



TTIP Round 9 - final day press conference

Comments by EU Chief Negotiator Ignacio Garcia Bercero

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New York, 24 April 2015

Let me start with a few clarifying words about the new Commission proposal on the authorisation of GMO's for food and feed. Firstly, the proposal changes nothing about the role of the Commission in authorising GMOs for food and feed on the basis of a risk assessment undertaken by the European Food Safety Agency. The proposal gives the possibility for Member States to opt out for legitimate reasons unrelated to risks to human and animal health or the environment. The proposal is consistent with our international obligations. Pending the approval of the new legislation, current procedures for the approval of GMOs for food and feed will continue to apply. Indeed, earlier today the Commission approved 19 pending GMO applications.

This week has been dedicated to advancing our work in all three pillars of the negotiations: market access, regulatory cooperation and rules.

Most of the negotiating teams have met this week, with the exception of the services, competition, rules of origin and sustainable development teams. While these teams have not met physically in New York, their technical exchanges have continued via phone or video contacts.

I would like to underline in particular the discussions that we have held this week on regulatory cooperation and rules. These are areas where negotiators have been specifically tasked to make as much progress as possible so as to prepare these areas for a joint political review after summer.

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Trade

Reinforcing **regulatory cooperation** in areas of shared interest and cutting overlapping, unnecessary red-tape, while safeguarding the standards of protection that we deem necessary for our citizens, is expected to bring significant benefits to regulators, businesses and citizens across the Atlantic.

On regulatory issues both sides have dedicated this week an enormous amount of time to detailed discussions, both on horizontal cooperation issues as well as in nine specific sectors (cars, pharmaceuticals, medical devices, cosmetics, engineering, textiles, chemicals, pesticides, ICT). This is a time-consuming and resource-intensive exercise for regulators on both sides but it is a necessary step if we want to achieve real concrete results, and for regulators to have confidence that they can rely on each other systems. This negotiation is also about building trust between our respective regulators.

On horizontal regulatory issues, detailed proposals have been already tabled from both sides in previous rounds. The teams have started this week the difficult work of identifying commonalities between our proposals.

The EU objective on all horizontal chapters (regulatory cooperation, Technical Barriers to Trade and Sanitary and Phytosanitary measures) is to find a practical framework for constructive cooperation between EU and US regulators, while respecting each side's regulatory procedures. Fostering transatlantic regulatory cooperation would help our regulators identify and make use of possibilities for cooperation in a given area if, and only if, there is a shared view that such cooperation would help them achieve their regulatory objectives more efficiently and improve regulatory outcomes for our citizens and companies alike. This in no way cuts across our respective regulatory sovereignty to set the appropriate policy objectives and protection standards.

On sectors, regulators have also continued their detailed discussions aimed at identifying the concrete areas where we could achieve greater regulatory convergence in a number of sectors. Allow me to give a few examples of elements being discussed:

- Pharmaceutical sector regulators have continued their exchanges on the potential recognition of good regulatory practices or on how to cooperate better to facilitate the approval of bio-similars.
- On cars, regulators have continued their detailed discussions on methodology and test cases for equivalence of existing regulations, among others.
- on medical devices experts have exchanged views, among other issues, on the potential mutual recognition of quality management system audits.

We expect that regulators will intensify those technical exchanges in the next months, with a view to define in sufficient details the regulatory outcomes that can be achieved in each of the 9 sectors.

This week we have also stepped up our work in the **rules** area. We consider that an important element of TTIP should be the development of rules, not only to govern our bilateral trade relationship, but also to contribute to global rules and standards in areas such as competition, energy and raw materials or sustainable development, to name a few.

We believe that if under TTIP we are able to construct ambitious outcomes that go beyond what we have done so far in our respective trade agreements both the EU and the US will continue to be significant players in the development of global trade rules in the 21st century. In this context, please let me highlight the work this week in three specific areas:

A significant step forward has been taken this week on energy and raw materials. Our teams have for the first time engaged extensively on all the elements that could be the subject of specific energy and raw materials provisions under this agreement.

Our teams have discussed this week, for example, how TTIP could contribute to ensuring non-discriminatory and transparent third-party access to transport infrastructures of energy goods (pipelines and electricity grids) or examined how to further increase regulatory cooperation in the area of energy efficiency.

While we haven't reached a conclusion about whether a dedicated chapter on energy and raw materials should be included in the agreement, the detailed discussions held this week will contribute to identifying the different common elements that could be part of TTIP and thus help us take a decision on that at a later stage.

Discussions have also continued this week on how SMEs can benefit from the TTIP deal. While SMEs stand to benefit from all the areas that are being discussed in this agreement, negotiators have continued engaging on the concrete benefits that an SME chapter in TTIP could bring to this community.

On the EU side, we released this Monday a report based on a thorough survey of nearly 900 European SMEs, which identifies perceived obstacles to an SME participating in transatlantic trade, and will further inform our approach to the TTIP negotiations across all areas.

What this survey again shows is that we are right to focus on achieving greater regulatory compatibility between us. This week we took discussions further on concrete information tools that both sides could provide to our SMEs communities in a dedicated chapter in this agreement.

In the area of customs and trade facilitation - where we have already a common consolidated text - we are building on the good progress made in previous rounds. Negotiators have also discussed elements that would allow for enhanced cooperation between EU and US customs. Regulators in this area consider issues such as data requirements as an area where TTIP could deliver important benefits for our trader and people, notably SMEs.

Our sustainable development experts continued their discussions via videoconference. As Dan Mullaney indicated, we shared with the US our experiences on how to combat illegal and unregulated fishing. The EU is working towards presenting a text proposal before the summer. We believe that this an area where we should develop an ambitious, state-of-the-art proposal that goes beyond our existing trade agreements and takes on board feedback we have received from our stakeholders. It's also an area where we can cooperate on issues related to third countries as we are

indeed doing on the Bangladesh compact with the common goal of improving working conditions and the respect of labour rights in Bangladesh. The EU and the US issued a joint statement today on the Second Anniversary of the Rana Plaza disaster.

Finally as regards the market access pillar, negotiators deepened their technical discussions aimed at reaching a better understanding on our respective tariff offers as well as on public procurement.

Let me clarify also that our services teams did not meet this week. As you know, Commissioner Malmström and Ambassador Froman reached a common understanding at their meeting on 20 March identifying a path forward for discussions on this area. On that basis, services negotiators are working towards an exchange of revised offers in advance of the next round.

Our revised services offers will also continue to reflect the commitment underlined in the joint statement issued on 20 March as regards public services. TTIP will safeguard the ways that national governments choose to deliver and run the public services the offer to their citizens.

I would like to thank again for the engagement and input of all stakeholders that participated in yesterday's stakeholder event. The ideas and challenges put in all of the presentations feed directly into the work of our negotiating teams.

Let me finish by giving you some perspective on the overall process ahead of us. As you know, earlier this year negotiators received a clear political direction from Commissioner Malmström and Ambassador Froman for these negotiations: to intensify our talks and make as much progress as possible in 2015.

We have proceed on that basis by organising intersessional discussions in a number of areas as well as scheduling three comprehensive negotiating rounds during the first half of the year. We consider this work as an incremental step towards building the different parts of the TTIP agreement.

After the summer period technical discussions will continue on a regular basis and we expect a political stocktaking in the early autumn which will give us the steer for the next phase in the negotiations. Finally, let me use this opportunity to confirm that the next formal negotiating round will take place in Brussels before the summer break.