council at the latest EU-US Summit on 28 November 2011. Trade and investment relations with the US are of strategic importance to the EU and to Denmark and will continue being a cornerstone in our trading profile.

With the objective to strengthen jobs and growth on both sides of the Atlantic combined with the impasse in the DDA negotiations in the WTO, the effort to explore all possibilities for further intensifying transatlantic economic relations is both timely and relevant. Evidently, an ambitious and comprehensive agreement will lead to the biggest economic gain for both parties. At the same time, achieving results in the short run is important for growth and jobs. A negotiating approach should therefore be ambitious and realistic, allowing for concrete results to unfold.

We would also like to stress that any new agreement between the EU and US of a more comprehensive nature should not put into question the overall priority attached to strengthening the multilateral trading system.

We look forward to receiving the recommendations from the Working Group on how to move forward.

Specific Danish priorities in upcoming trade negotiations with the US

Below please find enclosed Danish comments on the content presently being dealt with by the five sub-groups of the Working Group. The list is not exhaustive, and the Danish Government reserves the right to make further comments in the future. However, Denmark has interests within all the areas covered by the sub-groups.

1. Conventional market barriers within industrial goods and agriculture

The US is our fifth biggest export market in **goods** and the largest non-EU market. Already under the existing trade conditions, the possible economic potential in the trade with goods between Denmark and the US is considerable. We see a full elimination of existing tariff as the best way to increase competition and thereby productivity.

The relevant EU-US rules of origin should be as simple, predictable, and legally certain as possible.

transport chain between the EU and the US is maintained and possibly improved. Due to the nature of the shipping industry it is paramount that international rules and standards are applied. However, recent examples of noncompliance with international legislation and unilateral measures can be found in drafted state legislation, particularly relating to environmental regulations. As regards contractual standards, the US approach in implementing the Rotterdam Rules should be welcomed.

Cooperation on efficient customs and port handling of goods also entails great potentials. Concrete steps to achieve mutual recognition of trusted shipper programs as well as harmonizing safety and customs standards across the Atlantic would be of key importance to efficient and increased commerce between the EU and the US.

Specifically with regard to food, agriculture, and fishery products, there are significant challenges for developing transatlantic trade that relate to technical barriers and differing standards (SPS). Any effort to enhance cooperation and trade in this domain should build on and re-affirm the mutual commitment to maintaining a strong dialogue and development of equivalence in standards and inspection requirements.

Welfare technology is an important sector for the EU. However, exports of pharmaceuticals, medical equipment and technology to the US are associated with very costly approvals by the Food and Drug Administration. We suggest addressing this issue in the dialogue.

Large potential for increased growth in trade of consumer products across the Atlantic are naturally connected to **e-commerce.** However, major obstacles for cross border e-commerce between the EU and the US still exist. Consumers today are experiencing a range of problems, e.g. in regards to the geographical segmentation of the retail market for digital commodities (movies, music, etc.), tariffs and burdensome customs procedures on retail goods purchased online, lack of common standards and lack of clarity in regards to consumer protection. The dialogue should therefore explore possibilities for removing obstacles for e-commerce between the EU and the US.

Special challenges lies in the field of telecommunication and roaming, as both EU- and UScitizens experience problems with high roaming charges when travelling between the two regions. The problem has in recent years been addressed internally in the EU where a new regulation will enter into force by July 2012, and in a recent Council Recommendation of the OECD, both EU member states and the US have agreed to take the necessary steps to ensure effective competition, consumer awareness and protection, and a fair price level in international mobile roaming services. The dialogue should address this issue and explore how closer cooperation between the EU and the US could lead to lower charges for international roaming thus benefiting all travellers in the regions, regardless of the purpose of their travel being business or leisure.