

Opening Remarks by U.S. and EU Chief Negotiators for T-TIP Round Seven Press Conference

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As Delivered

Opening Remarks by Dan Mullaney, United States T-TIP Chief Negotiator

“Thank you very much, Trevor, and thank you all for joining us here this morning. We’ve had a positive and constructive seventh round of negotiations for the TTIP this week, and I do want to thank Ignacio and his team for joining us this week here in Washington for this productive week.

“Lead negotiators in most of the groups met and took on the important but arduous task of analyzing the increasing number of proposals that are now on the table. As I said at the end of the last round of July – in July, we’re at the phase of the negotiation in which our teams have progressed from discussing general approaches in the agreement to the spade work of reviewing the many proposals and text language that each side has put on the table.

“In an agreement of this importance and magnitude, these proposals are in many cases long and complex and require many hours of detailed and difficult discussion and analysis. This is not the kind of work that’s particularly exciting, but it is the kind of work that is absolutely necessary to build a firm foundation for the ambitious and comprehensive agreement that we have undertaken, while continuing to take into account the interests of the public. Accomplishing these goals takes time and effort.

“Our end goal is to unlock opportunities for jobs supporting trade and investment by eliminating tariffs between us and by removing non-tariff obstacles to trade and investment while maintaining our high shared – our shared values and our high standards, and this is what we have been doing this week.

“What we are working toward in the services area, for instance, is a trade agreement that creates more opportunities for U.S. and EU companies to provide and expand services across the Atlantic and around the world, services that not only support high-tech jobs where U.S. and EU companies excel, but that can also improve the lives of our citizens. And to do that, our negotiators have first to examine, discuss, and understand in detail the literally hundreds of pages of proposed commitments in the services area that each side has proposed. During the last round, our negotiators were able to discuss approximately 15 percent of the proposed EU services offer. After this week, negotiators are now more than halfway.

“We want this agreement to be ambitious and comprehensive, particularly in the area of the modern digital economy, an area comparatively new to trade. This week we also discussed proposed agreement language in the area of regulations and standards, both for industrial products and for agricultural products. Our end goal is to avoid unnecessary costs or burden that can arise due to differences in regulations and standards on either side of the Atlantic, and we are doing this in a way that maintains our high levels of protection for consumers, for health and safety, for the environment, and for labor rights.

“Our lead negotiators have discussed proposed text language in areas of what we call regulatory coherence -- that is, transparency, input, accountability -- as well as in the area of technical regulations and food safety regulations. If regulators on one side of the Atlantic can agree to rely on or accept inspections performed by the other side for medical devices, for instance, or for pharmaceuticals, regulators benefit because their resources will stretch further, companies benefit because they don’t have to undergo several duplicative tests for their products, and consumers benefit through the opportunity to have lower prices, increased availability of products, and more efficient regulatory oversight.

“Our negotiators examined numerous proposals from both sides on how this might be accomplished in these negotiations across the board in all regulatory areas and in specific sectors. Our negotiators also

worked on ways to facilitate the ability of small and medium-sized enterprises, SMEs, to export and invest abroad, and to participate in global supply chains. This work has not just taken place at the negotiating table. We have engaged directly with small and medium-sized businesses on both sides of the Atlantic to hear directly how the TTIP can help solve the problems that they face doing business across the Atlantic and to unlock new job-creating trade opportunities.

“And because SMEs can’t always make it to Washington or to Brussels, our negotiators have been going to them. We’ve met with small business centers in Great Vine, Texas; bioscience and engineering SMEs in Kansas City; and auto part, chemicals, customs and logistics, and videogame software development SMEs in Katowice, Poland, Leipzig, Germany, and Wolkersdorf, Austria, many of whom partner with and buy from U.S. suppliers, many of whom are small and medium-sized enterprises. And just this past Tuesday, right after their negotiating session ended, our negotiators left for an SME assembly hosted by the European Commission in Naples, Italy.

“With small business, as in the case of all areas, we are identifying the specific and practical tools that will help them take advantage of the market access opportunities under TTIP, whether by reducing red tape and delays at the border or addressing charges and taxes that can burden exporting, or make it easier for businesses of all sides to comply with local product regulations, our negotiators are working hard to ensure that whatever we do in TTIP creates advantages for our small and medium-sized employers, and directly addresses the concerns that they have raised with us.

“Ultimately, of course, as this painstaking work of building a foundation for an agreement is completed, we will need to make a high-level push to achieve the comprehensive and ambitious results that we are now working to support. That will require a shared commitment at the highest levels on both sides of the Atlantic to move forward quickly. We look forward to reinvigorating this effort after the new commission in the EU takes office.

“I mentioned at the outset that our negotiators have been able this week to exchange views with a wide range of U.S. and EU public. In fact, we heard from and exchanged views with over 300 stakeholder representatives over the course of several hours on Wednesday when all of our negotiators took a break from the negotiations to sit with and exchange views with stakeholders. These stakeholder sessions have, in fact, guided our negotiators. For instance, we heard the concern that our negotiations should not require privatization of public services such as water utilities, education, national healthcare, and that they not limit the ability of governments to regulate those services as they see fit; for example, to protect consumers, the environment, and health and safety. So we welcome the opportunity to confirm that the United States does include such provisions in its trade agreements and will not do so in this negotiation.

“We also heard from several presenters on Wednesday the concern about harmonization and mutual recognition in sectors where the regulatory systems are very different, for instance in the area of chemicals. This is a good example of the need for the detailed discussions and analysis that our negotiators and regulators have been having this week. There are many ways that negotiators and regulators can do – many things that our negotiators and regulators can do other than harmonization or mutual recognition to reduce costs to consumers and business and help regulators on both sides do their jobs better.

