

In cooperation with:



TTIP: GLOBAL CHALLENGES AND OPPORTUNITIES FOR TRANSATLANTIC ECONOMIC PARTNERSHIP

Rome, July 11th, 2014

Panels' background note

PANEL 1 – REGULATORY DIALOGUE AND CONVERGENCE OF STANDARDS: WAYS TOWARDS STRONGER COOPERATION

Today regulatory divergences are a significant obstacle to a more integrated transatlantic economy. They take the form of different technical regulations, specifications, standards and conformity assessment procedures. Companies have to design and manufacture products in two different ways, with all associated costs: one for the domestic, and one for the transatlantic market.

“Behind-the border-barriers” reduce competitiveness on global markets and delay market entry of innovative products. Our objective must be to eliminate or reduce existing regulatory divergences and prevent new ones from arising in the future. TTIP offers a unique opportunity for doing this.

We should not have the illusion that a one-size-fits-all approach is a realistic option. The exact objective of regulatory cooperation will be different from sector to sector and solutions targeted to solve divergences in specific sectors will need to be identified.

Standards can play a key role in tackling regulatory divergences between the EU and the US and therefore constitute an important element of the TTIP negotiations. Although there are differences between the European and US standardisation systems, it is essential to develop efficient and consistent mechanisms to facilitate transatlantic cooperation on standards-related matters.

Questions:

- * *How can TTIP help reduce regulatory differences in specific industrial sectors?*
- * *What mechanisms can be developed that would facilitate efficient and consistent transatlantic cooperation on standards-related matters?*
- * *What practices should be established on both sides of the Atlantic to prevent distortion in market access opportunities?*

PANEL 2 - ENSURING A BETTER MARKET ACCESS FOR SMEs: WHAT CAN A TRANSATLANTIC DEAL DELIVER?

TTIP is essentially about unleashing the market potential for companies that are today not present on the transatlantic marketplace and small and medium sized enterprises (SMEs) are the backbone of EU and US economies. To reflect this reality, TTIP will include a specific chapter on SMEs with specific provisions aimed at helping them taking better advantage of the agreement. Small businesses stand to gain the most from TTIP.

Although industrial tariffs are low on average, in the US there are tariffs peaks in several sectors where SMEs are the most active, ranging from textile to processed food. High tariffs hamper EU exports and represent a real obstacle to market access for small businesses.

Other areas should also be tackled in TTIP to ensure SMEs can take advantage of the agreement. Today, transaction costs for small and medium sized companies who want to trade across the Atlantic are prohibitively large. Regulatory divergences leave SMEs with onerous administrative burdens that are proportionally higher for them than for larger businesses. These burdens discourage them from effectively engaging in transatlantic trade.

Questions:

- * How could TTIP have a positive impact in allowing small companies to explore new business opportunities across the Atlantic for the first time?*
- * What areas should the SMEs-specific chapter tackle?*
- * Is a chapter dedicated to SMEs the best approach to address small businesses' concerns?*

PANEL 3 - GRANTING NON-DISCRIMINATORY ACCESS TO PUBLIC PROCUREMENT

Public procurement offers significant opportunities to European companies exporting to or producing in the United States. Regrettably, EU businesses face a lack of reciprocity and we are witnessing a worrying trend of proliferation of restrictions that cover a wide variety of sectors and substantially affect European companies' interests in the US.

"Buy America" provisions and local content requirements contradict the spirit of increased cooperation between the EU and the US and may hamper the attempt of creating a truly transatlantic market place. Procedural requirements and the non-transparent implementation of provisions also create legal uncertainty for EU companies.

TTIP should be a means to step up efforts towards the removal of all "buy local" restrictions at a federal or a state-level and towards the application of fair, transparent, non-discriminatory principles and predictable procedures.

Questions:

- * What are the most significant obstacles companies are facing when trying to access the transatlantic public procurement market?*
- * What concrete measures would have an impact in substantially improving market access conditions to US public procurement markets?*
- * How to ensure that TTIP will improve market access in public procurement both at federal and state levels?*