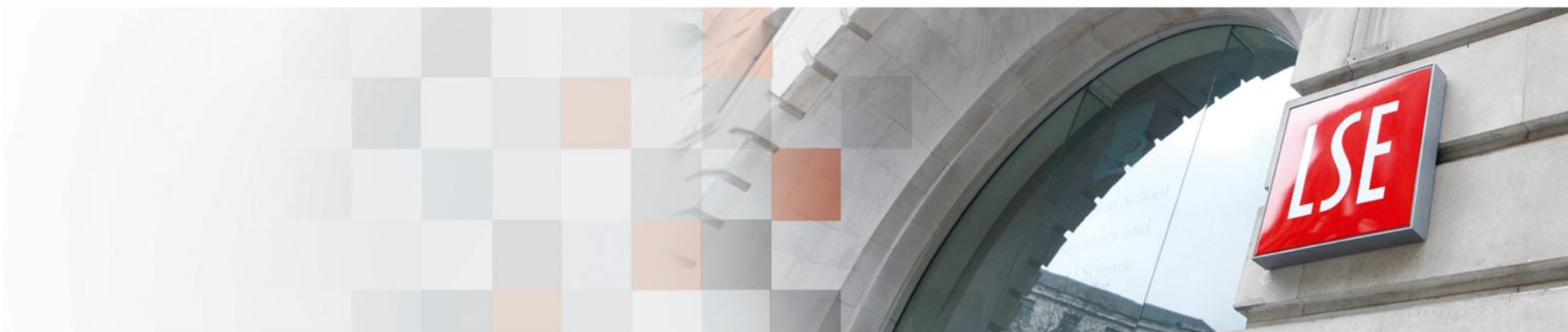


TTIP: Challenges & Opportunities for Consumer Protection

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The Analysis

Objective & Main Finding



Objective

- Examine options for regulatory cooperation within TTIP
- Assess implications for consumer protection and EP's regulatory sovereignty

Main Findings

- EP's regulatory powers will not be affected by TTIP
- EP will need to ensure that its priorities shape the regulatory cooperation agenda
- Different institutional processes and regulatory philosophies pose challenges

Context

Regulatory Cooperation



- Gains from increased regulatory cooperation generally outweigh further tariff reductions
- Numerous attempts but disappointing results (especially with regards to mutual recognition)
- Largely due to
 - Difficulty in reconciling a difference in regulatory philosophies
 - Lack of consistent political support for detailed regulatory work
 - Reluctance of legislators ceding any regulatory autonomy (particularly the US)

Regulatory Cooperation

Options



The Commission's approach includes three options for dealing with regulatory cooperation:

1. Intensified exchange of information,
2. Equivalence/mutual recognition, and
3. Harmonisation/simplification

Regulatory Cooperation

Process



- TTIP will be a 'living agreement'
 - Solutions won't be found in the adoption of the agreement but consistent efforts of promoting regulatory cooperation
- Goal: Establish procedures for regulatory cooperation that can achieve this
- Need for accountable institutional framework (reference to EC textual proposal)

Consumer Protection

Opportunities



- Reduced costs and more competitive markets
- Shaping international trade rules and standards
- Increase consumer welfare
- Momentum for continued EU reform

Consumer Protection

Challenges



- Dealing with differences in regulatory philosophies and practices
- Selecting the best option for regulatory cooperation and identifying suitable priorities
- Getting the process right
- Safeguarding regulatory sovereignty

Consumer Protection

Case Study: Automotive Sector



- EU's automotive sector stands to benefit significantly
- Different regulations, but similar level of safety
- Mutual Recognition
- EU-US cooperation to promote the adoption of common international standards (Global Technical Regulations)

Consumer Protection

Case Study: ICT



- Consumers benefit from cooperation on e-labelling, e-accessibility and ICT certification
- Sensitive area: data privacy measures (not being negotiated in TTIP)
- The US is in favour of negotiating data localisation measures
- CETA provides possible model (i.e. respect int'l standards)

Conclusion

Main Finding & Future Prospects



- EP regulatory sovereignty is unlikely to be affected by TTIP
- TTIP will be a 'living agreement'
 - Proposed Regulatory Cooperation Body select the different options for regulatory cooperation
- Role of the EP
 - Deal with any action requiring legislative change,
 - Ensure that the RCB is transparent, and
 - Scrutinise the Annual Regulatory Cooperation Programme's priorities