“So let me be clear. Our negotiators and regulators are not discussing how to harmonize or mutually recognize our chemical regulatory regimes. Period. They are discussing how regulators on both sides can avoid unnecessary duplication of effort and cost by sharing the work of assessing priority chemicals. This allows the U.S. and EU negotiators to do their jobs more efficiently, freeing up their resources for places where the need is greater. This translates into benefits for consumers, benefits for regulators, and benefits for companies. We are engaging in these conversations with stakeholders because we are committed to an agreement that not only advances our economic interest, but also reflects our values and has the support of our public, and this requires that we be open and attentive to the views of that public.

“Thank you very much for your attention, and I’ll be happy to answer any questions after I turn the floor over to Ignacio.”

***Opening Remarks by Ignacio Garcia-Bercero,
European Union T-TIP Chief Negotiator***

“Well, first of all, I would like to thank very much Dan and all the members of his team for having organized this round in Washington as it has been an excellent organization. And I think that we have had during this week very productive discussions. As Dan has already said, we have been moving smoothly towards the textual phase of the negotiations in which in most areas there are already texts on the table. In a number of areas, there are already consolidated texts that bring together the proposals of the United States and of the European Union.

“During this round, a lot of the focus has been on the regulatory pillar of the future agreement. This includes horizontal disciplines on issues such as technical regulations, the standards, conformity assessment, sanitary and phytosanitary measures, and the issue of regulatory coherence which is a very broad topic, as well as concrete work on sectors which we have been identifying in previous rounds, such as pharmaceuticals, cars, chemicals, or engineering. As regards to the horizontal disciplines, we are now fully engaged in discussions based on textual proposals.

“An important challenge is going to be to establish a strong framework for cooperation that allows European and U.S. regulators to tackle new regulatory challenges based on high levels of protection. On sectors, the technical work is making a steady progress with a view to identify concrete outcomes in each of the sectors that save unnecessary red tape while fully respecting the mandates of our regulators. This work is indeed very much guided by the regulators themselves. We have again very actively participated in all the sectorial discussions.

“As you know, we consider the regulatory pillar of TTIP as the one which has the potential to deliver the most benefits, but it is also the most challenging because of its technicality and because it is also the one which requires more innovative thinking. Despite this, I believe that we are making good progress.

“Let me recall three key considerations for our negotiations on the regulatory pillar of TTIP. Firstly, there is an unequivocal and firm commitment nothing will be done which could lower or endanger the protection of the environment, health, safety, consumers, data privacy, or indeed any other public policy goal pursued by the European Union or the United States in the regulation. And as confirmed by Commissioner-designate Malmstrom in the European parliament hearing this Monday, decision making on regulations will remain under the existing democratic controls.

“Secondly, enhanced regulatory cooperation is essential if the European Union and United States wish to play a leading role in promoting the development of international regulations and standards based on a high level of protection. Therefore, the regulatory agenda is not just purely bilateral but has also an important strategic dimension.

“Thirdly, TTIP should deliver concrete results in terms of enhanced regulatory compatibility. In addition to the work on regulatory aspects, we also discussed some elements of the rules pillar of the agreement. We focused this week primarily on energy and raw materials, customs and trade facilitation, intellectual property, and SMEs, an area where I think both United States and the European Union share a very strong commitment to ensure that this agreement delivers a maximum of benefits for the small and medium enterprises.

“And we also discussed services. As you know, on services both the United States and the European Union have introduced before the summer their respective market access offer. As you can probably imagine, services offers are highly complex and very technical. Our negotiators devoted largely all of the week to explaining to each other in great detail all the elements of those offers. This is a key step in every negotiation as we would not be able to make further progress until each side has understood the scope of what the other has put on the table.

“I wish in this connection to stress that our approach to services negotiations excludes any commitment on public services, and the governments remain at any time, free to decide that certain services should be provided by the public sector. Also, Dan has given strong assurances on the issue of public services. We understand that this is often an issue of concern and we have had quite a few opportunities to discuss this issue with the stakeholders, particularly trade unions.

“I must therefore also highlight the importance of the stakeholder event which we held this Wednesday. I very much welcome the opportunity that is given to negotiators to spend one full day engaging and exchanging views with representatives of civil society. We have organized these dedicated sessions in every round, and this time again we had very good participation. Our engagement with the stakeholders sends a clear message to negotiators on both sides of the Atlantic. We all work on behalf and for our citizens. We need therefore to listen to their ideas and respond to their concerns.

“But we also have the duty to explain the facts and the approach that we are taking. Our dialogue must therefore be open to all, continuous, and in two directions throughout the negotiating process. This is the only way to ensure that the final agreement responds to the high ambitions of our leaders and also reflects the expectations of our citizens. I can assure you that Commissioner-designate Malmstrom is fully committed to engage in dialogue with civil society, and she made this point very clearly in her hearing before the European Parliament this Monday.

“Finally, I understand that you will also have questions on how the broader political context is impacting the dynamics of the TTIP negotiations. On the European side, as you know, President-elect Juncker highlighted TTIP as one of the ten priorities for the next commission. TTIP will therefore continue to have the strong political support of the new Commission. Under the new Commission, we will continue working towards achieving an ambitious agreement. We will not compromise on the protection of the environment, health, safety, consumers, data privacy, or any other public policy goal. We will do nothing that puts into question the right of governments to regulate. We continue therefore to be fully committed to these negotiations. And it is in this spirit that we have engaged this week in Washington so that we can make as much progress as possible to achieve this comprehensive and innovative trade agreement.

“Thank you very much, and of course we will now very much welcome your questions.”

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