

The Impact of TTIP on the Internal Market

Hendrik Bourgeois
President AmChamEU

17 March 2014

A large, stylized golden eagle is positioned in the bottom left corner of the slide, with its wings spread out towards the center.



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 modalities of implementing similar or equivalent standards of protection
- ✓ 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 common regulatory principles and best practices – 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 sub-central 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

