

# The Impact of TTIP on the Internal Market

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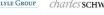
























## We champion Transatlantic trade & investments

- America's biggest trade and investment partner (USA investment position in Europe is 16 times higher than in Brazil, Russia, India and China combined)
- World's largest trading relationship
- Companies of American parentage employ about 4.1 million people in Europe
- But importance of the EU and the US in the global marketplace is being eroded – GDP growth, investment levels, employment



## **Regulatory Coherence in TTIP:**

"A unique opportunity to create a institutional mechanism of Transatlantic cooperation to reduce and/or eliminate unnecessary regulatory divergences between the EU and the US"



### **Regulatory Coherence**

- ✓ Unnecessary divergences: not about de-regulation, nor about lowering or increasing standards and/or levels of protection, but elimination of differences between <u>modalities of implementing</u> <u>similar or equivalent standards of protection</u>
- ✓ Certifications, Licenses, Market Authorizations/Approvals, Technical Specifications, Testing/Inspections/Audit procedures
- ✓ EU/US Agreement on Cooperation on Regulation in Civil Aviation Safety (airworthiness certifications)
- ✓ Differences exist either because of historic way of doing things, or because of intentional narrow economic nationalism and/or trade protectionism

### **Regulatory Coherence**



- ✓ Complex and complicated, and time is of the essence: mechanism with political oversight and accountability to enforce <u>common regulatory principles</u> <u>and best practices</u> – outcome driven
- ✓ "Approved once, accepted elsewhere"
- ✓ Transatlantic impact assessments
- ✓ Stakeholder consultation and transparency at early stages of process.
- ✓ Examination of rules to determine whether there is equivalence in outcomes
- ✓ Need common EU approaches to be able to agree on common approach with US

TTIP makes the case for a deep and comprehensive European Single Market even more compelling



#### **PUBLIC PROCUREMENT**

- ✓ Important to eliminate limitations and restrictions on both sides of the Atlantic (e.g. "Buy America" provisions)
- ✓ Important to focus on economic realities, not only de-iure restrictions (bad proxies) eg. WTO GPA, EU can exclude US firms in services at subcentral level, EU can exclude US firms in goods & services for utilities (not electricity)
- ✓ New Directive 2014/24 welcome improvements but investors struggle mostly with 'sophisticated' violations: (i) tailoring technical specifications for a favoured bidder, (ii) splitting up public tenders in smaller bids to avoid competitive tenders, (iii) excessive reliance on lowest price



## Thank you for your attention

## **Questions and answers**

